Performance and Accountability: A Case of Bhutanese Civil Service

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Abstract

There has been substantial research undertaken on the performance management system (PMS) and accountability. Despite a recent increase in the literature on PMS and accountability, far less research has been carried out on the impact of the PMS in strengthening accountability in Bhutanese civil service. As a result, critical gaps exist between PMS and actual practice in strengthening the accountability of Bhutanese civil servants in the field. To fill this gap, this study set out to examine the impact of the PMS in strengthening accountability in the Bhutanese civil service. This study uses interviews and content analysis of the annual reports to answer the research questions. Results showed that agencies introduced various systems to strengthen accountability, such as accountability initiatives, performance-based accountability, and effective disciplinary regime. However, interview data indicated that the current PMS failed to strengthen accountability in the Bhutanese civil service. A possible explanation for these results may be the lack of fair and reasonable measurement tools, the priority level of accountability, and supervisor accountability. Policy recommendations for strengthening accountability and suggestions for future research are provided.

Keywords: performance management system; accountability; Bhutanese civil service

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Introduction

More recently, there has been growing interest in civil service reform by implementing a performance management system (PMS) as a tool to enhance accountability (Lewis, 2011; Moynihan & Ingraham, 2003; Park & Kim, 2015). Despite a recent increase in the literature on PMS and accountability, far less research has been carried out on the effectiveness of the PMS in strengthening accountability in the public service (notable exceptions include Arun et al., 2021; Askim et al., 2015; Shahan et al., 2021; Shelton et al., 2013). Instead, most of the research has focused on reforming civil service by implementing new PMS to address accountability issues. To date, there has been little empirical evidence that investigated the efficacy of the PMS in addressing accountability issues. As a result, critical gaps exist between PMS and actual practice in strengthening accountability in the field.

Additionally, PMS plays a significant role in addressing the issue of accountability in the Bhutanese civil service. However, there have been no attempts to examine the effectiveness of PMS in addressing the accountability problems in Bhutan. Moreover, a national integrity assessment conducted by the Anti-Corruption Commission of Bhutan [ACC] (2020) found that civil servants and leadership accountability scored low indicating a need for strengthening accountability in organizations. In another study, ACC (2016) found that there is misplaced compassion, absence of integrity role, and weak enforcement in human resource management. Thus, a study recommends improving accountability in the human resource management processes in civil service. More research is needed, however, to understand how effective is the PMS specifically Managing for Excellence (MaX) in addressing accountability issues in Bhutanese civil service.

To fill this gap, this study set out to examine the impact of the PMS to enhance accountability in the Bhutanese civil service. This study uses interviews and content analysis of the annual reports to answer the research questions. This study provides new insights and fills a gap in the research on accountability

in Bhutan. Therefore, this research seeks to address the following questions:

1. How do institutions and agencies enhance accountability in the Bhutanese civil service?

2. How effective is the PMS in strengthening accountability in the Bhutanese civil service?

Literature review

Accountability and Performance Management System

Numerous terms are used to describe accountability in education, civil service, politics, and society. However, the most common of which is described by Mulgan (2000) as 'ever-expanding, chameleon-like and complex, accountability began as a term to describe being called to account for one's actions and has since been expanded to cover a range of activities, relationships, and behaviors' (p. 555). Likewise, the International Federation of Accountants [IFAC] (2010) defined accountability as a 'process whereby public sector entities, and the individuals within them, are responsible for their decisions and actions, including their stewardship of public funds and all aspects of performance, and submit themselves to appropriate external scrutiny' (p. 12). While a variety of definitions of accountability has been suggested, this study will use the definition provided by the Civil Service Act of Bhutan (CSAB). The CSAB defines accountability as '[a] civil servant is responsible for his/her decisions and actions and must be accountable to whatever scrutiny is appropriate to his/her office as prescribed by law and the BCSR' (RCSC, 2010, p.4). The definitions provided so far captured several important features of accountability, such as action, responsibility, and performance. Therefore, a generally accepted definition of accountability is challenging because accountability is a rather nebulous term. Next, how a PMS is employed to strengthen accountability in the Bhutanese civil service will be discussed.

In Bhutanese civil service, accountability is mostly evaluated based on the performance of the given tasks or activities annually through an individual work plan (IWP). To illustrate further, PMS was introduced by the Royal Civil Service Commission (RCSC) with an objective to strengthen accountability (see RCSC, 2018a for a review). However, realizing accountability through the PMS is rather questionable. The PMS uses two forms namely work planning and review form; and summative form. To briefly explain the implementation of the performance assessment, the employee and the supervisor set specific targets to achieve, and in addition to those targets, they must identify relevant competencies to achieve targets. The targets are set for six months according to the annual work plan. The evaluation and review of the performance output are conducted after six months. However, the PMS has not escaped criticism from governments, agencies, and civil servants. A major problem with the PMS is that most of the civil servants were rated in an outstanding category. Another added problem was the limited involvement of staff in planning and during evaluation. Due to the abovementioned problems, RCSC introduced a new PMS popularly known as MaX in February 2017. The RCSC claimed that the MaX system differs greatly from the earlier system in many ways and this system could help in realizations of core objectives of the PMS. The MaX was introduced to realize the core objective of the PMS which is to 'strengthen accountability and alignment to the organizational and national objectives' (RCSC, 2018, p. 269). According to the manual for MaX (see RCSC, 2018b, for more detail), the main objectives are: to align individual performance targets with the organization's strategic objectives; to ensure organizational effectiveness by cascading institutional accountabilities to the various levels of the organization's hierarchy; and to enhance agency's overall performance by differentiating performer from non-performer. However, further research is needed to better understand the efficacy of the implementation of MaX in strengthening accountability. This will give us a clearer picture of MaX system implementation, challenges, and opportunities.

Numerous studies have attempted to investigate whether the PMS has been successful in enhancing accountability (e.g., Arun et al., 2021; Shahan et al., 2021; Taylor et al., 2021). To determine whether the performance assessment has been successful in strengthening accountability. Shahan et al. (2021) carried out a study on Bangladesh's government agencies. The study employed in-depth interviews with 42 civil servants. Results revealed that the new performance-based assessment was successful in enhancing accountability but the study did not find at what level the accountability was enhanced. In another study, Taylor et al. (2021) conducted a study to find the efficacy of a PMS on public servants' accountability. The data collection instruments employed were documents and interviews. The result indicated that using different PMS affected public servants' accountability. In the same vein, Arun et al. (2021) investigated the challenges associated with the institutionalization of learning accountability in the public sector in Kerala. The study revealed that imposing accountability changes on public officials, such as the PMS, will be ineffective unless learning responsibility is prioritized. All the studies reviewed here support the claim that implementing a PMS could enhance accountability in the public service.

Methods

The present study employs qualitative data collection methods using in-depth interviews and content analysis. Qualitative methods were chosen since they offer an effective way to study phenomena under investigation. On one hand, in-depth interviews were carried out to seek civil servants' opinions and attitudes toward accountability in Bhutanese civil service. On other hand, content analysis was carried out to find whether agencies like the RCSC, ACC, and Royal Audit Authority (RAA) use the opportunity to educate and communicate with the public on accountability in their annual reports.

Content analysis

A content analysis was adopted to obtain further in-depth information on the accountability in the annual reports of ACC (ACC, 2021), RCSC (RCSC, 2021), and RAA (RAA, 2021). According to Stemler (2001), content analysis has widespread popularity in analyzing a large number of data with ease in a systematic way. A content analysis of a agencies' annual report involved the extraction of a checklist of the significant items of information about performance indicators and accountability. The content analysis involves the process of analyzing each agency's annual report by searching specifically for accountability. For the content analysis, annual reports of the RCSC, ACC, and RAA are chosen. These agencies were chosen specifically because they are among the most important agencies of the Bhutanese government that promotes and ensure transparency, accountability, and integrity amongst Bhutanese civil servants.

Interview

According to Burgess (2003), interviews have widespread popularity because interview gives 'the opportunity for the researcher to probe deeply to uncover new clues, open up new dimensions of a problem, and to secure vivid, accurate inclusive accounts that are based on personal experience' (p. 107). Moreover, Yin (2003) identifies several advantages of the interview, for example, it can help to obtain targeted information on the studied topic and insightful information by providing causal inference. This research aims to uncover ideas, attitudes, and reflections on the aspects of accountability, particularly the accountability related to PMS. An interview was carried out to examine the effectiveness of the PMS in strengthening accountability in the Bhutanese civil service. The interviews were semi-structured with nine questions. The first two questions were asked to collect participants' background information and other questions to collect information on the PMS and the accountability. The participants were recruited voluntarily. In total, 22 civil servants were interviewed across 13 departments (see Table 1).

The interview lasted for thirty minutes depending on the detail provided by the respondents.

Table 1. *Participants' background information*

Ministry/Department	Position title	Position level
Department of Macroeconomic Affairs	Sr. Program Officer	P3
Ministry of Finance	Asst. Finance Officer	P3
Department of Regional Organization	Desk Officer	P4
Centre for Bhutan & GNH Studies	Dy. Chief ICT Officer	P2
Department of Cottage and Small Industry	Industries Officer	P4
Royal Audit Authority	Asst. Audit Officer	P5
Bhutan Narcotics Control Authority	Asst. Program Officer	P5
Ministry of Finance	Assistant Collector	P5
Dzongkhag Engineering and Human settlement sector	Urban planner	P4
Ministry of Agriculture and Forest	Livestock Officer	P4
Ministry of Home and Cultural Affairs	Asst. Program Officer	P5
Ministry of Education	Sr. Program Officer	P3
Anti-Corruption Commission	Dy. Chief IPO	P2
Anti-Corruption Commission	Sr. Integrity Officer	P3
Anti-Corruption Commission	Dy. Chief Finance Officer	P2
Ministry of Economic Affairs	Industries Officer	P4
Ministry of Health	Sr. Drungtsho	P3
Ministry of Agriculture and Forest	Sr. Livestock Officer	P3
Centre for Bhutan & GNH Studies	Researcher	P4
Anti-Corruption Commission	Asst. Research Officer	P5
Anti-Corruption Commission	Research officer	P4
Centre for Bhutan & GNH Studies	Research Officer	P4

Data analysis

Data collected from the interview and annual reports were analyzed qualitatively. Annual reports were analyzed using content analysis and interview data were analyzed thematically.

Results

Research question one examines how institutions and agencies enhance accountability in the Bhutanese civil service. To investigate this question, annual reports of three constitutional offices were analyzed in detail. Important categories that emerged from the content analysis are accountability initiative, performance-based accountability, and effective disciplinary regime.

Accountability initiative

A content analysis of the agencies' annual reports found that few agencies have initiated accountability through various PMS, for example, development and accountability framework. According to RCSC's annual report, one of the notable initiatives under the leadership development and management program was the Senior Civil Service Development and Accountability Framework (SCSDAF):

> An effective system requires that those responsible for policy-making, implementation, and public expenditure are held accountable for their actions and performance. Therefore, to complement current systems, SCSDAF aims to establish clear expectations for sound management practices and performance, and at the same time provide avenues to continuously work towards self-development (RCSC, 2021, p. 42).

Performance-based accountability

Performance-based accountability was another initiative of RCSC to strengthen accountability in the Bhutanese civil service. However, the existing PMS cannot provide an overall performance landscape of civil servants in terms of strengths

and weaknesses. Therefore, RCSC plans to strengthen and expand the PMS as an accountability tool by proposing a support function assessment (SuFA):

> From the review of literature and surveys that assess public and civil service effectiveness, the current agency assessments do not evaluate the 'Mission support' functions and organizational culture contours which are key characteristics of high-performing organizations and underpin the effectiveness of all agencies. To address this, the RCSC is proposing a Support Function Assessment (SuFA) (RCSC, 2021, p. 26).

Effective discipline regime

The most obvious finding to emerge from the content analysis was that most of the complaints received by the ACC were administrative complaints related to abuse of function by the public servants. The findings of the ACC complaint analysis indicated that:

> Complaints on Abuse of Functions have been consistently on the rise over the years and this trend clearly indicates the need to enhance ethics, integrity, and professionalism of public servants, particularly the standards of integrity in leadership positions (ACC, 2021, p. 43)

In addition, the ACC's (2021) annual report revealed that most of the actions taken by the agencies are either inconsistent or deemed baseless. For example, the highest penalty was a reprimand. Likewise, the RCSC (2021) has taken administrative action against 23 civil servants and one prosecuted before the court of law.

Moreover, RCSC wants to strengthen the PMS by introducing a reward and recognition system to motivate civil servants to work with the highest accountability. It could also drive

integrity and ethics amongst civil servants. As per the RCSC's annual report:

> With the introduction of the Managing for Excellence (MaX) system and the moderation exercise, we now have sufficient performance-related data to initiate a Reward and Recognition system. Beginning modest, we expect to scale up to more categories of reward and recognition in the coming years (RCSC, 2021, p. 27).

Taken together, these results provide important insights into how agencies enhance accountability in the Bhutanese civil service through various initiatives and sharing information related to accountability through annual reports to the public. The second research question addressed how effective is the PMS in strengthening accountability in the Bhutanese civil service. The interview data collected from 22 participants were analyzed thematically. The important theme to emerge from the interview was the ineffectiveness of PMS in addressing accountability in Bhutanese civil service.

Ineffectiveness of PMS in addressing accountability in Bhutanese civil service

The purpose of the interview was to investigate whether the PMS (for example, MaX) initiated by RCSC was able to strengthen accountability in terms of organizational, supervisor, and public accountability. The majority of those who were interviewed felt that the current PMS is ineffective in enhancing or strengthening accountability in Bhutanese civil service. When interviewees were asked how management uses performance appraisal findings to increase organizational accountability, most of the respondents reported that performance appraisal's ineffectiveness in strengthening organizational accountability. One interviewee argued that:

> The accountability is fixed mostly based on the outcome of an individual task or activities assigned to the concerned official. Overall accountability of an individual is not specifically mentioned in the performance

appraisals, except for those tasks, which can be practically performable are mostly mentioned and rated accordingly.

However, in one case, the participant believed that performance appraisal is effective in strengthening accountability but proper follow up and constant monitoring must be there:

> The performance appraisal of an agency in the form of an annual performance target is cascaded down to respective departments, divisions, and ultimately to the individual employee. Towards the end of the evaluation, if the target is not achieved, the concerned department and division's score is affected. This will lead to a poor rating of the responsible employee. In that way, the performance appraisal if implemented without any compromises can improve organizational accountability. However, I feel that many agencies do not follow through till individual employees fix accountability.

Most importantly, when the participants were asked whether the current PMS is effective in addressing accountability problems in the Bhutanese civil service, the majority commented that the present PMS is ineffective in addressing accountability issues in the Bhutanese civil service. For example, one interviewee said:

> The current system is redundant and should be replaced since the system hardly detects any underperformer. The scores awarded often place the agency in an outstanding category when much is left to be achieved or no fruitful results are achieved which could benefit the public. Furthermore, the scores are always subject to change owing to the different reasonings provided by higher authorities when a success indicator is not achieved which adds to precedence being set that could prompt

the others to do the same when failing to achieve their task.

And another commented:

> While in theory and concept, the MAX system can have the accountability issues addressed, it is the practical implementation of the MAX system that is not taking care of the accountability. The MAX implementation by ministries and agencies varies, and there is no uniformity in the Civil Services.

These results suggest that majority of the respondents disagree with the statement that the PMS enhances accountability in the Bhutanese civil service. The overwhelming majority of the interviewee(s) commented that inconsistency in implementation, unfair rating, lack of recognition and to name a few are some of the possible reasons why PMS was ineffective in addressing accountability.

An important issue that emerged from the interviews was that there is a lack of priority placed on accountability by the current PMS. It was suggested that the present PMS placed more importance on the completion of activities, attainment of success indicators, and target setting. As one interviewee put it:

> Not exactly because I have not experienced any of the accountability issues discussed, rather mostly focused on the completion of activities framed during the departmental annual plan.

Another informant reported that:

> No. While there is potential, the current PMS has become just another formality that has replaced the old annual promotion system.

The participants on the whole argued that the PMS is not a fair and reasonable measurement tool to enhance accountability. A common view amongst interviewees was that the PMS was more of trial and error, and the intention and working of the system are not meant for enhancing accountability. One participant commented:

> I do not think the current system is fair. In our case, as I have mentioned earlier, we have the same individual work plan of the entire team. In a team, there are usually three to four members. All of us share the same work description when in reality some of us have to do more while others are simply riding on others' work.

Another interviewee said:

> For the PMS to work, everyone across the levels must understand and appreciate the intention and working of the system. Proper training for the civil servants, the managers, and the executives could be imparted and a robust monitoring system should be institutionalized.

Taken together, the majority of those who were interviewed felt that the current PMS is ineffective in enhancing or strengthening accountability in Bhutanese civil service. Therefore, this study has shown the current PMS ineffectiveness in strengthening accountability in the Bhutanese civil service.

Discussion

Research question one examined how do institutions and agencies enhance accountability in the Bhutanese civil service. To answer this question, annual reports of three constitutional offices were analyzed by employing content analysis. Results revealed that agencies enhance accountability through accountability initiative, performance-based accountability, and effective disciplinary regime. A possible explanation for these results may be that these agencies are mandated to

enhance accountability and their annual reports showed these accountability initiatives. This is evident in the case of the senior civil service development and accountability framework initiated by the RCSC. Another important finding was strengthening accountability by introducing support function assessment by the RCSC. These results reflect those of Siti-Nabiha and Salleh (2011) who also found that a result-based accountability system needs to be initiated to address accountability issues in the civil service. Similar results were also accorded by Manaf et al. (2022) who found that accountability initiatives have to be introduced from a top-down approach. These findings echoed what RCSC has introduced many accountability tools through the PMS.

Research question two investigated the effectiveness of the PMS in strengthening accountability in the Bhutanese civil service. The interview data collected from 22 participants showed the current PMS's ineffectiveness in addressing accountability in Bhutanese civil service. There are several possible explanations for this result. First, many interviewees(s) commented that inconsistency in implementation, unfair rating, lack of recognition and to name a few are some of the possible reasons why PMS is ineffective in addressing accountability. Second, an important issue that emerged from the interviews was that there is a lack of priority placed on accountability by the current PMS. It was suggested that the present PMS placed more importance on the completion of activities, achievement of success indicators, and target setting. Lastly, participants, on the whole, argued that the PMS is an unfair and unreasonable measurement tool to enhance accountability. A common view amongst interviewees was that the PMS was more of trial and error, and the intention and working of the system are not meant for enhancing accountability. These results are in agreement with Christensen and Lægreid's (2015) findings which showed accountability as a distinct dimension and there is no relationship between accountability and performance. In the same vein, Jantz et al. (2015) argue that the relationship between accountability and performance management is more

complex. Due to its complexity, performance management failed to create accountability but rather resulted in an accountability paradox. More importantly, these findings are somewhat surprising given the fact that other research shows that PMS does enhance accountability. For example, Shahan et al. (2021), however, found that the new PMS introduced in Bangladesh has greatly improved the accountability of civil servants. Similarly, Taylor et al. (2021) found that PMS enables accountability, especially amongst policymakers and senior civil servants.

Conclusion

In this study, annual reports of three constitutional offices were analyzed and interview data collected from 22 civil servants to examine the impact of the PMS in strengthening accountability in the Bhutanese civil service. By conducting a content analysis of annual reports, results showed that agencies play a vital role in strengthening accountability through accountability initiative, performance-based accountability, and effective disciplinary regime. Thematic analysis of interview data indicated that the current PMS has failed to strengthen accountability in Bhutanese civil service. A possible explanation for these results may be due to the lack of fair and reasonable measurement tools, a priority level of accountability, and supervisor accountability.

The study contributes to our understanding of the association between the PMS and accountability and how civil servants perceive the PMS as a tool to enhance and strengthen accountability. The present study will serve as a base for future studies and the present study's findings could inform possible research topics in the future.

A number of caveats need to be noted regarding the present study. First, with a small sample size, caution must be applied, as the findings might not be transferable to general civil servants. Second, the responses relating to accountability were subjective and were therefore susceptible to recall bias. Lastly,

the sample represents civil servants but would tend to miss people who were at the chief and executive levels. Notwithstanding these limitations, the study offers valuable insights into PMS and accountability.

This research has thrown up many questions in need of further investigation. Further research is needed to examine the long-term efficacy of PMS on accountability using the survey method. In addition, the study should be repeated using executive and senior civil servants as participants. Taken together, these findings support strong recommendations to RCSC to revisit PMS, for example, MaX. Therefore, this study recommends PMS place priority on accountability. This research finding also points to the need for a fair and reasonable measurement tool for accountability and to make supervisors accountable for the civil servants' rating.

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