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“Change content and aid effectiveness: How the size of change content affects implementation of technical assistance recommendations in developing Pacific Island countries.”

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MARGARET ELIZABETH COTTON

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Abstract

International aid agencies offer development aid with the expectation that developing countries will transform to such an extent that they can look after themselves, yet many countries have not developed as expected. This study identifies how the size of the change content of technical assistance recommendations affects their implementation: Technical assistance recommendations from the Pacific Financial Technical Assistance Centre, Fiji, to developing Pacific Island countries were studied. A content analysis was conducted to assess size using traditional transactional and transformational change definitions, and a survey questionnaire was used to assess size from the perspective of the technical assistance recipients. The content analysis findings suggest the majority of the changes are transactional, whereas, the recipients have rated the majority of the changes as large. The recipient's perspective of size was most indicative of the likely implementation of the change. Changes rated as 'small' by the recipients are almost certain to be implemented whereas changes rated as 'large' have only a one-in-three chance of being implemented. If technical assistance recommendations are transactional manageable reforms in the eyes of aid agencies but are not seen the same way by recipients the chances a recommendation will be implemented, and the technical assistance successful, are compromised. The study supports the notion that to be effective technical assistance recommendations need to be seen through the eyes of the recipient.

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Chapter 1: Change Content and Aid Effectiveness

This chapter introduces the current study. It outlines the contextual background and purpose of the research. The research question is posed, the importance of the research is explained, and the methodology used is described. This chapter also outlines the structure of this report and the contents of each chapter.

1.1 Contextual Background

International aid agencies offer money and expertise to ‘kick start’ development with the expectation that developing countries will transform to such an extent that they can look after themselves (Ellerman, 2007). Consultants from international agencies like the International Monetary Fund visit developing countries to undertake diagnostic missions. They then provide the public sector leaders with recommendations coupled with an implicit assurance that implementation of the recommendations will transform their organisations into modern, efficient and effective engines well equipped to meet the demands of a modern public sector.

The difficulty with this “big-push-investment-project” approach was expressed as early as 1958 by Albert Hirschman. He contended “if a country had the capacity to plan, coordinate, implement, and absorb the “big push,” then it would hardly be an underdeveloped country in the first place.” (Ellerman, 2007, p. 562).

Despite receiving billions of dollars in development aid, developing countries have not achieved the growth aid agencies expected. This should perhaps come as no surprise. The plethora of literature on organisational change focuses on North American experiences where the success rate for change programmes is said to be as low as 30 percent (Beer & Nohria, 2000). It is, therefore, axiomatic that wide-scale change in developing countries is also fraught.

1.2 Purpose of the Research

The purpose of this research is to identify how the size of the change content affects implementation of technical assistance recommendations. If technical assistance

recommendations made to developing countries are typically ‘big push’ or transformational in nature, the success rate for implementation of these changes would be likely to match that of developed countries or be lower. This research will assess the size of change recommendations made to developing countries. The findings will contribute to the debate on aid effectiveness and the nature of change in developing countries.

The literature on organisational change has North American origins and is typically based on intra-country population samples. Yet the nature of development assistance, and specifically technical assistance, is cross-cultural. It is possible that the labels describing change concepts in North American literature may not be widely known, or understood in developing countries. Nevertheless, the concepts may be known and understood if different labels are used. When the underlying change concepts are understood, discussions about proposed changes and the challenges of implementation can be held from a common perspective. If the change concepts are not commonly understood, any discussion about change is unbalanced and positive change outcomes will be harder to achieve. To overcome possible cross-cultural differences the research will examine the size of the change content from the perspective of both the consultant advisor and the recipient public sector leader. This will identify if there is a common understanding of the size of the technical assistance recommendations.

1.3 Research Question

This study poses the following research question: how does the size of change content affect the implementation of technical assistance recommendations in developing Pacific Island countries? The cross-cultural nature of this study calls for the size of the change content to be assessed from the perspective of both the consultant advisor and the recipient public sector leader. This will help identify if implementation of the recommendations is affected by perceptions of the size of the change content.

1.4 Importance of the Research

Aid effectiveness literature questions whether the ‘big push’ transformational change approach to development assistance is appropriate for developing countries. Recent

studies show an approach which starts where the countries are, and sees the changes through their eyes is more effective in achieving the desired changes (Ellerman, 2007). This is consistent with the small-win theories of Karl Weick (1984) and John Bryson (1988), in the change management literature, that suggest people can be overwhelmed by big transformational changes to such an extent that they do nothing. However, where changes are small and transactional in nature people are not overwhelmed and are able to make a series of small changes leading to a bigger overall change.

The Ellerman, Weick, and Bryson theories are relevant to the current study. If the technical assistance recommendations given to public sector leaders in developing countries are transformational in nature, the leaders may be overwhelmed by the changes to such an extent that implementation of the changes may be affected. If, on the other hand, a series of small changes is recommended there may be a greater likelihood of successful implementation. What is the nature of change content in technical assistance recommendations? Do perceptions of the size of the recommendations differ between the advisor and the recipient? How important is the encouragement to ‘see it through their eyes’?

The researcher has not been able to find any studies which assess how the size of change content affects the implementation of changes in developing countries. The gap in the literature filled, in part, by this study is the application of the small-win strategy theory to public sector change in developing Pacific Island countries. To the extent that the size of the change content influences the implementation of the recommendations, the findings will also be valuable for consultant advisors and donor agencies. Consultant advisors will be able to repackaging their advice and donor agencies will be able to redefine technical assistance outcomes.

1.5 Overview of Research Methods

The research question arises from the nexus between three complementary disciplines: change management, cross-cultural management, and aid effectiveness. The researcher was not able to locate a similar study from which to replicate a research methodology. The research methods used were document review, survey questionnaire and content analysis. Technical assistance documents were reviewed to identify the

recommendations. The recommendations were then categorised using content analysis techniques. The technical assistance recipients' perceptions of the size of the changes were obtained from a survey questionnaire.

The researcher is a consultant to the International Monetary Fund in the area of tax policy and administration and was given permission to use technical assistance documents in her area of expertise provided to Pacific Island countries. Data were collected from archival documents and a survey questionnaire. The content analysis of technical assistance report recommendations was undertaken to categorise the size of the recommendations using transformational and transactional change concepts. Recognising that there may be a difference between the researcher's classification of the change content and that of the recipient public sector leaders, survey questionnaires were sent to the recipients asking them to classify the change content in the recommendations against a 5-step Likert scale. Recipients were also asked about the outcome and status of the recommendations. The integrative approach to ascertaining the size of the recommendations helped to identify if technical assistance recommendations are of 'big push' or transformational in nature and also whether there are differences in perceptions of the size of change content.

1.6 Overview of the Findings

The findings suggest the size of the change content differs depending on the assessment method used. The content analysis suggests that the majority (97%) of the recommendations relate to transactional changes. However, survey questionnaire respondents have rated the majority of the recommendations as 'large' and 'more large than small' (72%). If size is assessed against traditional definitions of transformational and transactional change the findings suggest that transformational recommendations are less likely to be implemented (21%) than transactional recommendations (38%). When size is viewed from the perspective of the recipients 'small' changes are significantly more likely to be implemented (97%), nearly half (48%) of changes rated as 'neither large nor small' are implemented and only 30% of 'large' and 'more large than small' changes are implemented. Assessing change content as transformational is indicative of a change least likely to be implemented. However, assessing a change as transactional is least helpful because the high number of changes assessed as

transactional does not allow further analysis of the affect of size on implementation. Assessing the size of the change content from the recipients' perspective is more indicative of the effect size has on implementation.

1.7 Organisation of the Research Report

This Chapter has introduced the current study. The remainder of this report adopts a standard research report structure as follows.

Chapter 2: Study Context. This chapter outlines the contextual background to this study. The chapter defines development aid and provides an overview of the International Monetary Fund's technical assistance programme, particularly that provided through its Pacific Financial Technical Assistance Centre based in Fiji.

Chapter 3: Literature Review. This chapter frames the research against the three areas of scholarship: aid effectiveness, change management, and cross-cultural management. The aid conundrum is outlined with a particular focus on aid effectiveness literature. The concept of transformational change in the context of development aid is introduced to draw the nexus with change literature. Next the change literature is reviewed, particularly as it relates to transformational and transactional change concepts and the macro-micro debate on managing change. The literature review then draws the threads from each of these areas of scholarship together to a natural intersection, which frames the research question. Finally cross-cultural management literature is outlined recognising that care needs to be taken when applying theories from one culture into another.

Chapter 4: Research Method. This chapter sets out the research question, and the population and sampling approach used in the study. The data collection methods used in the study - document review and survey questionnaire - are explained and justified. The use of content analysis techniques to analyse the data and the processes used to ensure validity and reliability of the findings are also explained and justified. Finally the chapter outlines how ethical issues were addressed.

Chapter 5: Findings. This chapter outlines the findings from the document review, survey questionnaire and content analysis. The findings from the survey questionnaire and the content analysis are then reviewed to identify differences between the respondents' perspectives of size and the content analysis findings. The chapter concludes with findings that indicate the effect the perspective of the size of the change content has on the outcome and implementation status of the recommendations.

Chapter 6: Discussion. This chapter links the main findings from the study with the key themes in the literature review. The key themes are outlined and the findings in relation to each of the themes are discussed. The chapter concludes with a brief discussion of the advantages of reception-based content analysis in the context of this study, and the fine balance between seeing change through the eyes of the recipient and paternalism.

Chapter 7: Conclusion. This chapter summarises the study undertaken and the main findings. Conclusions reached from the study are presented together with questions for aid agencies and consultant advisors to consider when applying the learnings in practical settings. The chapter also includes suggestions for further research, particularly understanding the difference in perspectives of the size of the change content, and identifies the limitations of the research.

Chapter 2: Study Context

This Chapter provides the context and setting for the current study, and defines development aid. This chapter also provides an overview of the International Monetary Fund's technical assistance programme, in particular that provided through its Pacific Financial Technical Assistance Centre.

2.1 Context and Setting

Development aid and technical assistance are growing features of international relations. Significant amounts of money have been, and are continuing to be, spent on development aid in Pacific Island countries. Notwithstanding the large and increasing aid envelope, very few Pacific Island countries display economic indicators showing significant improvement. Opportunities exist for studies that explore the reasons why the desired changes are not materialising.

The primary focus of this study is the change content of technical assistance recommendations and how the size of the change content affects the implementation of technical assistance recommendations. The broad context of the study is the multi-cultural environment of international development aid. The specific setting is technical assistance provided by the International Monetary Fund in the Pacific region.

2.2 Development Aid

Development aid, also known as development assistance, is the term used to describe the general aid and assistance given by developed countries to support and help grow developing countries. Development aid given on a country-to-country level is known as bi-lateral aid. Development aid given on an agency-to-country level is known as multi-lateral aid. Aid agencies include organisations like the World Bank, the United Nations and the International Monetary Fund. Development aid has a long-term focus on alleviating poverty and does not encompass humanitarian aid, which is provided in times of war and natural disaster to alleviate short-term poverty. Development aid is typically provided in the form of financial assistance or technical assistance.

2.3 *The International Monetary Fund's Technical Assistance Programme*

This study is concerned with the provision of technical assistance, specifically technical assistance provided by the International Monetary Fund through its Pacific regional technical assistance centre.

IMF technical assistance supports the development of the productive resources of member countries by helping them to effectively manage their economic policy and financial affairs. The IMF helps these countries to strengthen their capacity in both human and institutional resources, and to design appropriate macroeconomic, financial, and structural policies. (IMF, 2008c, p. 1)

The technical assistance offered by the International Monetary Fund is provided to recipient countries through missions (visits) of varying duration during which time technical and diagnostic advice is provided, and training courses and seminars are delivered. In some cases, on-line advice and support is provided (IMF, 2008c).

In 1993, to overcome difficulties meeting the technical assistance requests of small island countries, the International Monetary Fund, in collaboration with donor agencies from New Zealand, Australian, Japan and Korea, and the Asian Development Bank, established a Pacific regional technical assistance centre known as the Pacific Financial Technical Assistance Centre. Since that time a further five regional technical assistance centres have been established recognising the need for “better tailoring of assistance to the particular needs of a region” (IMF, 2008a).

In 2004 approximately 10 percent of the International Monetary Fund's total administrative budget was allocated to technical assistance (IMF, 2005a), rising to approximately 24 percent of the administrative and management budget in 2007 (IMF, 2007). It is not possible to do a direct comparison between these figures. Some of the increase will be attributed to the establishment of a sixth regional office in 2007. Suffice to say there has been a sizeable increase in the technical assistance budget between 2004 and 2007.

2.3.1 The Pacific Financial Technical Assistance Centre

The Pacific Financial Technical Assistance Centre, established in 1993 and based in Fiji, provides technical assistance in four core areas: public financial management, macroeconomic and financial statistics, central banking, and tax policy and revenue administration. Long-term advisors are engaged by the International Monetary Fund to provide full-time technical assistance in each of these four areas to the Pacific Island countries served by the Centre. Short-term advisors are also engaged on a needs basis. Most of these advisors have been from Australia, New Zealand or the United States of America.

Ninety percent of the International Monetary Fund technical assistance is provided to low and low-middle income countries (IMF, 2007). All 15 Pacific Island countries serviced by the Pacific Financial Technical Assistance Centre are in this category. The countries are Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, Niue, Palau, Papua New Guinea, Republic of the Marshall Islands, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu and Vanuatu. The budget for the Pacific Financial Technical Assistance Centre technical assistance for the financial years 2009 to 2011 is \$USD10.5m (IMF, 2008b), a 33% increase on the \$USD7m budget for the financial years 2005 to 2008 (IMF, 2005b).

2.4 Summary

This chapter provided the contextual background to this study and defined development aid. To further help locate the study in time and culture, the chapter has also provided an overview of the International Monetary Fund's technical assistance programme particularly the regional Pacific Financial Technical Assistance Centre. The tax policy and revenue administration technical assistance provided by the Pacific Financial Technical Assistance Centre will provide the source data for this study.

Chapter 3: Literature Review

This chapter frames the research against three areas of scholarship: aid effectiveness, change management, and cross-cultural management. The aid conundrum is outlined with a particular focus on aid effectiveness literature. The concept of transformational change in the context of development aid is introduced to draw the nexus with change literature. Next the change literature is reviewed, particularly as it relates to transformational and transactional change concepts and the macro-micro debate on managing change. The literature review then draws the threads from each of these areas of scholarship together to a natural intersection, which frames the research question. Finally cross-cultural management literature is outlined recognising that care must be taken when applying the theories of one culture into another culture.

3.1 *The Aid Conundrum*

This section outlines the aid conundrum by discussing the evolution of themes in development literature with a particular focus on aid effectiveness literature. The concept of transformational change in the context of development aid is also introduced to draw the nexus with change literature.

Philanthropy and largesse shown by developed countries towards developing countries have been growing features of international relations in the last 60 years. International aid agencies offer money and technical expertise to ‘kick start’ development with the expectation developing countries will transform to such an extent that they can look after themselves (Ellerman, 2007). Aid theories, objectives, and approaches have changed during those years as macro-economic factors and international relations have changed. Typically, these changes have reflected the current thinking and policies of the donors rather than the needs of the developing countries (Pronk, 2001).

Development aid in the Pacific is somewhat more youthful, only coming to the fore as countries sought independence and the policies and programmes of the colonial rulers were replaced by national government initiatives. Despite the relative youthfulness of most of the developing Pacific Island countries as independent nations, they are large

consumers of development aid and routinely feature among the top ten recipients of international aid (Jayaraman & Choong, 2006).

Total development aid funds spent in Pacific Island countries (Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, Niue, Palau, Papua New Guinea, Republic of the Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu) in the 14 years to 2000 exceeded \$USD11.6 billion (Yager, 2001). Notwithstanding, the large and increasing aid envelope, very few Pacific Island countries display economic indicators showing significant improvement. Evaluation reports by the major bilateral and multilateral providers raise questions about the effectiveness of much of the aid in the Pacific (ADB, 2007; Bucknall, Allan, & Vaai, 2004; IMF, 2004, 2005a, 2005c; Pacific Islands Forum Secretariat, 2005; Pennington, 2005; World Bank, 2005; Yager, 2001). The Organisation for Economic Co-operation and Development (OECD) has established a Working Party on Aid Effectiveness globally and there is a growing body of academic literature questioning the effectiveness of the current application of development aid (Ellerman, 2007; Jayaraman & Choong, 2006; Sobhan, 2002).

In the seven decades that development aid has featured in international relations, a vast body of literature has also evolved focussing on four principal areas: motives; objectives; effectiveness, and impact (Pronk, 2001). The recent writings on aid effectiveness are relevant to the current study.

3.1.1 Aid effectiveness studies are fraught.

Aid effectiveness studies are fraught, not the least because of the difficulties with establishing a control environment and generalising the findings from one aid initiative into another environment with different cultural, political, institutional capacity and stability features. Features of good aid are said to include aid that is adapted to the technical and institutional capacity of the recipient; aid that is compatible with the country; aid that is demand driven; aid that does not seek to replace local skills with foreign skills, and aid which does not lead to distortions in the local salary structures (Pronk, 2001, p. 620). Perhaps not surprisingly, these features are also reflected in the change literature, which largely draws on developed country experience for data.

More recently the aid effectiveness debate has centred on selectivity and which countries are deserving of aid; should aid be used as a reward for good behaviour, and progress with governance and policies approved of by the donor agencies or should aid be directed at countries where there is no tangible progress but there is a will to change. Pronk (2001) argues that it may be, inter alia, a lack of capacity, institutional weakness of government, and inadequate policy experience and skill level of the administration that is behind the failure to implement changes. Therefore, he concludes: “countries should be *helped* (his emphasis) to stabilize, to adjust, to perform and to develop, rather than being expected to achieve all this under their own steam” (2001, p. 627).

Implicit in Pronk’s conclusion is the notion that donor agencies, via their consultants, provide technical assistance and policy guidance to the recipient countries and then leave the countries to implement the advice under their own steam. On the basis of recent debate, if the country does not then implement the recommended changes, it would not be selected for future aid because to reward the country for inactivity would be inappropriate: the reward (additional development aid) should go to those countries that have shown improvements in policy and good governance. The irony of this outcome is evident.

The disparity between the approach of aid agencies expecting outcomes and countries achieving the changes is not new. Ellerman (2007) argues that much international development aid is actually unhelpful aid because the same basic “big push” development strategy applicable in the 1940s and 1950s is extant nearly 70 years later. The difficulty with the “big-push-investment-project” approach was expressed as early as 1958 by Albert Hirschman. He contended “if a country had the capacity to plan, co-ordinate, implement, and absorb the “big push,” then it would hardly be an underdeveloped country in the first place.” (Ellerman, 2007, p. 562).

Recent literature in development studies suggest the two features of good aid that typically lead to positive results are autonomy and ownership (Bucknall et al., 2004; Ellerman, 2004a, 2007; OECD, 2005; Pronk, 2001, 2003; Sobhan, 2002; World Bank, 2000). These features were somewhat belatedly recognised by the Organisation for Economic Co-operation and Development member countries in the Paris Declaration on Aid Effectiveness (2005).

Autonomy exists where the recipient decides what to focus on and understands the motivations behind that decision rather than being driven by external constraints attached to receipt of the aid. Ownership embodies responsibility and accountability for the change in the developing country. Ownership is important because developing countries that are motivated to change are likely to find ways to make the changes a reality. At face value these two features suggest a simple answer to encouraging change: aid agencies should step away from imposing conditional aid and wait for motivated countries to request help. Given the scale of development aid programmes today, the simplicity of this statement is fanciful. Aid agencies would be better placed to ask how they can provide technical assistance in a manner that is more likely to lead to implementation. What can be done differently? Ellerman (2007, p. 575) suggests a somewhat simplistic approach to encouraging self-help: start from where the countries are and see the world through their eyes. This approach is simple in its description but difficult to achieve in practice. He suggests that by respecting the autonomy of the developing country, one provides the proverbial fishing rod and not the fish.

There are a number of difficulties for aid agencies with an approach which starts where the countries are and sees the changes through the countries' eyes when cross-cultural environments are involved. First, if technical advisors do recommend transformational change, this is large-scale, long-term and susceptible to high rates of failure (Beer & Nohria, 2000) even in developed countries. If transformational change is prone to failure in developed countries, which ostensibly have the wherewithal to succeed, it is not difficult to imagine the size of the challenge in developing countries. Secondly, results-based management and outcome-focussed aid agencies struggle with the gradualist approach necessary for transformational change because the agencies constantly demand results, which often cannot be seen for generations. Thirdly, the 'iceberg syndrome' is notoriously difficult to overcome. Technical advisors recommend changes to what they see in the institutional framework of the country, i.e., what is above the waterline. Often they cannot or do not understand the political, cultural and power interplays of the country, which are all below the water line.

3.1.2 *Can development aid assist transformational change?*

Aid effectiveness commentators do not seem to be rejecting the notion of aid agencies recommending transformational change; rather they are suggesting a step-by-step, gradualist, evolutionary or incremental approach should be recognised as most likely to lead to sustained change (Ellerman, 2007; Pronk, 2003).

Historically, transformational change in the context of aid was described as “the dream of socially engineering economic development on a broad scale” (Ellerman, 2004b, p. 312). For ‘broad’ one can read national scale. Well-meaning aid agencies with the benefit of hindsight could see what needed to happen to develop a country then, armed with funding, skills and other resources attempted to jump-start all the “mutually reinforced economic processes within the recipient country at one time” (Ellerman, 2004b, p. 312). This approach came to be known as the balanced growth debate. Critics rejected the balanced growth approach in favour of Albert Hirschman’s unbalanced growth approach, which focuses on small achievable changes. Once a small success manifested, it was said this would create additional pressures on other areas in the organisation (or country) to learn and change (Ellerman, 2004b; Pronk, 2003).

The unbalanced growth approach supports a success-breeds-success notion. The value of the approach derives from how the approach overcomes psychological barriers to change:

The successes when broadcast horizontally to those facing similar problems will start to break down the *paralyzing beliefs* that nothing can be done and will fuel broader initiatives that take the *earlier wins* as their benchmark. (Ellerman, 2004b, p. 317) (my emphasis)

If we have to take all the variables into account at the same time, the picture can become so complicated that we become paralysed about how to act and conclude that it is better to refrain from any action at all. (Pronk, 2003, p. 387)

The connection between psychological factors and change will be explored further in the section on change literature: The Macro-Micro Debate: Big Wins and Small Wins (p. 18).

To conclude this section, significant amounts of money are spent on development aid (ninety percent of the International Monetary Fund's current focus is on technical assistance) which is said to still be encouraging if not demanding transformational changes in the recipient countries. The changes are not manifesting in the manner that aid agencies expect given the level of their investment of time and money. Critics of the big push, transformational change approach suggest a new unbalanced growth approach where agencies look at what needs to be done through the eyes of the country and start from the recipient country's starting point. The aid thus supports the recipient country as it learns and grows, and acts as a catalyst to enable the bigger picture (transformation) to be broken down into manageable chunks.

3.2 *Change Literature*

Coinciding with the genesis of development aid, Kurt Lewin developed his three-phase model for successfully managing change – unfreeze, change, refreeze (1947; 1951). Since that time, a vast body of literature has evolved on organisational development and change, most of which has focused on North American experiences (Faucheux, Amado, & Laurent, 1982). There is, now, a growing body of change literature detailing studies from Latin, European, and Asian countries but the researcher has not been able to find any change literature involving experiences in Pacific Island countries or comparable developing regions like the Caribbean.

This section briefly covers the development of themes in change literature with a particular focus on transformational and transactional change content and the macro-micro approach to managing change. Literature from adjacent disciplines that might shed light on the macro-micro debate is reviewed, enabling the connection between the North American change literature and the development aid conundrum described earlier in this chapter to be drawn.

3.2.1 *Themes of change management.*

The literature on change management covers four recurrent themes: change content, context, process, and outcomes (Armenakis & Bedeian, 1999). Change content is the substance of the change and is organisation specific (Walker, Armenakis, & Bernerth, 2007). Change context is the environment in which the change is occurring both

internally and externally to the organisation. Change process is what happens to manage the change, and the intended actions that need to occur to bring about the desired outcome. Change outcome is the outcome of the change effort, both intended and unintended outcomes.

The complexity and multi-dimensional nature of change arises because whilst each of the four key themes - content, context, process, and outcomes - are inter-related variables they also have significant influences independent of each other (Devos, Buelens, & Bouckennooghe, 2007). In the absence of any change literature focussing on Pacific Island experience, it seems prudent to start by considering one of the more objective themes, change content, than by delving into the more complex arena of context. Consequently this literature review and study focus on change content; the other variables are not addressed directly.

3.2.2 Transactional and transformational change.

Change content is often described as incremental transactional change or fundamental transformational change. These terms and many others embodying similar concepts have been used. For example: first order and second order change; convergent or incremental change and radical change (Devos et al., 2007); continuous, evolving and incremental change; episodic, discontinuous or intermittent change, (Idenburg, 1993; Weick & Quinn, 1999); or simply small and big change (Bryson, 1988; Krieger, 1986). These semantic differences aside, the concepts of small and big, transactional and transformational, continuous and episodic, first and second order change are not dissimilar. Small, transactional, continuous, and first order changes are changes that occur gradually and are small scale, less drastic, and enhance efficiency or overcome stagnation and do not affect the core of the organisation (Devos et al., 2007). Big, transformational, episodic, and second order changes are more radical changes which can be disruptive and result in a complete change to the fabric of the organisation. Such changes are said to be episodic because they are intermittent and typically occur at the behest of external environmental factors rather than being internally driven.

In this study, the concepts of transactional and transformational change are defined using the factors described by Burke and Litwin in their Model of Organizational

Performance and Change (1992). Transactional change factors are structure, management practices, systems (policies and procedures), work unit climate, motivation, task requirements and individual skills, individual needs and values, and individual and organizational performance. Transformational factors of change include the external environment, leadership, mission and strategy, organisational culture and, individual and organisational performance.

3.2.3 *The macro-micro debate: perspective of size matters.*

Placing semantic differences to one side, the size of a change reflects the perspective of the observer (Weick & Quinn, 1999). At a macro level, an observer might see “what looks like repetitive action, routine and inertia dotted with occasional episodes of revolutionary change”, but from a closer view a micro analysis might suggest ongoing adaptation and adjustment (p. 362). The notion of ‘perspective of the observer’ is relevant to the current study: if the categorisation of the size of a recommendation using North American theories is different from the recipient’s perspective of the size of the recommendations this will affect the answer to the research question. Intriguingly, if one looks back to Weick’s earlier writings in the field of psychology, this notion of a micro view of a macro problem is mooted (Weick, 1984).

In the late 1970s and early 1980s, the concept of an accumulation of co-ordinated small steps to achieve transformational change was mooted (Mintzberg, 1987; Quinn, 1978, 1979; Weick, 1984). Writing in the psychology field Weick (1984) opined:

The massive scale on which social problems are conceived often precludes action because the limits of bounded rationality are exceeded and arousal is raised to dysfunctionally high levels. People often define social problems in ways that overwhelm their ability to do anything about them. (p. 125)

In this context, arousal is equivalent to the degree of stimulation or, at worst, the degree of stress an individual feels when confronted with a situation. Where a problem is described as complex or serious, people become highly aroused; this is appropriate if they know what to do. If people do not know what to do, the heightened arousal can lead to them becoming overwhelmed to the point where it is detrimental to completion of the task at hand, and can lead to inactivity. Conversely, where a problem is

described as minor, lower levels of arousal result, which allow the learning of new responses (Weick, 1984, p. 41).

Weick suggests an accumulation of co-ordinated small wins is more likely to achieve transformational change than a single, large stride. He describes small wins variously as:

Quick, opportunistic, tangible first steps only modestly related to the final outcome ... driven less by logical decision trees, grand strategy ... than by action that could be built upon, action that signalled intent as well as competence. (p. 42)

A small win is a concrete complete, implemented outcome of moderate importance. By itself, one small win may seem unimportant. A series of wins at small but significant tasks, however, reveals a pattern that may attract allies, deter opponents, and lower resistance to subsequent proposals. Small wins are controllable opportunities that produce visible results. (p. 43)

Relating his theory to episodic and incremental change concepts Weick concludes: “A series of small wins can be gathered into a retrospective summary that imputes a consistent line of development, but this post hoc construction should not be mistaken for orderly implementation” (p. 43). Thus large-scale change can be achieved through a series of small wins. The small wins pave the way for the larger change, which would not be possible without those earlier building blocks generating a sense of achievement and “heightened interest in attempting a second win” (Weick, 1984, p. 44). In common parlance this might be described as ‘success breeds success’.

Weick’s theory on small wins is expanded upon in John Bryson’s article *Strategic planning: big wins and small wins* (1988). Bryson’s focus is on public sector and voluntary organisations facing external pressures to make fundamental changes. He draws a connection between big wins and transformational change, and small wins and changes in degree (previously referred to as transactional changes). Bryson suggests a “think big act small” (1988, p. 15) approach to achieving the fundamental changes facing the public sector. To that end, a series of small wins informed by an overall strategic sense of direction is recommended.

The importance of small wins in organisational development has been the subject of many articles (Bryson, 1988; Griffiths & Haigh, 2004; Reay, Golden-Biddle, & Germann, 2006) and featured in widely recognised texts *Leading Change* (Kotter, 1996) and *The Leadership Challenge* (Kouzes & Posner, 2002). The notion of small wins has withstood the test of time and is still favourably recognised (Foster-Fishman et al., 2006; Griffiths & Haigh, 2004; Reay et al., 2006).

To conclude this section, it is probable that when viewed prospectively, change might be considered transformative and episodic. But when viewed retrospectively change is actually transactional and continuous: a series of small steps each building on the success of the other. It is also probable that when viewed through the eyes of an experienced practitioner or consultant, a proposed change may be viewed differently from the way that same change would be viewed through the eyes of an inexperienced person or developing country. What does this mean for development aid?

3.3 *The Intersection of Technical Assistance Aid and Change Management*

Economic growth and the pace of change in many developing countries are not at a level that reflects the development aid invested in such countries. The countries are not alone. Despite the various models for managing change that have been debated over time, failure rates for organisational change remain high in developed countries. And leaders in developed countries have the benefit of time, education and exposure to others, something that not all Pacific Island leaders have. Perhaps the expectation of success for developing countries is greater than the reality of success in North American and allied developed countries.

Recent commentators in development studies are critical of the big push approach and suggest that an unbalanced growth approach using a gradualist or step-by-step change might be preferable to encourage ownership and autonomy, and build successes. Could a small win strategy also be a refreshing change for technical assistance? A small win strategy would be in marked contrast to the rational planning approach (identifying the changes required and developing a high level plan to achieve the change) typically used in macro-economics (Idenburg, 1993) and arguably favoured in technical assistance. A

small win approach would not be entirely novel as it has been shown to work in developing South Asia (Edwards, 1999).

The recent criticisms and the calls for autonomy, ownership, ‘starting where they are’ and ‘seeing it through their eyes’ in development studies literature mirror developments in change literature. In the case of technical assistance, autonomy and ownership manifest as formal requests for assistance and input into the terms of reference for the assistance (typically the relevant Minister, permanent secretary or equivalent, or the head of the government department is involved). Despite the country or organisation being involved in the design of the technical assistance the outcome of the technical assistance may not be successful implementation of the changes recommended. Is the size of the technical assistance recommendations part of the reason change is not achieved rather than lack of autonomy and ownership? If a technical advisor saw the changes through the eyes of the recipient, might they see a very different challenge? Could a small win strategy also be a refreshing change for technical assistance?

Ellerman (2007) and Pronk (2003) both argue that aid is still transformational in nature. Is this true for technical assistance provided by the International Monetary Fund’s Pacific regional assistance centre? If the technical assistance is recommending transformational change, might the recipient country or organisation be overwhelmed by the size of the changes and end up doing nothing? When seen through the eyes of a manager in a developing Pacific Island country is the size of the task facing the organisation so overwhelming as to be considered impossible by that person as change leader? If a strategy of small wins is recommended, might the changes be seen as more manageable and the Pacific Island manager more disposed to make the recommended changes?

These questions, drawn from the intersection of development studies and change literature, form the basis of this study. However, before finalising the research question, it is prudent to consider the cautions raised in the cross-cultural management literature.

3.4 *Cross-Cultural Management Sounds a Caution*

The researcher's interest in this study arises from the point where the organizational development and cross-cultural management scholarly communities intersect with the international development community. The small wins concept emanates from North America as does development aid. The link, or rather the disconnect, between North American management theories and non-North American organisations began to be recognised in the late 1970s. Nancy Adler (1983c; 2002) identified that extant management writings typically reflected the North American experience and that models and theories true for North Americans working in the United States of America might not be true for workers and organisations across the globe. Aid agencies, like the World Bank, International Monetary Fund and United Nations, seek to overcome this, inter alia, by employing staff from around the world; nevertheless, in the case of any one aid worker or aid team, the literature suggests it is important to stand back and repackage the question or challenge in the linguistic, cultural, and values environment of the recipient country or organisation.

Herein lays the collision of viewpoints and literature gap relevant to the current study. The international development strategy seeks transformational change in developing countries, which extant management theory suggests needs strategic planning and change management techniques. However cross-cultural management theory suggests if such techniques and tools developed in North America and allied countries are applied outside those countries, the expected results might not occur.

Expecting transformational change in the absence of systematic research and models appropriate for developing countries is expensive and ethnocentric (Adler, 1983b). In the absence of any change research specific to developing Pacific Island countries, it is useful to start by considering the factors that may influence a leader's decision to implement change recommendations. Identifying influencers on change in the public sector in developing Pacific Island countries is one step towards understanding how change is managed in this group. If there is a relationship between the size of the change content and the subsequent action taken by the recipient, it can be postulated that a greater degree of change might be achieved by technical assistance that delivers a series of small win recommendations informed by an overall strategic direction rather than a big-picture strategic plan.

It is, however, probable that consultants, primarily sourced from New Zealand, Australia and the United States of America will, consciously or unconsciously, follow North American change theories when packaging their technical assistance. To that end it is also possible they may consider their advice is in the nature of small win recommendations informed by an overall strategic plan. It is not the purpose of this study to ascertain the actual thinking of consultants when packaging their advice; however, recognising the caution from the cross-cultural literature, the study will consider whether the recommendations meet the criteria for transactional or transformational change as defined by Burke and Litwin (1992).

The researcher has not been able to find any studies that compare different perspectives of the size of change content between a consultant advisor and a recipient business leader. The absence of any research in this area and any change research in Pacific Island countries has limited the researcher's ability to identify suitable research methods for this study and to identify assumptions and limitations that might affect the findings. However, the literature outlined in this chapter shows a confluence of scholarly disciplines. This confluence makes the research viable and will make the findings a valuable addition to the literature in this area of scholarship.

3.5 Summary

This chapter has described the literature from aid effectiveness, change management and cross-cultural management disciplines relevant to this study. Specific focus has been given to three emerging themes: first, the need for development aid to shift from a big-push approach to one where aid agencies see the proposed changes through the eyes of the country or organisation and start from where the country or organisation is; secondly, the difference between transformational and transactional change which can loosely be described as big and small change; and thirdly, the caution that North American management theories do not automatically apply in non-North American organisations. Drawing these themes together, it is possible that the labels used to describe the size of change content in North American change theories may be different from how leaders in developing countries would describe the size of the change content. It is also possible that there may be an inverse relationship between the

magnitude of the change content facing public sector leaders in developing Pacific Island countries and the action taken by the leader.

Chapter 4: Research Method

This chapter sets out the research question, and the population and sampling approach used in the study. The data collection methods used in the study - document review and survey questionnaire - are explained and justified. The use of content analysis techniques to analyse the data and the processes used to ensure validity and reliability of the findings are also explained and justified. The chapter also outlines how ethical issues were addressed.

4.1 The Research Question

The research question to be answered from this study is how does the size of change content affect implementation of technical assistance recommendations in developing Pacific Island countries? This requires two key research variables – size of the change content and the implementation status of technical assistance recommendations - to be assessed. Specifically, what is the size of the change content contained in the technical assistance recommendations; and were the recommendations implemented? The first variable will be assessed against accepted definitions of transformational and transactional change as discussed in the literature review, as well as from the perspective of the recipients of the technical assistance documents. This will allow differences in perceptions of the size of the change content to be identified. The second variable will be assessed by self-report from the recipients.

4.2 Population and Sample Selection

The population for this research comprises all technical assistance missions on tax and policy administration provided to the 15 Pacific Island countries to whom PFTAC provides assistance: Cook Islands, Federated State of Micronesia, Fiji, Kiribati, Nauru, Niue, Palau, Papua New Guinea, the Republic of the Marshall Islands, Solomon Islands, Samoa, Tonga, Tokelau, Tuvalu and Vanuatu.

It was originally proposed to undertake a census approach to the research. The period under review was the six years from 2002 to 2007 inclusive. The census approach was considered possible because not all countries receive technical assistance each year. A

written request was made to the Pacific Financial Technical Assistance Centre for access to the technical assistance documents. A copy is attached at Appendix 1. Approval to access the documents was given by Dr Susan Adams, co-ordinator of the Pacific Financial Technical Assistance Centre office. A list of known missions was provided to the researcher together with electronic and paper copies of the documents. Of the 61 technical assistance missions conducted during the review period 31 aide-memoires and other reporting letters were available. Each of the documents was reviewed and the recommendations extracted. To ensure all recommendations were extracted, the 'find' function in Microsoft Word was used to identify all references to the word recommendation, and derivatives thereof. Simultaneously, the paper-based files were scanned manually and marked as each recommendation was extracted. A total of 1432 recommendations were extracted relating to 13 countries. There were no missions to Nauru or Tokelau in the review period. At this point a decision was made to delimit the study.

Purposeful sampling was undertaken to identify the countries that had received the most technical assistance in the review period. The amount of technical assistance was determined by the number of missions undertaken in each country during the review period. It was expected these purposefully selected countries would be information rich and therefore would "illuminate the questions under study" (Patton, 1990, p. 169). The three countries that had received the most missions were the Federated States of Micronesia, Tonga and the Solomon Islands respectively. This result also gives wide regional coverage: the Federated States of Micronesia is in Micronesia, Tonga is in Polynesia and the Solomon Islands are in Melanesia.

4.3 Choosing an Assessment Model

There are two widely recognised diagnostic models available to assess change content and magnitude – the Model of Organizational Performance and Change known as the Burke-Litwin model (Burke & Litwin, 1992) and the Transformation Imperative model (Burke & Litwin, 1992; Vollman, 1996). The Burke-Litwin model divides change content into transformational and transactional change and suggests an extensive 150-item diagnostic questionnaire be completed. The Transformation Imperative model, describes 48 features that need to be considered when facing change. Both models

adopt comprehensive systematic approaches to planning and evaluating the content of the change initiatives. Neither of these models was considered suitable in the current research for two main reasons.

1) To make the findings of this study useful to consultant advisors, aid agencies, and public sector leaders in developing countries it is necessary to identify the content of the specific recommendations that are considered big and small not the overall impact of the combined recommendations.

2) To address possible differences between the consultant advisors and the recipients of the recommendations the study compares the perceptions of the recipients with the findings from a content analysis using traditional definitions of transformational and transactional change. It is not practical or reasonable to expect a technical assistance recipient to use either of these two diagnostic models. Indeed, it is unlikely that persons in their positions would use the models in practice; the models are more typically used by change advisors.

This study used a two-pronged approach to obtain data assessing the size of the change content – document review and survey questionnaire. These methods overcome:

- the impracticalities of the Burke & Litwin and Vollman models in the context of the current research,
- the difficulties of cross-cultural research highlighted by Schaffer and Riordan (2003), and
- the absence of any existing research from which to duplicate the research design.

The researcher notes her background as a white-middle-class New Zealander brings with it certain values and expectations which will be different from those held by the authors of the technical assistance recommendations and by the recipients of the recommendations. In the light of the cautions in the cross-cultural management literature, the integrative research design provided an opportunity to test the size of change content against the views of the technical assistance recipients.

4.4 Data Collection

Data were collected in two phases. Phase one involved a document review to identify the technical assistance recommendations. Phase two involved a survey questionnaire to determine how the recipients would categorise the magnitude of the recommendations on a 5-point Likert scale. The recipients were also surveyed to determine the implementation status of the recommendations.

Phase one of the data collection involved a document review of archival documents, specifically technical assistance documents prepared by the resident Pacific Financial Technical Assistance Centre tax policy and administration advisors and peripatetic advisors for Ministers of Revenue (or their equivalent) or Chief Executive Officers of the Revenue Administrations from 2002 to 2007 inclusive. The purpose of the review was to identify the recommendations made. Technical assistance documents were defined as aide-memoires and other similar formal reports and included end of mission reporting letters if there were no formal reports prepared. Powerpoint presentations prepared during missions which summarised mission findings, were not included because this would lead to duplication of recommendations.

One advantage of document review is the availability and accessibility of the archival material (Berkeley Thomas, 2004; Sonpar & Golden-Biddle, 2005, 2007). Both hard and soft copies of the documents were able to be obtained, which addressed issues of authenticity and survivability (Scott, 1990). Authenticating the documents ensured that one version did not differ from the other. Reviewing both hard and soft copies provided additional assurance that any generalisations drawn from the documentary data are not biased by selective survival of the documents.

The authors of the documents changed over the research period but this inconsistency (Scott, 1990) was not considered to adversely affect this research. The construct being assessed is the size of the change content of the recommendation not the subject matter of the documents, comparisons between the recommendations or changes in the recommendations over time. The archival nature of the material precludes any influence that might otherwise arise by the researcher's presence or the existence of the research.

Phase one resulted in all of the recommendations being extracted from the technical assistance documents available. Phase two of the data collection focussed on the recommendations made to the three countries with the highest number of technical assistance missions.

The second phase of the data collection involved a survey questionnaire. Participants in the survey were the recipients of the reports as identified from the technical assistance document, or where the recipient was no longer available, the current office holder. The purpose of the survey was twofold.

- 1) To identify the recipient's perception of the size of the change content of each recommendation, and
- 2) To identify the implementation status of the recommendations.

A questionnaire was developed measuring the two key constructs - the size of the recommendations and the recipient's action after receiving the recommendations. Respondents were asked to rank the size of the content of the recommendations as 'large' or 'small' using a 5-point Likert scale. The labels, transformational and transactional change and their inherent qualities may not be widely known to the respondents and were not used in the questionnaire. To avoid pre-empting or biasing their responses definitions of 'large' and 'small' were not provided. Respondents were, however, asked to identify which of a series of factors they took into account in determining whether the recommendations were 'large' or 'small'. An open option 'Other please specify' was also included. This approach enabled differences between the features of transformational and transactional change and the factors respondents noted as affecting their definitions of 'large' and 'small' to be identified.

Respondents were also asked whether each recommendation was accepted or rejected and the status of the change contained in each recommendation. Respondents were also asked to tick the factors that they took into account when deciding the size of a recommendation and which factors affected the status of a recommendation particularly whether it was not yet started or not yet finished. The factors given were: political, resources available, skills, timeframe, public interest, cost, technology, number of recommendations, impact, taxpayer feedback and other. Respondents who marked

‘other’ were asked to specify the other factors. Respondents were also asked for their comments on the number and size of the recommendations.

The questionnaires were personalised to the extent that they contained a list of the recommendations given to the respective country. The number of recommendations ranked by each respondent depended on the number of recommendations received by that country. Recommendations were included in the questionnaire exactly as they were written in the technical assistance document and were not altered for meaning, context, grammar or spelling.

The draft questionnaire was reviewed by the researcher’s research supervisor and Dr Susan Adams, the Pacific Financial Technical Assistance Centre office Co-ordinator, minor amendments were made. The three questionnaires were then emailed to the recipients accompanied by an information sheet and a personalised covering letter from Dr Adams. Copies of the covering letter, information sheet and sample questionnaire are attached at Appendices 2, 3, and 4 respectively.

4.5 Data Analysis

The data were analysed using content analysis methodology and basic frequency statistical analysis.

4.5.1 Content analysis.

Content analysis is “the systematic, objective quantitative analysis of message characteristics” (Neuendorf, 2002, p. 1) or more loosely “a set of procedures to make valid inferences from text” (Weber, 1990, p. 9). Content analysis, typically manifest or latent, effectively reduces large amounts of data to more manageable categories or characteristics (Ahuvia, 2001; Hawkins, 2003). Manifest content analysis is denotative and looks at the obvious meanings of the text. Latent content analysis is connotative and looks at the more subtle meanings of the text.

There is much debate about whether content analysis is purely quantitative or whether it can aid in more qualitative studies where latent analysis is required. Berelson (1952) argues content analysis is useful for five purposes: describing the substance of the

message, describing form characteristics of the message, attributing inferences to producers of the message, attributing inferences to the audiences of the message and determining the effects of the message content on the audience. The use of pure quantitative content analysis for inferential studies is not without debate. If inferences are intended to be drawn from the message a combination of antithetical analysis modes is preferred i.e., the text should be subjected to both qualitative and quantitative review (Weber, 1990, p. 10). More recently Neuendorf (2002) has rejected the inferential purposes of pure content analysis described by Berelson. Neuendorf suggests drawing inferences from content analysis without the support of empirically based data is not good science (2002, p. 54). Where prediction of the outcome or effect of the message is desired, Neuendorf emphasizes this can, and should, be obtained by integrating content analysis studies with other methods likely to give more concrete evidence of producer or receiver inferences.

Ahuvia (2001) supports the Berelson approach, - content analysis alone can be used to quantify interpretations of content. Ahuvia argues for the development of two new methodologies, interpretive content analysis and reception-based content analysis, both of which are designed to allow contextual effects to influence how a piece of text will be understood (2001, p. 144). Reception-based content analysis is said to be a ‘fusion of survey research and traditional content analysis ... designed to increase confidence that the codings reflect the views of the focal interpreter in situations where researchers are not the focal interpreters’ (p. 154). The focal interpreter is the person whose views are the subject of analysis. Ahuvia argues that reception-based content analysis can usefully be applied where it is desired to understand how readers interpret texts, and what producers (writers) mean by their comments (2001, p. 157).

This proposed new approach for content analysis is relevant in the existing study because the research question is specifically aimed at identifying how the content of the text, - the technical assistance recommendations, - is categorised by the recipient, and consequently how the content affected the implementation of the recommendations. The proposed approach is also relevant because of the caution raised in cross-cultural management literature - concepts from one culture may not transpose directly into the same outcomes in a different cultural environment even though the subject matter is in the same arena.

One advantage of reception-based content analysis is that it enables coders to code the text according to their own intuitive understandings of the texts' meaning rather than following predetermined coding rules (Ahuvia, 2001, p. 155). Conversely, the disadvantage of this reception-based content analysis is that it requires coders who are not researchers, in this study the technical assistance recipients, to code the text. This is frequently impractical because of the large volume of text involved and the significant time it would likely take to formally code the text.

It is, however, important for this study that some degree of comparison is made between the coding of the researcher and the coding of the recipient to determine if there is a difference between the recipients' perspectives of size and that attributable to consultant advisors. A study where the units of analysis, in this case the recommendations, are the same gives rise to one-to-one correspondence and allows for strong relationships to be established (Neuendorf, 2002, p. 61).

The Ahuvia approach has potential benefits for the current research, but does pose concerns about reliability and feasibility. The more traditional integrative approach recommended by Neuendorf (2002) is scientifically preferable; however, this study does not involve mass readership making a survey of common messages impossible. The researcher does, however, have access to the public sector leaders (or the current incumbents) that received the technical assistance documents and is able to obtain their views of the magnitude of the recommendations given to their respective countries. As the Ahuvia approach advocates, when you want to know what the recipient thinks and it is practical to do so, you should ask them.

The size of the recommendations from the perspective of consultant advisors will be determined using traditional content analysis methods and change definitions from traditional North American literature. In the context of this study, it was not practical to obtain the views of all International Monetary Fund/Pacific Financial Technical Assistance Centre consultants engaged over the review period.

To summarise this section on content analysis: content analysis is a means of reducing a large amount of textual data to meaningful categories that can be counted.

Traditional content analysis poses problems for predicting the effect of message content unless the analysis is integrated with other research methods. Recent writings on content analysis promote reception-based content analysis where it is desired to obtain the recipients views of the message and it is practical to ask them. This study used a mix of traditional content analysis and reception-based content analysis to determine the size of the recommendations. Traditional content analysis was used to determine the size of the recommendations using traditional North American definitions of transformational and transactional change. Reception-based content analysis was used to obtain the perspectives of the technical assistance recipients of the size of the change content in the recommendations. Reception-based content analysis requires the recipients to complete a questionnaire.

4.5.2 Analysing the recommendations.

The content analysis was undertaken by the researcher and the incumbent Pacific Financial Technical Assistance Centre tax policy and revenue administration advisor. The researcher is a peripatetic consultant for the International Monetary Fund and has done a number of technical assistance missions for the Pacific Financial Technical Assistance Centre. It was therefore assumed, for the purposes of this study, that the researcher has practical knowledge of the content of the recommendations and sufficient knowledge of the research methods to be able to competently complete this task.

The content of the recommendations was analysed against two themes - transactional and transformational change. A coding dictionary was established using the definitions of transformational and transactional change as outlined by Burke and Litwin (1992). A copy of the coding dictionary and coding form is attached at Appendix 5 and 6 respectively.

The incumbent Pacific Financial Technical Assistance Centre tax policy and revenue administration advisor reviewed the coding scheme. A pilot coding exercise was then conducted by the researcher and the advisor of a sample of recommendations. Lengthy discussions ensued as to scope and meaning of the definitions in the coding dictionary before final coding took place.

4.5.3 Statistical analysis.

Simple statistical analysis was used to analyse the data obtained from the survey questionnaire and the content analysis. Descriptive data were computed summarising the Pacific Financial Technical Assistance Centre activity in member countries in the review period. Descriptive data were also computed summarising the responses to the questionnaire. The data obtained from the content analysis and the survey questionnaire were then reviewed to see how size of the change content affected the subsequent action.

4.6 Reliability and Validity

4.6.1 Content analysis.

Reliability is the extent to which an assessment can be replicated in subsequent trials (Neuendorf, 2002). There is much debate as to the most effective reliability testing of coding decisions (Krippendorff, 2004; Lombard, Snyder-Duch, & Campanella Bracken, 2002). The most common method, intercoder percent agreement (Lombard et al., 2002), was adopted in this study. Intercoder reliability percent agreement is the percentage to which the coding by two different coders of the same text achieves the same result. The incumbent Pacific Financial Technical Assistance Centre tax policy and revenue administration advisor was asked to code the recommendations to increase confidence in the coding scheme. The first pilot test revealed differences in interpretation of the features of both transformational and transactional change. Numerous discussions ensued to reach a common understanding of the definitions in the coding dictionary. A second pilot test led to a higher intercoder agreement level. The differences of opinion related to the specific category the recommendations should be categorised into under transactional change and were not differences of opinion between transactional change factors and transformational change factors. After further discussion and clarification final independent coding was undertaken.

Validity is the extent to which the procedure measures what it is intended to measure, and only what it is intended to measure (Neuendorf, 2002). Face validity is the most common form of validity associated with content analysis but it is also the weakest. Criterion validity is the extent to which a measure uses an established standard that is

external to the measure (Neuendorf, 2002). In this study criterion validity will be measured against the Burke-Litwin model of transformational and transactional change (1992). The Burke-Litwin model uses five factors to determine transformational change and six factors to determine transactional change. The code book for this study used the definitions of these factors; thus providing an additional level of validity.

4.6.2 Survey questionnaire.

In traditional content analysis reliability and validity are obtained through interrater reliability percent agreement, and face validity and criterion validity respectively. Reception-based content analysis using a questionnaire aims to identify the subjective rating of the recipient about the content of the document. Consequently there cannot be a code book and close adherence to coding rules. A recipient's interpretation of the content of a communication (in this study a recommendation) cannot be wrong or right, it simply reflects their perception. Face validity is the appropriate measure of validity in this situation.

4.7 Ethical Considerations

The research was conducted in accordance with Massey University's Code of Ethical Conduct. The Ethics Screening Questionnaire was completed and three areas were identified for closer review: risk of harm, informed consent and conflict of interest. Explanatory papers were drafted for each of these areas addressing how any risk or perception of risk in these areas would be minimised. These papers were considered by the researcher's supervisor who advised that based on his experience of the Ethics Committee considerations this study would meet the requirements for low risk notification. The three risk areas and the minimisation techniques are discussed briefly below.

4.7.1 Risk of harm.

Two concerns arose in this area; the use of a questionnaire, which might reasonably be expected to cause embarrassment to the participants, and the collection of information which may expose the participant to discrimination.

There is potential for embarrassment from publication of the results rather than completion of the questionnaire or provision of the source documents. The researcher considers that although there is some risk, this needs to be balanced against the benefits of the outcome of the research for the participants. The results have been written so as to minimise any harm; careful note has been taken of identification issues; the participants have given informed consent; the benefits of the outcome of the research outweigh any potential harm; and the risks are necessary for the research to proceed, and are minimal.

The researcher notes that in the case of developing countries negative results that might ordinarily be expected to cause discomfort can, in some circumstances, be seen as a positive outcome: such results provide evidence for donor agencies of the need for further technical assistance, institutional strengthening, and capacity building.

4.7.2 Informed and voluntary consent.

The identity of the participants is known to the researcher and there was a risk informed consent might not be forthcoming. Participants were provided with a detailed information sheet with which to make an informed consent decision. English is not the first language of the participants; however, the language of communication at regional meetings, during technical assistance missions and with International Monetary Fund/Pacific Financial Technical Assistance Centre is English. The researcher did not anticipate that language difficulties would impede informed consent.

4.7.3 Conflict of interest

There is a potential conflict of interest situation for the researcher because of a perceived power relationship between the researcher and the research participants. This relationship is not a typical one of client and service provider. In this case, the service provider is the International Monetary Fund/Pacific Financial Technical Assistance Centre and the client the recipient office holder. The researcher is one of a number of contractors engaged by the service provider to provide a service to the client. It is, therefore, unlikely that non-participation by the recipient office holder will affect provision of future service by the International Monetary Fund/Pacific Financial Technical Assistance Centre to that office holder, their organisation or their country.

Participants were advised in writing that their decision to participate or refrain from participation in this study would not affect any future technical assistance they may seek or receive from the Pacific Financial Technical Assistance Centre or the researcher.

4.8 Assumptions and Limitations

Four assumptions underpin this study.

- It is assumed that the recommendations of the three countries selected for review are representative of the recommendations given to other Pacific Financial Technical Assistance Centre member countries.
- It is assumed that the tacit knowledge of the researcher of the language used in the recommendations, gained by personal experience in this development environment, is representative of the knowledge other advisors would have during the review period.
- It is assumed that notions of large change and small change can be used in place of the concepts of transformational change and transactional change for participants where English is not their first language.
- It is assumed that the North American concepts of transformational and transactional change would be understood by the consultant advisors when formulating their technical assistance recommendations.

Three limitations underpin the study.

- The use of purposeful sampling to select those countries who had received the most technical assistance means the findings may not be applicable for those countries who received less technical assistance.
- Both the researcher and the current Pacific Financial Technical Assistance Centre tax policy and revenue administration advisor are New Zealand nationals. This cultural background may have affected their coding in the content analysis in a manner that is not representative of technical advisors of other nationalities.
- The perspectives of the consultant advisors will not be obtained. Their perspective will be assumed from the outcome of the content analysis.

4.9 *Summary*

This chapter has described the research methods used to answer the research question: how does the size of the change content affect the implementation of technical assistance recommendations in developing Pacific Island countries. To identify any differences in size of the change content between traditional definitions of size and the recipients' perceptions of the size an integrative content analysis and survey methodology were used. Data were collected from archival documents and survey questionnaires. The resulting data were analysed using content analysis techniques and basic frequency statistics. The reader can assess reliability and validity of the findings described in Chapter 5 from the methodology described in this chapter.

Chapter 5: Findings

This chapter outlines the findings from the document review, survey questionnaire and content analysis. The findings from the survey questionnaire and the content analysis are then reviewed to identify differences between the respondents' perspectives of size and the content analysis findings. The chapter concludes with findings that indicate the effect the perspective of the size of the change content has on the outcome and implementation status of the recommendations.

5.1 Findings from the Document Review

The Pacific Financial Technical Assistance Centre conducted 61 tax policy and revenue administration missions in the review period resulting in 31 formal technical assistance documents. Not all missions led to written documents; some missions were introductory information gathering missions and some were follow-up missions where no formal technical assistance documents were prepared. From the technical assistance documents provided 1432 recommendations were extracted. Table 1 shows the number of missions per country, the number of documents available and the average number of recommendations per document.

Table 1: Missions, Documents and Recommendations by Country

	<i>Missions 2002 - 07</i>	<i>Documents Available</i>	<i>Total Recs</i>	<i>Average Recs per Document</i>
Cook Is	1	0	0	0
Fiji	1	1	143	143
FSM	15	7	88	13
Kiribati	3	1	107	107
Marshall Is	3	1	29	29
Nauru	0	0	0	0
Niue	2	1	67	67
Palau	5	4	182	46
PNG	6	4	102	26
Samoa	3	2	63	32
Solomon Is	7	5	313	63
Tokelau	0	0	0	0
Tonga	11	3	178	59
Tuvalu	2	1	129	129
Vanuatu	2	1	31	31
Totals	61	31	1432	46

Each Pacific Island country has received an average of 95 recommendations in the six year period 2002 – 2007 inclusive. If the two countries that did not host any missions are excluded, the average number of recommendations per country rises to 110 in the six year period.

5.2 Findings from the Survey Questionnaire

Questionnaires were emailed to a former Minister of Finance, who was the recipient of the reports received by his country, and to two Permanent Secretaries from the equivalent of Departments of Finance. The Permanent Secretaries were not the recipients of all the reports received by their respective countries; they are the incumbent position holders. The former position holders were not available and the incumbent position holders agreed to respond. Responses were received from all three respondents.

The respondents were asked 3 questions in relation to each recommendation they had received: Please rank the recommendations from large to small on a 5-step Likert scale; please advise the outcome of the recommendation - accepted, rejected or no decision yet; and please advise the status of the recommendation – completed, started not yet finished or not yet started. The questionnaires thus involved a significant number of individual questions dependent upon the number of recommendations the recipient had received. This resulted in one respondent answering more than 939 individual questions relating to 313 recommendations. In some instances item responses were missing. An imputed response was recorded where the researcher was able to impute a response from other responses in the questionnaire. Responses were able to be imputed for similar recommendations or where recommendations were duplicated between missions and a response was given to one of the recommendations but not the duplicate or similar recommendation. Where there were no duplicate or similar recommendations imputed responses were not able to be recorded. Collectively, 35 of the 579 recommendations (6%) received by the three countries were not responded to by the respondents and not able to be given an imputed response by the researcher. These recommendations were excluded from the data analysis. The findings from the survey questionnaire relate to the remaining 544 recommendations.

5.2.1 Size of the recommendations.

Respondents rated the size of the recommendations against a 5-step Likert scale. Nearly three quarters (72%, 389) of the recommendations were ranked as ‘large’ and ‘more large than small’. Nearly one quarter of the recommendations (23%, 124) were ranked as ‘neither large nor small’. Only 5% (31) of the recommendations were ranked as ‘small’, and ‘more small than large’; these recommendations all related to one country. A breakdown of the size of the recommendations as ranked by each country is attached at Appendix 7. Figure 1 summarises the size of the recommendations as ranked by the respondents.

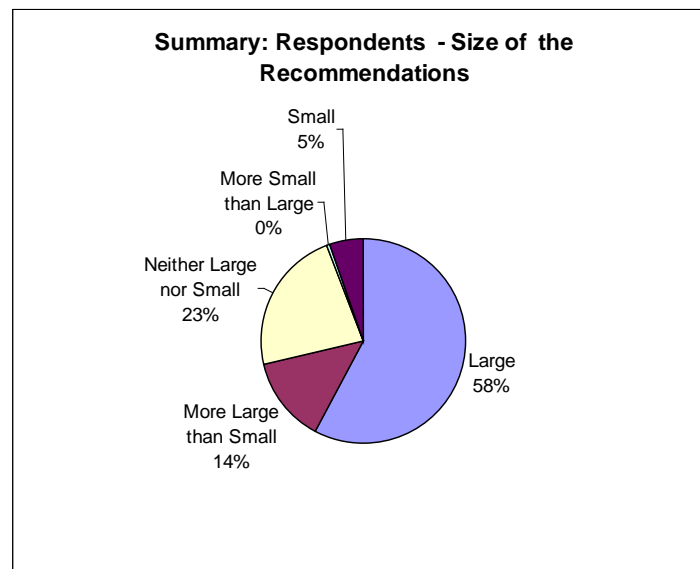


Figure 1: Summary: Respondents - Size of the Recommendations

A selection of the recommendations as rated by respondents is outlined below. The following recommendations were rated as ‘small’:

“Make all efforts to maintain continuity of senior staff in their current positions during implementation of the modernization project.”

“Reallocate staff with a view of providing more staff to work areas that need them”

“Renovate/refurbish premises in which PC/trade will be installed.”

The following recommendations were rated as ‘neither large nor small’:

“Commence planning process now for the new organizational structure, including the identification of cases for the program.”

“Examine RMS in situ in one of the Pacific Islands countries mentioned above to ascertain what ‘add ons’ to seek, e.g. there is a cashier module which accepts payments of all tax types, plus any other revenues the Government may wish to collect”

“Establish and publicize a taxpayer assistance Help line for small “business.”

The following recommendations were rated as ‘large’:

“Implement a new objection/appeals process with a view to ensuring an effective avenue for appeal by taxpayers that will apply to all taxes.”

“Introduce an effective refund system.”

“Activate the front office – back office set up in each field office in order to effectively manage the day to day work and provide a better service to the clients.”

5.2.2 Outcome of the recommendations.

The outcome of the recommendations reflects whether the recommendations were accepted, rejected or no decision has yet been made. Of the total recommendations, 69% (372) were accepted, 5% (28) were rejected and no decision has yet been made in relation to 26% (144) of the recommendations. The majority (95%, 130) of the 137 recommendations for which no decision has yet been made relate to one country. The remaining 7 recommendations (5%) are spread between the other two countries. The relevance of this difference in approach is evident in the data on the current status of the recommendation because it affects the findings relating to the status of the recommendations. A breakdown of the outcome of the recommendations as ranked by each respondent is attached at Appendix 8. Figure 2 summarises the outcome of the recommendations as rated by the respondents.

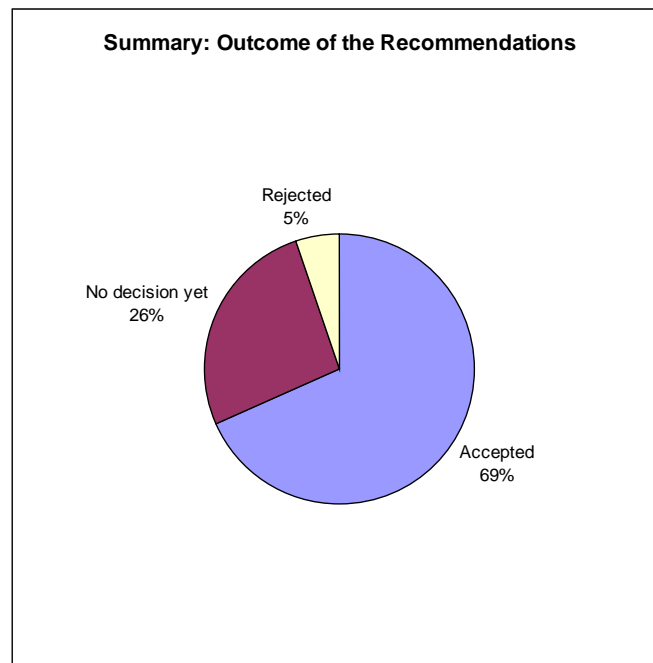


Figure 2: Summary: Outcome of the Recommendations

The next task was to assess if there was a relationship between the size of the recommendations and outcome of the recommendations. All of the recommendations the respondents rated as ‘small’ have been accepted, whereas only 86% of the recommendations rated as ‘neither large nor small’ have been accepted. The acceptance rate drops sharply for ‘large’ recommendations (60%). The size of a recommendation appears to make a difference where a decision has not yet been made – there are no ‘small’ recommendations awaiting a decision, only 8% of the recommendations rated as ‘neither large nor small’ are awaiting a decision yet more than one third (34%) of ‘large’ recommendations are still awaiting decision. The size of a recommendation does not, however, appear to affect the decision to reject a recommendation. None of the ‘small’ recommendations were rejected and a similar percentage of ‘large’ (5%) and ‘neither large nor small’ recommendations (6%) were rejected. These findings suggest that the smaller a recommendation is perceived to be the more likely it is to be accepted. And ‘large’ recommendations are more likely to be awaiting a decision than ‘small’ and ‘neither large nor small’ recommendations. Table 2 shows the recommendations by size and outcome. Percentages have been rounded to the nearest whole number.

Table 2: Summary: Outcome of the Recommendations by Size

	TOTAL	
Number of Recommendations	544	
Large*	389	389
Accepted	235	60%
No decision yet	134	35%
Rejected	20	5%
Neither large nor small	124	124
Accepted	106	86%
No decision yet	10	8%
Rejected	8	6%
Small*	31	31
Accepted	31	100%
No decision yet	0	0%
Rejected	0	0%
Key		
Large* includes more large than small		
Small* includes more small than large		

5.2.3 Status of the recommendations.

The status of the recommendations describes whether the recommendations are completed, started but not yet finished, or not yet started. Status was assessed against the total number of recommendations, the total number of recommendations that were accepted, and the total number of recommendations accepted and for which there has been no decision yet. Of the total recommendations, slightly over one third (207, 38%) have been completed. Over half (56%) of the accepted recommendations have been completed. A breakdown of the status of the recommendations as ranked by each respondent is attached at Appendix 9.

The next task was to assess if there was a relationship between the size of the recommendations, the outcome of the recommendations and the status of the recommendations. Nearly all of the ‘small’ recommendations that have been accepted have been completed (97%), whereas slightly less than one third of ‘large’ recommendations that have been accepted have been completed (30%). Recommendations that are ‘neither large nor small’ and have been accepted are about-as-likely-as-not to be completed (48%). The size of a recommendation does not appear

to affect whether a recommendation is started – 3 % of ‘small’ recommendations have not yet been started, rising to 9% of ‘large’ recommendations that have not been started. The size of a recommendation does seem to affect the status of the recommendation. There are no ‘small’ recommendations which have been started but are not yet finished. However, nearly one third (32%) of recommendations which are ‘neither large nor small’ and that have been started have not yet been finished. The percentage of recommendations started but not yet finished drops to 21% of ‘large’ recommendations. The data available do not allow any causative analysis to be undertaken. It is, however, possible that the ‘large’ recommendations are considered to be important and are given greater attention to ensure their completion. This would need to be studied further to ascertain if it is correct. Table 3 shows the recommendations by size, outcome and status. Percentages have been rounded to the nearest whole number.

Table 3: Summary: Status of the Recommendations by Size

	TOTAL	
Number of recommendations	544	
Large*	389	389
Accepted, Completed	117	30%
Accepted, Not yet Started	35	9%
Accepted, Started Not yet Finished	83	21%
No decision yet	134	35%
Rejected	20	5%
Neither large nor small	124	124
Accepted, Completed	60	48%
Accepted, Not yet Started	7	6%
Accepted, Started, Not yet Finished	39	32%
No decision yet	10	8%
Rejected	8	6%
Small*	31	31
Accepted, Completed	30	97%
Accepted, Not yet Started	1	3%
Accepted, Started Not yet Finished	0	0%
No decision yet	0	0%
Rejected	0	0%
Key		
Large* includes more large than small		
Small* includes more small than large		

5.2.4 Factors determining size and status of the recommendations.

The respondents were asked to identify which factors they took into account in determining the size of the recommendations. Figure 3 shows the factors the respondents took into account when determining the size of the recommendations. All the respondents indicated that they took into account skills, timeframe, cost, taxpayer feedback and impact when rating the size of ‘large’ recommendations. There was no similar consensus on the factors taken into account when rating ‘small’ recommendations. Only one respondent considered the number of recommendations when determining the size of an individual recommendation.

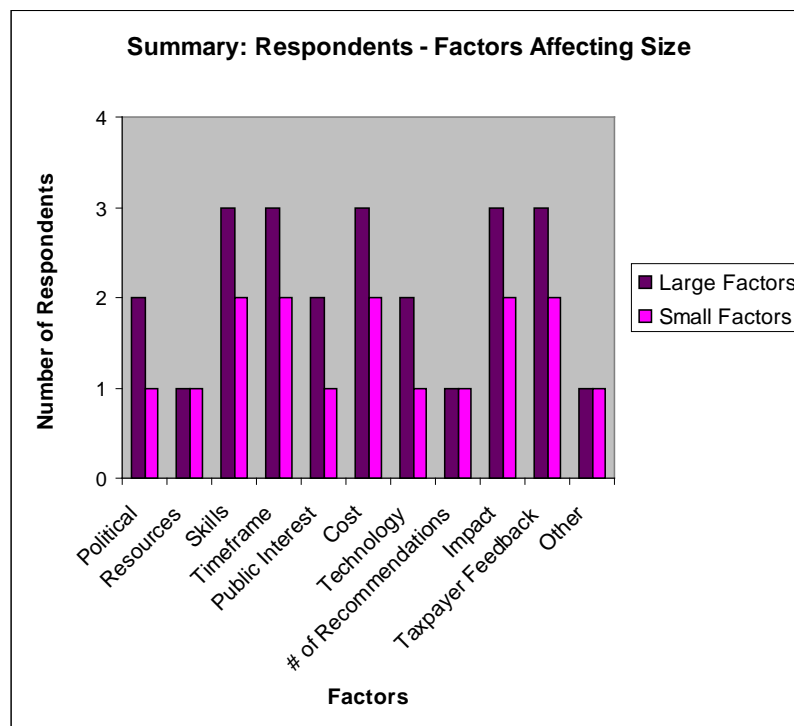


Figure 3: Summary: Respondents - Factors Affecting Size

The respondent who recorded ‘Other’ as a factor taken into account when deciding on the size of the recommendations explained other as: “Capacity - Other programs etc; Social environment; attitudes (staff/community/govt)”. This explanation was given for the response in relation to both ‘large’ and ‘small’ recommendations.

Figure 4 shows the factors the respondents indicated affected the status of the recommendations. The factor rated by all respondents as relevant to the status of a recommendation that has been started but not yet finished is timeframe. There is no

factor common to all respondents that affected the failure to start a recommendation. The most common factors (rated by two respondents as relevant) affecting failure to start implementing a recommendation are political, timeframe, cost and impact.

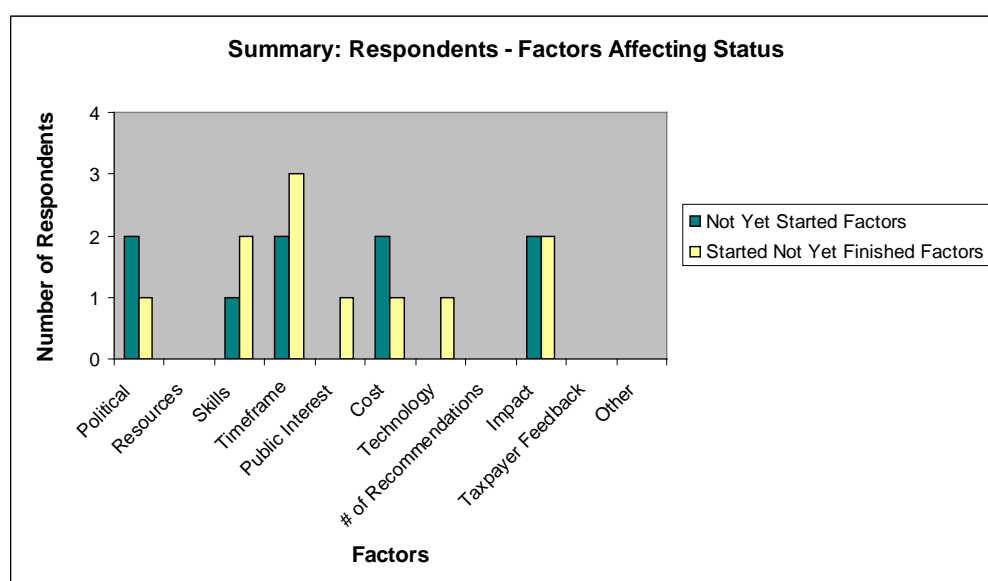


Figure 4: Summary: Respondents - Factors Affecting Status

5.2.5 Findings from general questions

Respondents were also asked three general questions: What was their overall impression of the number of recommendations? What was their overall impression of the size of the recommendations? The third question asked for any final comments. This section summarises their responses.

In response to the question what is your overall impression of the number of recommendations, two respondents commented that the number of recommendations was 'broadly appropriate'. One respondent was more critical.

"The number of changes that an administration can manage need to be carefully considered and timed against prevailing social, political, economic and administrative conditions. The need for technical advancement needs to be paced with business systems and processes and staff development. If the goal is sustainable change and improvements there is a need to carefully balance capacity building and advisor driven implementation of reform initiatives."

In response to the question what is your overall impression of the size of the recommendations two respondents commented that the size of the recommendations was ‘relevant’ and ‘appropriate’ in the circumstances. One respondent was more critical.

“Some of the recommendations have very significant implications for the government of the day, the administration and the community. More assistance in scaling recommendations, identifying critical steps or review points in bigger initiatives, timing and sequencing and understanding of the environment (particularly at the administrative level) would help in ensuring that recommendations are able to be progressed.”

In response to the request to add any final comments, the respondents again made differing statements.

“The recommendations form a clear 'go forward' plan for finalizing a tax reform policy that is customised to suit local circumstances but conforms with international norms. In addition the recommendations form a clear blue print to guide the project team to implement the recommendations and set the groundwork for robust project governance.”

“A number of the recommendations that have been implemented have had varying degrees of success. The less successful outcomes were largely due to timing of initiatives and lack of support in the underlying systems and processes and people skills to cope with the changes. There are a lot of repetitive recommendations with slight variations - this is somewhat reflective of the size and scope of the reports which often leads to repetitiveness and lack of clarity around priorities, sequencing etc.”

The full responses to these general questions are attached at Appendix 10.

In summary, the findings from the survey questionnaire suggest:

- The majority of the recommendations are perceived by the respondents to be ‘large’.
- ‘Small’ recommendations were almost certain to be accepted (100%) and were most likely to be implemented (97%).
- Recommendations that are ‘neither large nor small’ were likely to be accepted (86%) and were about-as-likely-as-not to be completed (48%).

- Only 60% of ‘large’ recommendations were accepted, and of those slightly less than one third have been implemented (30%).
- The size of a recommendation has little effect on the decision to reject the recommendation.
- ‘Large’ recommendations are more likely to be awaiting a decision on whether to proceed than recommendations which are ‘small’ and ‘neither large nor small’.
- The main factors affecting the perceived size of a recommendation are skills, timeframe, cost, impact, and taxpayer feedback.
- The only common factor affecting implementation of the recommendations that had been started but not yet finished was timeframe.
- The common factors affecting a decision not to start implementing a recommendation were political, timeframe, cost and impact.
- There was no common response in relation to the impact of the number of recommendations a recipient received.

5.3 *Findings from the Content Analysis*

Recommendations that were not ranked by the respondents in the questionnaire were excluded from the content analysis. To ascertain whether the recommendations related to transformational change or transactional change the recommendations were assessed into categories respective to that type of change. Recommendations which related to structure, task requirements and individual skills, systems, and management practices were assessed under transactional change. Recommendations which related to strategy and mission, external environment, culture, and leadership were assessed under transformational change. The researcher and the second coder, the current Pacific Financial Technical Assistance Centre tax policy and revenue administration advisor, did not agree on the ratings for 12 (2%) of the recommendations. The difference of opinion related to the specific category the recommendations should be placed into under transactional change and was not a difference of opinion between transactional change factors and transformational change factors. It is therefore considered that the inter-rater coding percentage has minimal impact on the overall findings on the content analysis.

The findings showed the majority of the recommendations related to systems changes (38%, 208), and task requirements and individual skills (42%, 231). Only (15) 3% of recommendations related to transformational changes: strategy changes (1%) and external environment changes (1%). Figure 5 summarises these findings. A table showing the content analysis breakdown for each country is attached at Appendix 11.

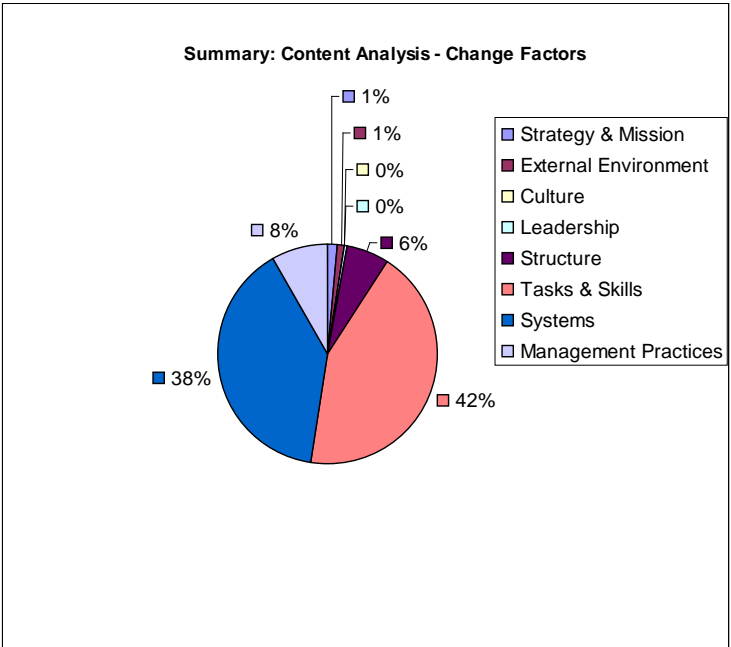


Figure 5: Summary: Content Analysis – Change Factors

When these findings are rounded up to the key themes – transformational and transactional change, only 3% of the recommendations relate to transformational changes factors. The majority of recommendations, 95%, were for transactional changes. The remaining 2% of recommendations were not able to be agreed upon by the raters. It was, however, agreed that they related to transactional change factors, making 97% of the recommendations relate to transactional changes.

A selection of the recommendations found to have transformational characteristics is listed below:

“That the constitutional issue of the rights of the National Government and the States to tax income and consumption is resolved prior to the briefing of the tax reform program to the National legislature in May 2007.”

“The new Small Business Division should focus its strategies and efforts on getting small businesses into the tax system, provision of advice to small business including for record keeping, record keeping reviews and develop a special program for new businesses.”

“Avoid creating the (wrong) perception among taxpayers that taxes are not obligatory contributions, but something to be negotiated.”

“Tax Public sector operations to achieve something closer to a “level playing field” with private business.”

A selection of the recommendations found to have transactional characteristics is listed below:

“Impose reasonable ceilings on the tax deductibility of directors’ fees and entertainment expenses, and deny tax deductibility of non-business usage of passenger cars.”

“Select two advisors as project managers, one for implementation of the tax policy and administration reform and one for implementation of the customs modernization program.”

“Implement new documentary requirements (list of invoices when electronic filing and green line).”

“A [VAT] should be implemented with a single rate of no less than 10 percent (based on current data).”

In summary, the findings from the content analysis show the majority (97%) of the recommendations have features which are transactional in nature.

5.4 Linking the Questionnaire Findings and the Content Analysis

5.4.1 Difference between respondents’ perspectives of size and content analysis.

The findings show a significant gap between the respondents’ perspectives of the size of the recommendations and the assessment generated from the content analysis. Respondents identified 72% of the recommendations as ‘large’, and ‘more large than small’. Only 5% were identified as ‘small’. However, the content analysis assessed 97% of recommendations as transactional which, for the purposes of this study, is linked with smallness. Only 3% of the recommendations were assessed as transformational (large). Figure 6 shows this inverse relationship.

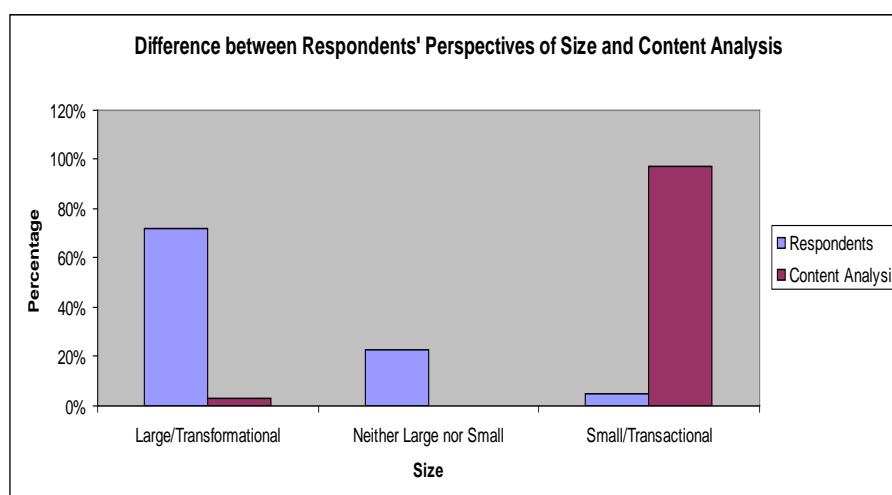


Figure 6: Difference between Respondents' Perspectives of Size and Content Analysis

The 15 recommendations assessed as having transformational change features were compared with the recipients' ratings for those same recommendations. The recipients identified 5 of the transformational recommendations as 'large', and 'more large than small'. The remaining 10 recommendations were identified by the respondents as 'neither large nor small'.

5.4.2 Difference in outcome between respondents' perspective and content analysis.

The findings from the content analysis in respect of each recommendation were matched against the outcome of the recommendation as rated in the survey. The findings indicate the difference in size between transformational and transactional recommendations has little impact on the outcome of a recommendation – 71% of transformational and 68% of transactional recommendations were accepted, 29% of transformational recommendations and 26% of transactional recommendations are still awaiting a decision. Figure 7 shows the outcome of the recommendations assessed as transformational and transactional.

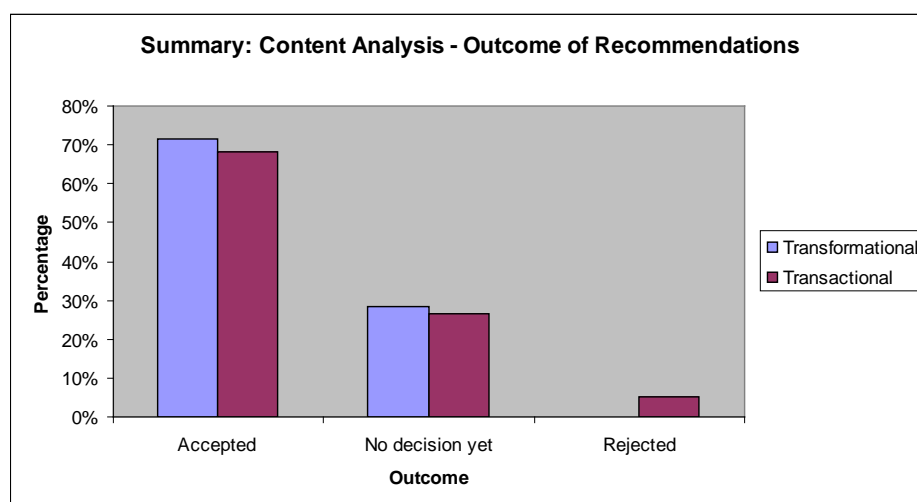


Figure 7: Summary: Content Analysis – Outcome of Recommendations

Appendix 12 provides a breakdown of the outcome of the transformational and transactional recommendations by country and year.

The findings suggest there is little difference in outcome between transformational and transactional recommendations and those rated by the respondents as ‘large’. To that extent, it is more helpful to use the respondents’ ratings to identify the impact of the size of the change content on the outcome of the recommendations than it is to identify the impact of size using the transformational transactional dichotomy. Figure 8 shows the difference in outcomes between the two methods of assessing size of the recommendations.

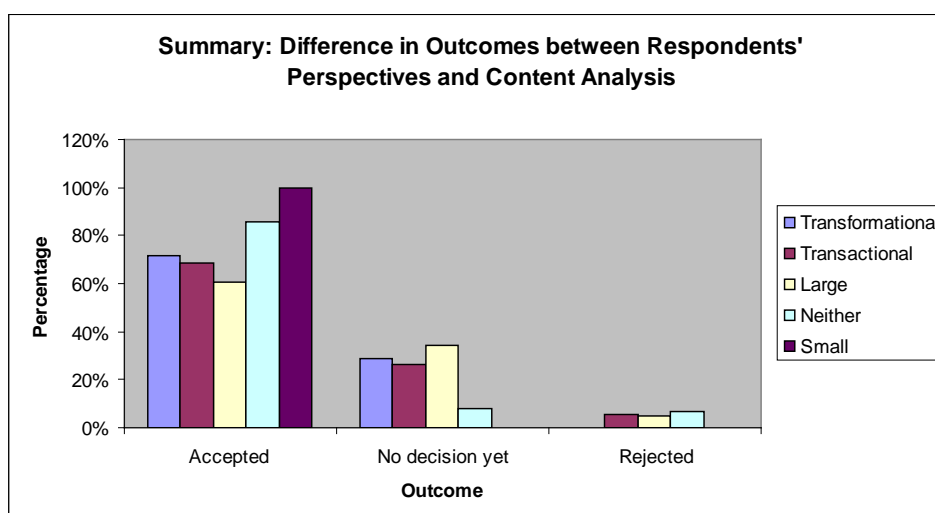


Figure 8: Difference in Outcomes between Respondents' Perspectives and Content Analysis

5.4.3 *Difference in status between respondents' perspective of size and the content analysis assessment of size.*

The findings from the content analysis in respect of each recommendation were matched against the status of the recommendation as reported in the surveys. This suggests there is a greater likelihood of transactional recommendations being completed (38%) than transformational (21%) recommendations. It also suggests that transformational recommendations are more likely to be started but not yet finished (43%) than transactional recommendations (22%). The size of a recommendation appears to make little difference in relation to whether a decision to accept or reject the recommendation has yet to be made. Figure 9 summarises these findings.

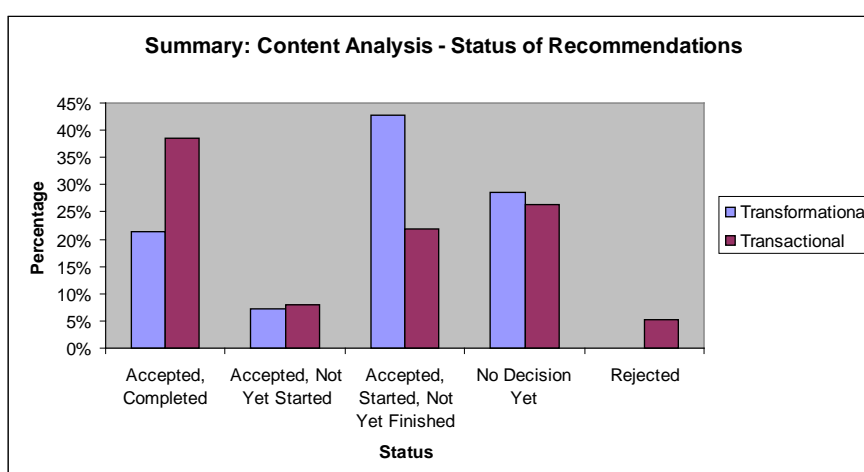


Figure 9: Summary Content Analysis – Status of Recommendations

Appendix 13 provides background data showing the outcome and status of the transactional and transformational recommendations by country and year.

If the change content is assessed as transformational the recommendations are least likely to be implemented, and more likely to be started but not yet finished. Where the change content is assessed as transactional the size of the recommendation has no clear impact on the implementation status of the recommendation. This is likely to have arisen because assessing 97% of the recommendations as transactional changes does not allow for further analysis of impact within that group of recommendations. To obtain a better understanding of the impact of the size of the change content it is necessary to look at the respondents' ratings of size. The respondents' ratings indicate the size of the change content has a clear impact on the implementation status of a recommendation: 'large' recommendations have a 30% chance of implementation, 'small' recommendations have a 97% chance of implementation and recommendations which are 'neither large nor small' have a 48% chance of implementation. Figure 10 shows the difference in the status of the recommendations between the content analysis and the respondents' perspective of size.

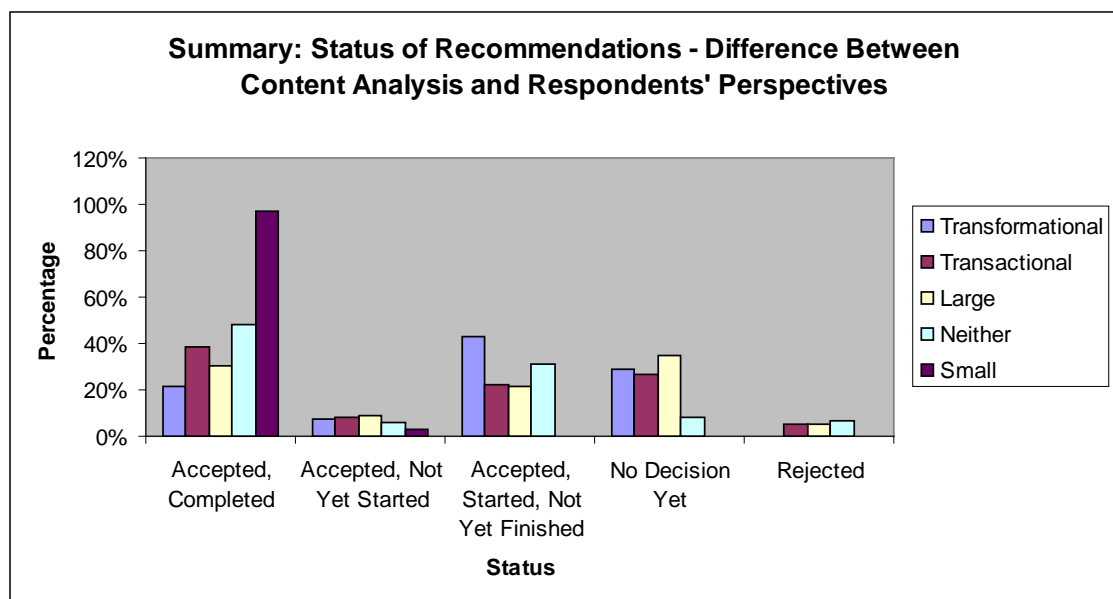


Figure 10: Summary: Status of Recommendations – Difference between Content Analysis and Respondent's Perspectives

In summary, the findings from the two methods of assessing size suggest:

- There is little difference in the outcome of a recommendation between recommendations assessed as transformational (71%) and those assessed as transactional (68%).
- Recommendations assessed as transactional are more likely to be completed (38%) than those assessed as transformational (21%).
- Assessing the recommendations as transformational and transactional is less helpful in predicting the impact of the size of the change content on the outcome of the recommendation. The respondents' ratings of the size of the recommendations are more predictive of the likely outcome of the recommendation.
- Assessing a recommendation as transformational is helpful in predicting the likely implementation status of a recommendation. Transformational recommendations are least likely to be completed, and more likely to be started and not yet finished.
- Assessing a recommendation as transactional is least helpful in predicting the impact of the size of the change content on the implementation status of the recommendation. The respondents' ratings of the size of the recommendations are more predictive of the likely implementation of the recommendation.

5.5 *Summary of Findings*

This chapter has summarised the findings from the document review, the survey questionnaire and the content analysis. The document review revealed 1432 technical assistance recommendations were given to 13 Pacific Island countries in the period 2002 – 2007 inclusive - an average of 110 recommendations per country. Responses to the survey questionnaire revealed that the majority of the recommendations were considered to be 'large' and 'more large than small' (72%). This is in direct contrast to the findings from the content analysis which suggested that the majority of the recommendations related to transactional changes (97%).

Of the recommendations that the respondents rated as 'large', and 'more large than small' nearly one-third (30%) have been completed. Nearly half of the

recommendations rated as 'neither large nor small' have been completed (48%) and 97% of those rated 'small' and 'more small than large' have been completed. This suggests that the recipient's perspective of the size of a recommendation affects implementation of the recommendation. When the implementation data are compared with the size of the recommendations determined from the content analysis little more than 20% of the transformational changes have been completed and only 37% of the transactional changes have been completed. However transformational changes are more likely to be started and not yet finished than other changes. On its own, the content analysis assessment of the size is less helpful in identifying how the size of the recommendation affects its implementation than an assessment of size obtained from a combination of findings from the survey questionnaire and the content analysis. Assessing a recommendation as transformational is more predictive of its likely outcome and implementation. Assessing a recommendation as transactional is least indicative of the effect on implementation of the recommendation. A further assessment, using the recipient's assessment of size, is necessary to more accurately identify how the recipient's perception of the size of the recommendation will affect its implementation.

Chapter 6: Discussion

This chapter links the main findings from the study with the key themes in the literature review. The key themes are outlined and the findings in relation to each of the themes are discussed. The chapter concludes with a brief discussion of the advantages of reception-based content analysis in the context of this study, and the fine balance between seeing change through the eyes of the recipient and paternalism.

6.1 *Themes from the Literature Review*

The key themes in the literature review can be summarised as follows:

- Technical assistance recommendations may still be transformational even when a big push approach to development aid has been shown to be flawed (Ellerman, 2004a, 2004b, 2007; Pronk, 2001, 2003).
- For technical assistance to be successful the changes should be seen through the eyes of the developing country and should start from where the country is (Ellerman, 2007).
- Large scale changes can be overwhelming and can result in little or no action if people are not equipped to manage the changes (Weick, 1984).
- A strategy of small wins might be preferable to approach and manage large scale change (Bryson, 1988; Weick, 1984).
- It is ethnocentric and expensive to think that the application of North American theories in non-North American countries will result in the same outcomes as occur in North America (Adler, 1983a).
- The size of a change or series of changes depends on the perspective of the observer (Weick & Quinn, 1999).

6.1.1 *Myth or reality - technical assistance recommendations are still transformational.*

Technical assistance recommendations may still be transformational even when a big push approach to development aid has been shown to be flawed (Ellerman, 2004a, 2004b, 2007; Pronk, 2001, 2003). This statement is not borne out in the findings. Using the traditional definitions of transformational and transactional change the

majority of the changes do not have transformational features. The content analysis found only 15 (3%) of the 544 recommendations reviewed had transformational features. It is questionable, however, whether it can be concluded that the recommendations are not transformational in a developing country context. The recommendations may not meet the traditional accepted North American definitions of transformational change, however, it is unlikely Ellerman was being so precise in his argument. It is more likely that he was arguing that technical assistance recommendations are still seeking fundamental change that requires skills and capacity which may be beyond those of the developing country at the time. This is supported by his exhortation to 'see the changes through their eyes' (2007, p. 575). The findings from the survey questionnaire, used to assess how the recipients saw the recommendations through their eyes, contrast starkly with the findings from the content analysis. The respondents rated 389 (72%) of the recommendations as 'large' and 'more large than small'. When viewed through the eyes of the recipients the findings suggest the changes are still large and, therefore, are likely to be fundamental in their context.

The recommendations, in the eyes of the recipients, may be 'large' but are they transformational? Transformational changes relate to changes in external environment, leadership, mission and strategy, organisational culture and individual and organisational performance (Burke & Litwin, 1992). These features are different from the factors the respondents indicated they took into account when deciding on the size of a change. The factors which made a change 'large' in the eyes of the respondents were skills, timeframe, cost, impact, and taxpayer feedback. The first three factors (skills, timeframe and cost) are more traditionally associated with change process rather than the change content. It is possible that the size of the change content, as ranked by the respondents, may be influenced more by change process implications than the size of the change content. The effect of change process factors would need to be studied further before a conclusion could be drawn on their effect on the implementation of the recommendations.

To summarise, the findings suggest that the change content of technical assistance recommendations is not transformational as that term is used in traditional North

American management parlance. However, the changes are nevertheless ‘large’ when seen through the eyes of the recipient.

6.1.2 Myth or reality – to be successful changes need to be seen through the eyes of the recipient.

For technical assistance to be successful the changes should be seen through the eyes of the developing country and should start from where the country is (Ellerman, 2007). The findings in this study support this statement where success is determined by the outcome of the recommendations. The recommendations rated by the respondents as ‘small’ and ‘more small than large’ were all accepted. The majority, 86%, of the recommendations that were rated as ‘neither large nor small’ were accepted but only 60% of the ‘large’ recommendations were accepted. One third of the ‘large’ recommendations have had no decision made on them, whereas only 8% of the recommendations that are ‘neither large nor small’ are still awaiting a decision. The findings suggest that the recipient’s perspective of the size of a recommendation affects the decision to accept or reject the recommendation. The same cannot be said in relation to outcome if size is assessed objectively using the transformational transactional classification. The size of the change content has little effect on the outcome of the recommendation if a transformational transactional assessment is used: 68% of transactional and 73% transformational changes were accepted, 26% of transactional and 27% of transformational changes are still awaiting a decision.

Ellerman’s plea, to see the changes through the eyes of the recipient, is also salient if success is assessed by the implementation status of the recommendations. The findings suggest that there is a much greater likelihood of changes rated by the respondents as ‘small’ being implemented (97%) than those they rated as ‘large’ changes (30%). Recommendations where the content was rated as ‘neither large nor small’ are about-as-likely-as-not (48%) to be implemented. The content analysis findings suggest a much lower implementation success rate: 21% of transformational recommendations were completed and 38% of transactional recommendations have been completed. This suggests that evaluating the size of change content through the eyes of the recipient is more predictive of the likely implementation of the recommendation than assessing the change content using traditional definitions. Recommendations that are assessed as

transformational are least likely to be implemented. Therefore, by considering the transformational nature of a change recommendation before it is made a consultant advisor may be able to identify those changes least likely to be successful.

In summary, changes are more likely to be accepted and implemented if they are viewed by the recipient as 'small' than if they are viewed as 'large'. The likely success of a recommendation is less able to be predicted if the change content is assessed solely using transformational and transactional change factors as indicators. These findings support the theory that change needs to be viewed through the eyes of the recipient, and to have a greater chance of success the change needs to be smaller rather than larger.

6.1.3 Myth or reality - large changes can be overwhelming and can lead to paralysis.

Large scale changes can be overwhelming and can result in little or no action if people are not equipped to manage the changes (Weick, 1984). This statement is not borne out by the findings in this study. The findings indicate a sliding scale of action depending on the recipient's perspective of the size of the recommendations, suggesting that the size of the change content does affect implementation. However, the findings do not suggest that the respondents were overwhelmed or paralysed by the 'large' or transformational changes. The difference between 'small' changes which are 'not yet started' (3%) and 'large' changes which are 'not yet started' (9%) is only 6%. The percentage of transformational and transactional changes that are 'not yet started' is also low and the differential even narrower: 7% of transformational changes and 8% of transactional changes are 'not yet started'. Recommendations a recipient perceives to be 'large' may be slightly less likely to be started than recommendations assessed as transformational and transactional, 'small' and 'neither large nor small' but the findings do not go so far as to suggest that the respondents are overwhelmed by the size of the recommendations to the point of doing nothing.

6.1.4 Myth or reality – a strategy of small wins might be preferable.

A strategy of small wins might be preferable to approach and manage large scale change (Bryson, 1988; Weick, 1984). This statement is borne out by the findings if smallness is assessed through the eyes of the recipient. The findings do not, however,

suggest that smallness assessed using transactional change factors leads to higher levels of acceptance and implementation.

6.1.5 Myth or reality – North American theories in non-North American countries are ethnocentric and expensive.

It is ethnocentric and expensive to think that the application of North American theories in non-North American countries will result in the same outcomes as occur in North America (Adler, 1983a). This study did not specifically set out to address this theme, however, the findings from the study lend some support to the theme. There are significant amounts of development aid money spent in Pacific Island countries (Yager, 2001), and the current triennial budget for the Pacific Financial Technical Assistance Centre technical assistance has increased 33% over the previous triennial budget (IMF, 2005b, 2008b). Development aid is, arguably, unnecessarily expensive if consultant advisors and aid recipients have a different perspective of the size of the changes recommended and this difference affects implementation of the recommendations. The findings from this study suggest that differences in perspective may be common and in some cases extreme. For example, one recommendation that was reviewed, made in November 2004, was to “Avoid creating the (wrong) perception among taxpayers that taxes are not obligatory contributions, but something to be negotiated.” In the content analysis the recommendation was assessed, in the culture category, as a transformational change. The respondent, however, rated the recommendation as ‘neither large nor small’, accepted and completed. Organisational culture change is fraught in traditional thinking, yet this change has been ranked by the respondent as completed within a 3½ year timeframe. This is a significant achievement for what is, in conventional terms, a transformational change.

If consultants trained in countries that adopt North American academic scholarship apply that learning when advising public sector leaders in developing countries it is probable that the consultant and the recipient will have a different perspective on the size and achievability of a recommendation. Consultant advisors and independent observers may consider the size issue has been addressed by adopting a small-win strategy approach (Bryson, 1988) and recommending transactional changes. However, a transactional change may still be ‘large’ from the recipient’s perspective. The

technical assistance documents reviewed show an average of 110 recommendations per country in the review period. The content analysis assessed 97% of the recommendations as transactional. If the consultant advisors intended these recommendations to be small they have achieved that from a transactional perspective but not from the perspective of the recipients. The omission to recognise the difference in perspective appears to have a negative impact on the successful outcome and implementation of the recommendations rated by the recipients as 'large'. To that end, the application of transactional and transformational change theories in Pacific Island countries is costly. The intention of the consultant advisors needs to be studied further to understand their intentions when drafting the recommendations.

6.1.6 Myth or reality - the size of a change or series of changes depends on the perspective of the observer.

The recurrent theme in the change literature, that is borne out by the findings from this study, is that the size of a change depends on the perspective of the observer (Weick & Quinn, 1999). The response to the research question "How does the size of change content affect implementation of technical assistance recommendations" depends on the method used to assess size. Size assessed objectively, using traditional definitions of transactional and transformational change, produces quite different findings from size assessed subjectively by the recipient of the recommendations. The different assessments of size lead to different findings in relation to both the outcome and the implementation status of the recommendations. The recipient's perspective of size gives a clearer picture of the effect of size on implementation of the recommendations.

6.2 Support for Reception-based Content Analysis

One advantage of reception-based content analysis, identified in Chapter 4, is that it enables recipients of a message to code the text based on their intuitive understanding of the meaning of the text (Ahuvia, 2001). This is important if the aim of a study is to identify the recipient's interpretation of the text rather than the researcher's interpretation. This advantage has been borne out in the current study. Answering the research question solely using findings from the standard approach to content analysis would be at best inconclusive, and at worst would perpetuate the ethnocentricity of mono-cultural approaches. Using reception-based content analysis in this study has

been illustrative of the likely difference between the respondent's perception of the size of the change content and that of the consultant advisors and their agencies. The findings in this study support the use of reception-based content analysis: If you want to know what message recipients draw from a communication you should ask them.

6.3 Autonomy and Ownership or Paternalism

One of the risks with applying the findings from this study is the possibility that technical assistance recommendations will be over simplified to make them smaller and, therefore, more likely to be implemented. It is worth recalling the features of helpful aid. Helpful aid requires autonomy and ownership on the part of the technical assistance recipient; the leader must understand the change and take responsibility for implementing the change (Bucknall et al., 2004; Ellerman, 2004a, 2007; OECD, 2005; Pronk, 2001, 2003; Sobhan, 2002; World Bank, 2005). As noted in the literature review, aid effectiveness studies are fraught, not the least because of the difficulties with establishing a control environment, and generalising the findings from one aid initiative into another environment with different cultural, political, institutional capacity and stability features. But also because different people in different environments faced with different external environments will react differently to the stimuli they face. Adopting a strategy of smaller simpler recommendations on the assumption that further simplification of the recommendations might lead to a greater likelihood of implementation overlooks the need for autonomy and ownership on the part of the recipient and risks an unnecessarily paternalistic approach whereby the desire to help may result in the recipients' personal responsibilities and choices being arrogated. The challenge is to make the recommendations small wins i.e., 'small' and achievable, in the eyes of the recipient not smaller and simpler in the eyes of the consultant advisor.

6.4 Summary

The purpose of this study was to identify how the size of the change content of technical assistance recommendations affects implementation of the recommendations. The size of the change content was assessed from two bases, first, from the application of traditional North American definitions of transactional and transformational change and secondly, from the perspective of the recipients of the recommendations. The

findings from the content analysis suggest that technical assistance recommendations are transactional in nature, not transformational as Ellerman (2004a; 2004b; 2007) contends. The findings from the survey questionnaire suggest that the recipients perceive the majority of the recommendations to be 'large' and 'more large than small' which, in their context may equate to transformational change. The terms used to describe the size of change content may be used interchangeably in common parlance but there are quite specific differences when a formal assessment is undertaken. Technical assistance recommendations may not be transformational in the academic sense of the word but they are, nevertheless, 'large' when seen through the eyes of the recipient which has an impact on the effectiveness of the technical assistance.

The findings from the study do not support Weick's (1984) theory that large changes can be overwhelming to the point of inaction. In the context of this study 'large' changes have a 60% chance of being accepted and a 30% chance of being implemented; only 7% have not yet been started. However, the smaller the change the more likely it is to be implemented supporting the theory that to be successful technical assistance recommendations need to be seen through the eyes of the recipient (Ellerman, 2007).

The high percentage of transactional recommendations suggests that consultant advisors may be adopting a small-win strategy informed by an overall strategic direction (Bryson, 1988). If this is the case, the findings indicate a significant difference in perspective on smallness between North American scholarship and Pacific Island reality. This difference in perspective is costly in terms of the ongoing need for development aid. For a small-win strategy to be successful the small wins would need to be seen as small from the perspective of the recipient. This provides a challenge for aid agencies and consultant advisors trained in North American theories, and provides support for the new approach to content analysis - reception based content analysis (Ahuvia, 2001). If you want to know the recipient's perspective of a message the best approach is to ask them. The size of change content does depend on the perspective of the observer (Weick, 1984).

Chapter 7: Conclusion

This chapter summarises the study undertaken and the main findings. Conclusions reached from the study are presented together with questions for aid agencies and consultant advisors to consider when applying the learnings in practical settings. The chapter also includes suggestions for further research, particularly understanding the difference in perspectives of the size of the change content, and identifies the limitations of the research.

7.1 Summary of the Study

International aid agencies offer development aid with the expectation developing countries will transform to such an extent that they can look after themselves, yet many countries have not developed as aid agencies expected. The two reasons, salient to this study, for this perceived ineffectiveness of development aid are:

- Development aid is seeking transformational change which is beyond the capabilities of a developing country.
- Aid agencies and consultant advisors are not seeing the scale of their recommended changes through the eyes of the recipient.

The purpose of this study was to determine if the size of the change content of technical assistance recommendations affected implementation of the recommendations, thereby contributing to the debate on aid effectiveness. This led to the research question: how does the size of change content affect the implementation of technical assistance recommendations in developing Pacific Island countries?

Three research methods were employed in the study: document review, content analysis and survey research. Technical assistance documents produced by tax policy and revenue administration consultant advisors from the Pacific Financial Technical Assistance Centre, Fiji, for developing Pacific Island countries during the period 2002 to 2007 inclusive were reviewed to extract the recommendations. The recommendations made to the three countries that received the highest number of

technical assistance missions were subjected to further study. The cross-cultural nature of the study called for the size of the change content to be assessed from the perspective of both the consultant advisor and the recipient public sector leader. This helped identify if implementation of the recommendations was affected by perceptions of the size of the change content.

A content analysis was undertaken to assess the recommendations using traditional definitions of transactional and transformational change. It was assumed that these definitions would broadly equate with small and large change respectively. The survey questionnaire was administered to obtain the recipients' ratings of the size of the change content in the recommendations and to identify the outcome and status of the recommendations. The content analysis findings suggest very few (3%) of the technical assistance recommendations recommended transformational change whereas the recipients rated the majority (72%) of the changes as 'large' and 'more large than small'. The recommendations may not meet the traditional North American definition of transformational (large) change; nevertheless they are large when seen through the eyes of the recipients.

The recipient's perspective of size was most indicative of the likely implementation of the change. Changes rated as 'small' by the recipients are almost certain to be implemented, changes which are 'neither large nor small' are about-as-likely-as-not to be implemented and changes rated as 'large' by the recipients have a one-in-three chance of being implemented. Only 21% of changes assessed as transformational were implemented, and 38% of recommendations assessed as transactional were implemented. These findings support the notion that to be effective – accepted and implemented - technical assistance recommendations need to be seen as manageable in the eyes of the recipient. What does this mean for aid agencies, aid recipients and academics in the field?

7.2 The Recipient's Perspective of Size Matters Most

Aid agencies measure aid effectiveness on results which, typically, is synonymous with implementation of technical assistance recommendations. The more aid agencies and consultant advisors can see the changes through the eyes of the recipient the more

likely the technical assistance recommendations can be drafted and timed to improve their likelihood of implementation and the more likely the success of the aid effort. The vast difference in perspective of the size of the recommendations, as identified in this study, is, therefore, cause for concern. It was assumed that the consultant advisors would be aware of the transactional/transformational change definitions and that this would be reflected in their recommendations. This assumption may be true; most of the recommendations are transactional in nature. If the transformational/transactional dichotomy reflects the consultant advisors' views of the size of the recommendations, the consultant advisors may consider that they have adopted a small-win approach. The reality is they have not. The recipients think many of the recommendations are large. If the consultant advisors were adopting a strategy of small wins informed by an overall strategic direction this has resulted in high numbers of recommendations (an average of 110 recommendations per country in the review period) but not high rates of acceptance and implementation. The difference in perspectives of size is also evident in the 15 recommendations assessed as transformational. Only five of the transformational recommendations were rated by the respondents as 'large' and 'more large than small'. This difference in perspective of size warrants further study. Does the transformational/transactional change dichotomy reflect the thinking of the consultant advisors? Why does this method of assessing size give findings so different from the recipients' perspective? What, specifically, is it about a recommendation that makes it large or small in the eyes of the recipient?

7.3 The Size of the Change Content does Affect Implementation

The findings suggest that size of the change content does affect implementation of technical assistance recommendations - the bigger the perceived size of the change the less likely it is to be implemented. Transactional recommendations were nearly twice as likely to be implemented as transformational recommendations, but not nearly as likely to be implemented as recommendations rated by the recipients as small. The recipients are not paralysed by the size of the large recommendations to the point of inaction, but nor are they energised to achieve implementation of the large recommendations. Does this mean that the technical assistance is ineffective? Is transformational change beyond the capability of developing Pacific Island countries?

The success rate for completion of transformational (large) changes in this study is consistent with the success rate for transformational change in developed countries. The findings shows 21% of transformational recommendations and 30% of 'large' recommendations have been implemented. The success rate for transformational change in developed countries is said to be as low as 30% (Beer & Nohria, 2000). This begs the question whether the indicators of success used by aid agencies are appropriate and whether they are expecting more from the developing countries than is actually achieved in a developed country environment. Arguably transformational change is no more beyond the capability of developing countries than it is beyond the capability of organisations in developed countries. Like shareholders, aid agencies, of course, expect a return for their investment. Recognising that transactional change does not necessarily mean small change in the context of a developing country, and being able to identify which changes are 'large' will likely pay dividends for aid agencies.

This study does not address why the size of change content has an impact on the outcome and implementation of recommendations, simply that size does have an impact, and the bigger the perceived size of the change the less likely the change is to be implemented. There is some guidance on why large changes are not implemented in the general responses from the respondents. Most of these responses relate to change process issues, specifically timeframe, cost and skills. Further study in relation to these responses would help identify ways to improve the effectiveness of technical assistance.

There are a number of limitations with this study. The use of purposeful sampling to select the countries that had received the most technical assistance means the findings may not be applicable for countries that received less technical assistance or for countries that had received different recommendations. The perspectives of the consultant advisors who drafted the recommendations were assumed from the findings of the content analysis. It is possible that their subjective perspectives may be different from the content analysis findings. Further, both the researcher and the current Pacific Financial Technical Assistance Centre tax policy and revenue administration advisor, the second coder, are New Zealand nationals. This cultural and organisational background may have affected their coding in the content analysis in a manner that is

not representative of consultant advisors of other nationalities or from other organisations.

The primary conclusion able to be drawn from this study is that the size of change content does affect the implementation of technical assistance recommendations - the larger the change content of a recommendation is in the eyes of the recipient the less likely it is to be implemented. The majority of current recommendations may be transactional and, therefore, seen as small manageable reforms in the eyes of the aid agencies and consultant advisors; however, they are not likely to be seen the same way by the recipient. Size depends on the perspective of the observer, thus it is necessary to obtain the recipient's subjective views of size to improve the chances a recommendation will be implemented. Use of objective techniques to assess size is less helpful. Consultant advisors and aid agencies are well advised to see the changes through the eyes of the recipient if they want to predict the likely implementation success of a recommendation or series of recommendations. This does not mean that only small recommendations should be given. It does, however, mean that if large recommendations are warranted additional assistance and support, even executive mentoring, may be needed to ensure the recommendations are implemented. Recipients are advised to help consultant advisors to see the changes through the recipient's eyes, to better understand the environment the recipient is operating in, and the challenges recipients face implementing the recommendations.

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Appendices

Appendix 1: Letter Requesting Access to PFTAC reports

9 April 2008

Dr S Adams
PFTAC
GPO Box 14877
Suva
FIJI

Dear Dr Adams

Research Proposal: Formal Request for Assistance

I refer to our recent discussions and my request for your assistance with my proposed Masters' research report. I have recently had approval from Massey University to conduct the research and would like to formally request PFTAC's assistance.

This letter outlines the purpose of the research and the methodology I will be following.

Research Title

The title of the research is "Change management in a cross-cultural setting: The influence of change content on action taken by public sector leaders in developing Pacific Island countries." Please note this is slightly different from the title in the research proposal I sent you last year; this reflects a request from my supervisor to make the proposal relate to more traditional areas of management disciplines. I do not, however, anticipate that this will materially alter the research proposal we have discussed.

Research Purpose

The purpose of the research is to identify if there is a link between the content of technical assistance recommendations provided to member countries by Revenue Advisors from PFTAC and the action taken in relation to the recommendations. The data will be collected in two parts: the first part involves a review of the recommendations contained in technical assistance reports between 2002 and 2007; the second part involves a survey of the people who requested the reports to identify their view of the scale of the recommendations and what, if any, action was taken in relation to the recommendations. Where the recipient of the report is no longer in the position, the views of the person currently in the position are being sought.

PFTAC Involvement

As discussed, I would be most grateful if PFTAC would provide me with access to the reports written for member countries by PFTAC Revenue experts (peripatetic and PFTAC advisors) for the period 2002 to 2007 inclusive. I am happy to assist with this request at your discretion.

I would also appreciate your assistance with contacting the participants for part two of the data collection: in accordance with Massey University protocols it will be necessary for an information sheet and participant consent form to be sent to participants before they can be involved in the survey. I will draft these documents, which you are welcome to review in advance of them being sent, and am happy to assist further at your discretion.

Project Procedures

The raw data collected from PFTAC revenue technical assistance reports and participant questionnaires will be collected on the understanding that it is to be kept confidential between the researcher and the supervisor and used for the purposes of this research only. Once the research has been completed the data will be stored securely for 5 years as is required by the Massey University research protocols. At the end of the 5 year period the data will be destroyed. The data will not be available for purposes outside the terms of this research.

A research report containing analysis of the raw data and conclusions will be drafted for the purposes of my Masters qualification. You, and other participants, are welcome to obtain a summary of the research findings at the completion of the research.

From our earlier conversations I understand you were happy to act as an informal supervisor for this study. I would appreciate your assistance and would like to accept your offer.

I also understand from our earlier conversations that you hope to present the findings of this research to members at the interim IMF/PFTAC Tripartite Review Committee (TPRC) meeting in early 2009. I will of course discuss any findings with you before that time.

Ethics

This project has been evaluated by peer review and judged to be low risk. Consequently, it has not been reviewed by one of the University's Human Ethics Committees. The researcher is responsible for the ethical conduct of this research.

If you have any concerns about the conduct of this research that you wish to raise with someone other than the researcher, please contact Professor Sylvia Rumball, Assistant to the Vice-Chancellor (Ethics & Equity), telephone 06 350 5249, email humanethics@massey.ac.nz.

Project Contacts

If you have any questions about this project please contact Margaret Cotton or Dr Alan Coetzer directly. Contact details for Margaret Cotton and Dr Coetzer are outlined below.

Margaret Cotton
Fiscal Consultant
c/- PFTAC
GPO Box 14877
Suva
FIJI

Tel: (+679) 336-1078
Mob: (+679) 9380921
margaretc@connect.com.fj
Skype: margaretcarsen

Dr Alan Coetzer
Senior Lecturer
Department of Management and Enterprise Development
College of Business
Private Box 756
Wallace Street, Mount Cook, 6021
Wellington, NEW ZEALAND

Tel: (+64) 4 801 5799
A.J.Coetzer@massey.ac.nz
www.massey.ac.nz

PFTAC Consent

If you are in agreement with the information outlined in this letter and are happy for PFTAC to be involved in the study please sign the statement attached to this letter and return it to me at the address above. I have enclosed a duplicate of this letter for your records.

Yours faithfully

Margaret E Cotton

Change management in a cross-cultural setting: The influence of change content on action taken by public sector leaders in developing Pacific Island countries.

PFTAC CONSENT FORM

This consent form will be held for a period of five (5) years

I have had the details of the study explained to me. My questions have been answered to my satisfaction, and I understand that I may ask further questions at any time.

I agree to provide the documents requested for the purposes of this study under the conditions set out in this letter.

Signature:



Date: 9 April 2008

Full Name – printed

Title:

Susan J. Adams, Ph.D. Coordinator, IMF/PFTAC Office, Suva, Fiji

Appendix 2: Example Covering Letter



**Pacific Financial
Technical Assistance Centre**

Reserve Bank Building
Tower 7, Pratt Street
GPO Box 14877, Suva
Fiji



Financial Technical Advice in the Pacific

Tel : (679) 3304866 Fax : (679) 3304045 E-mail : sadams@imf.org Website : www.pftac.org

August 5, 2008

Mr. Siosua 'Utoikamanu
By email: sttutoik@yahoo.com

Dear Mr. 'Utoikamanu

As PFTAC Coordinator, I am interested in evaluating whether our technical assistance to our member countries is appropriate and useful. To that end we have sought feedback informally from you in the past. As another step in our quality assurance, I have now agreed to allow Ms. Margaret Cotton, a PFTAC Revenue Consultant and masters' degree candidate, to conduct a formal research project into the technical assistance provided by our Tax Policy and Revenue Administration Advisors during the period 2002 to 2007.

Tonga has been the recipient of numerous PFTAC technical assistance missions during recent years, and is thus in an ideal position to provide feedback as part of this research. I would be most grateful if you would participate in this research by completing the attached questionnaire. Details of the research project and your involvement are outlined in the attached participant information sheet.

May I ask you to please complete the questionnaire and email your responses to Ms. Cotton before 25th August 2008. If you prefer to complete the questionnaire orally, please let Ms. Cotton know and she will arrange a suitable time to telephone you. If you have any questions concerning this research, please do not hesitate to contact me or Ms. Cotton directly.

We are hoping to provide the results of this research to the PFTAC Membership at our next Tripartite Review Committee (TPRC) meeting in March 2009.

Thank you very much in advance.

Yours faithfully,

Susan J. Adams, Ph.D.
IMF/PFTAC Coordinator



Appendix 3: Participant Information Sheet



Change Management in a Cross-cultural Setting: The Influence of Change Content on Action Taken by Public Sector Leaders in Developing Pacific Island Countries.

INFORMATION SHEET

Researcher Introduction

This information sheet is designed to provide you with details about the research project in which you are being invited to participate. Margaret Cotton, the researcher, is an independent Fiscal Consultant who has carried out numerous technical assistance assignments for the Pacific Financial Technical Assistance Centre (PFTAC) in Suva Fiji, an agency managed by the International Monetary Fund. Margaret is undertaking the research as part of the course requirements for her Masters of Management degree. Dr. Alan Coetzer, a Senior Lecturer at Massey University, New Zealand, is supervising the research.

The purpose of the research is to examine how the magnitude of technical assistance recommendations provided to selected member countries by Revenue Advisors from PFTAC influences the action taken in relation to the recommendations. The study is being conducted in two parts: the first part involves a review, by the researcher, of the recommendations contained in technical assistance reports provided by Technical Advisors to selected member countries; and the second part involves a survey of the people who requested the reports to identify their view of the magnitude of the recommendations and what, if any, action was taken in relation to the recommendations. Where the recipient of the report is no longer available, the views of the person currently in the job will be sought.

Contact details for Margaret Cotton and Dr Coetzer are below.

Margaret Cotton
Fiscal Consultant
c/- PFTAC
GPO Box 14877
Suva
FIJI

Tel: (+679) 336-1078
Mob: (+679) 8380921
margaretc@connect.com.fj
Skype: Carson.margaret

Dr Alan Coetzer
Senior Lecturer
Department of Management
College of Business
Private Box 756
Wallace Street, Mount Cook, 6021
Wellington, NEW ZEALAND

Tel: (+64) 4 801 5799
A.J.Coetzer@massey.ac.nz
www.massey.ac.nz

Participant Recruitment

You have been invited to participate in this research because you, or your predecessor, have requested technical assistance from the PFTAC Revenue Advisor, between 2002 and 2007 inclusive, which resulted in a report containing recommendations for change. If you were the recipient of the report your name was obtained from the PFTAC report; if you are the new office holder, enquiries were made of your office to identify your name and contact details.

Project Procedures

The data used in this project will be collected from PFTAC revenue technical assistance reports and recipient questionnaires. Hard and soft copies of the reports have been provided to the researcher by PFTAC on the understanding that the reports are to be kept confidential and used for the purposes of this research only. All data in relation to the reports and the questionnaires will be kept confidential between the researcher and the supervisor. Once the research has been completed the data will be stored securely for 5 years as is required by the Massey University research protocols. At the end of the 5-year period the data will be destroyed. The data will not be available for purposes outside the terms of this research.

You are welcome to obtain a summary of the project findings upon completion of the research, expected to be December 2008. Please advise the researcher at the time of your involvement if you would like a copy; alternatively you can contact the researcher at the completion of the project.

Participant involvement

As part of this project you will be asked to review the recommendations that were provided to you or your predecessor and rank these against a range of criteria which indicate the magnitude of the recommendations. You will also be asked whether each recommendation has been accepted or rejected and whether it has been completed in whole or in part. You will not receive any compensation for this participation, as befits the terms of the research project.

For some participants the number of recommendations for review will be significant. It is anticipated the questionnaire will take between half and one hour depending on the number of recommendations involved.

Participant's Rights

You are under no obligation to accept this invitation. If you decide to participate, you have the right to:

- decline to answer any particular question;
- withdraw from the study at any time before the data analysis is started;
- ask any questions about the study at any time during participation;
- provide information on the understanding that your name will not be used unless you give permission to the researcher;
- be given access to a summary of the project findings when it is concluded.

Project Contacts

If you have any questions about this project please contact Margaret Cotton or Dr Alan Coetzer directly.

Ethics

This project has been evaluated by peer review and judged to be low risk. Consequently, it has not been reviewed by one of the University's Human Ethics Committees. The researcher(s) named above are responsible for the ethical conduct of this research.

If you have any concerns about the conduct of this research that you wish to raise with someone other than the researcher(s), please contact Professor Sylvia Rumball, Assistant to the Vice-Chancellor (Ethics & Equity), telephone 06 350 5249, email humanethics@massey.ac.nz.

Appendix 4: Sample Questionnaire

QUESTIONNAIRE

Thank you for agreeing to complete this questionnaire. The amount of time involved will depend on the number of recommendations you have received from PFTAC technical advisors. It is expected the questionnaire will take about 30 minutes to complete.

Name:

Number of Staff in Tax Office now:

Number of Staff in Customs Office now:

Position Title:

Number of Staff in Tax Office in 20XX:

Number of Staff in Customs Office in 20XX:

Recommendation	Q1. Please tick the box which most accurately reflects the size of the recommendation with Large being (5) and Small being (1)					Q2. Please tick the box which most accurately reflects the outcome of the recommendation.			Q3. Please tick the box which most accurately reflects the status of the recommendation.		
	Large	Neither large nor small	Small	Accepted	No decision yet	Rejected	Completed	Started not yet finished	Not yet Started
	5	4	3	2	1						

Note: Questionnaire page 1 – these same questions applied to all recommendations received by the country during the review period

Q4	For the recommendations you marked as big which of the following factors did you consider? Please mark as many as applied.	Political Interest	Lack of resources	Public Interest	Timeframe	Cost
	Other (Please specify)	Impact	Skills	Number of recommendations	Technology	Taxpayer feedback
Q5	For each of the recommendations you marked as small which of the following factors did you consider? Please mark as many as applied.	Political Interest	Lack of resources	Public Interest	Timeframe	Cost
	Other (Please specify)	Impact	Skills	Number of recommendations	Technology	Taxpayer feedback
Q6	For those recommendations you have marked as not yet started, what is the main reason they have not been started?	Political Interest	Lack of resources	Public Interest	Timeframe	Cost
	Other (Please specify)	Impact	Skills	Number of recommendations	Technology	Taxpayer feedback
Q7	For those recommendations you have marked as started but not yet completed what is the main reason they have not been completed?	Political Interest	Lack of resources	Public Interest	Timeframe	Cost
	Other (Please specify)	Impact	Skills	Number of recommendations	Technology	Taxpayer feedback
Q8	What is your overall impression of the number of recommendations?					
Q9	What is your overall impression of the size of the recommendations?					
Q10	Please add any final comments you would like to make.					

Note: Questionnaire – final page

Content Analysis – Coding Dictionary

Transformational factors =

External environment = any outside condition or situation that influences the performance of the organization (market places, world financial conditions, political/ government circumstances)

Mission and strategy = what the organizations top management believes is and has declared is the organization's mission and strategy and what employees believe is the central purpose of the organization.

Leadership = executives providing overall organizational direction and serving as behavioural role models for all employees.

Culture = 'the way we do things around here' = collection of overt and covert rules values, and principles that are enduring and guide organizational behaviour.

Individual and organizational performance = the outcome or result as well as the indicator of effort and achievement (e.g. productivity, customer satisfaction, profit and quality)

Transactional features =

Structure = the arrangement of functions and people into specific areas and levels of responsibility, decision making authority, communication and relationships to assure effective implementation of the organization's mission and strategy.

Management Practices = what managers do in the normal course of events to use the human and material resources at their disposal to carry out the organization's strategy.

Systems = standardized policies and mechanisms that facilitate work, primarily manifested in the organization's reward systems, management information systems and in such control systems as performance appraisal, goal and budget development and human resource allocation.

Climate = the collective impressions, expectations and feelings that members of local work units have that in turn affect their relations with their boss, with one another and with other units.

Task requirements and individual skills/abilities = the required behaviour for task effectiveness, including specific skills and knowledge required of people to accomplish the work and for which they feel directly responsible

Individual needs and values = the specific psychological factors that provide desire and worth for individual actions or thoughts.

Motivation = aroused behaviour tendencies to move towards goals, take needed action, and persist until satisfaction is attained.

Appendix 6: Content Analysis – Coding Form

	Recommendation	Strategy & Mission		Culture		External Environment		Leadership		Structure		Task Requirements		Systems		Management Practices	
		R1	R2	R1	R2	R1	R2	R1	R2	R1	R2	R1	R2	R1	R2	R1	R2
1	<input type="checkbox"/>																
2	<input type="checkbox"/>																
3	<input type="checkbox"/>																
4																	
5	<input type="checkbox"/>																
6	<input type="checkbox"/>																
7	<input type="checkbox"/>																
8	<input type="checkbox"/>																
9	<input type="checkbox"/>																
10	<input type="checkbox"/>																
11	<input type="checkbox"/>																

Appendix 7: Size of Recommendations by Country

Table 4: Size of Recommendations by Country

	Total Recs	No response		Large		More large than small		Neither large nor small		More small than large		Small	
Country 1	88	0	0%	61	69%	19	22%	8	9%	0	0%	0	0%
Country 2	313	33	11%	174	56%	40	13%	35	11%	2	1%	29	9%
Country 3	178	2	1%	79	44%	16	9%	81	46%	0	0%	0	0%
Total	579	35	6%	314	54%	75	13%	124	21%	2	0%	29	5%

Percentages have been rounded to the nearest whole number.

Appendix 8: Outcome of Recommendations by Country

Table 5: Outcome of Recommendations by Country

	Country 1			Country 2				Country 3				Totals				TOTAL 2002- 2007	
	2006	2007	Total	2004	2005	2006	Total	2002	2006	2007	Total	2002	2004	2005	2006	2007	
# of Recs	82	6	88	111	114	55	280	122	18	36	176	122	111	114	155	42	544
Large*	7	6	8	68	101	45	214	78	1	3	9	7	68	10	13	6	389
	4 74	6 6	0 80	68	101	45	214	78	7 17	3	5 95	8 78	68	1 101	6 136	6 6	389
	6 88	100	7 89						1 100		9 97	7 96				100	
Accepted	5 %	6 %	1 %	51 75%	21 21%		72 34%	75 96%	7 %		2 %	5 %	51 75%	21 21%	82 60%	6 %	235 60%
No decision yet	2 3%		2 3%	10 15%	74 73%	45 100%	129 60%	3 4%			3 3%	3 4%	10 15%	74 73%	47 35%		134 35%
Rejected	7 9%		7 9%	7 10%	6 6%		13 6%						7 10%	6 6%	7 5%		20 5%
Neither large nor small	8	8	0	17	8	10	35	44	1	3	8	4	17	8	19	9	124
	13		13						100	3 100	7 98	4 95				3 100	
Accepted	1 %		1 %	12 71%	7 88%	7 70%	26 74%	42 95%	1 %	6 %	9 %	2 %	12 71%	7 88%	9 47%	6 %	106 86%
No decision yet				4 24%	1 13%	3 30%	8 23%	2 5%	0%	0%	2 2%	2 5%	4 24%	1 13%	3 16%		10 8%
Rejected	88		88														
	7 %		7 %	1 6%			1 3%						1 6%		7 37%		8 6%
Small*	0	0	0	26	5	0	31	0	0	0	0	0	26	5	0	0	31
							100						100	100			
Accepted				26 100%	5 100%		31 %						26 %	5 %			31 100%
No decision yet																	
Rejected																	

Key

Large* includes more large than small

Small* includes more small than large

Percentages have been rounded to the nearest whole number.

Appendix 9: Status of Recommendations by Country and Size

Table 6: Status of Recommendations by Country and Size

	Country 1				Country 2				Country 3				Totals				TOTAL																	
Year	2006	2007	Total	2004	2005	2006	Total	2002	2006	2007	Total	2002	2004	2005	2006	2007	2002-2007																	
# of recommendations	82	6	88	111	114	55	280	122	18	36	176	122	111	114	155	42	544																	
Large*	74	74	6	6	80	80	68	68	101	101	45	45	214	214	78	78	17	17	95	95	78	78	68	68	101	101	136	136	6	6	389	389		
Accepted, Completed	18	24%			18	23%	40	59%	15	15%			55	26%	37	47%	7	41%	44	46%	37	47%	40	59%	15	15%	25	18%	0%	117	30%			
Accepted, Not yet Started	15	20%	2	33%	17	21%	2	3%	4	4%			6	3%	12	15%			12	13%	12	15%	2	3%	4	4%	15	11%	2	33%	35	9%		
Accepted, Started Not yet Finished	32	43%	4	67%	36	45%	9	13%	2	2%			11	5%	26	33%	10	59%	36	38%	26	33%	9	13%	2	2%	42	31%	4	67%	83	21%		
No decision yet	2	3%			2	3%	10	15%	74	73%	45	100%	129	60%	3	4%			3	3%	3	4%	10	15%	74	73%	47	35%	0%	134	35%			
Rejected	7	9%			7	9%	7	10%	6	6%			13	6%									7	10%	6	6%	7	5%	0%	20	5%			
Neither large nor small	8	8	0	0	8	8	17	17	8	8	10	10	35	35	44	44	1	1	36	36	81	81	44	44	17	17	8	8	19	19	36	36	124	124
Accepted, Completed					0%	9	53%	6	75%	7	70%			22	63%	31	70%		7	19%	38	47%	31	70%	9	53%	6	75%	7	37%	7	19%	60	48%
Accepted, Not yet Started					0%	2	12%	0	0%					2	6%	2	5%		3	8%	5	6%	2	5%	2	12%	0%	0%	3	8%	7	6%		
Accepted, Started, Not yet Finished	1	13%			1	1%	1	6%	1	13%			2	6%	9	20%	1	100%	36	44%	9	20%	1	6%	1	13%	2	11%	26	72%	39	32%		
No decision yet					0%	4	24%	1	13%	3	30%			8	23%	2	5%		2	2%	2	5%	4	24%	1	13%	3	16%	0%	10	8%			
Rejected	7	88%			7	9%	1	6%	0	0%			1	3%							0	0%	1	6%	0%	0%	7	37%	0%	8	6%			
Small*	0	0	0	0	0	0	26	26	5	5	0	0	31	31	0	0	0	0	0	0	0	0	26	26	5	5	0	0	0	0	31	31		
Accepted, Completed					25	96%	5	100%					30	97%									25	96%	5	100%					30	97%		
Accepted, Not yet Started					1	4%							1	3%									1	4%							1	3%		
Accepted, Started Not yet Finished																															0	0%		
No decision yet																															0	0%		
Rejected																															0	0%		

Key

Large* includes more large than small

Small* includes more small than large

Percentages have been rounded to the nearest whole number.

Appendix 10: Respondents' Responses to the General Questions

What is your overall impression of the number of recommendations?

“While there are a large number of recommendations, the recommendations are pertinent and important to the achievement of the overall project objectives.”

“The reports to date have in general contained a large number of recommendations with less attention given to prioritising and sequencing. The number of changes that an administration can manage need to be carefully considered and timed against prevailing social, political, economic and administrative conditions. The need for technical advancement needs to be paced with business systems and processes and staff development. If the goal is sustainable change and improvements there is a need to carefully balance capacity building and advisor driven implementation of reform initiatives. Often these factors do not come together in a cohesive way possibly leading to disappointment by the advice provider in the progress of action on recommendations.”

“The number of recommendations are broadly appropriate given the operating environment.”

What is your overall impression of the size of the recommendations?

“We have rated most recommendation as large. This reflects the relevance of the recommendations.”

“Some of the recommendations have very significant implications for the government of the day, the administration and the community. More assistance in scaling recommendations, identifying critical steps or review points in bigger initiatives, timing and sequencing and understanding of the environment (particularly at the administrative level) would help in ensuring that recommendations are able to be progressed.”

“The size of the recommendations are appropriate in line with the long term vision which the Department must achieve to fulfil its overall mission.”

Please add any final comments you would like to make.

“The recommendations form a clear 'go forward' plan for finalizing a tax reform policy that is customised to suit local circumstances but conforms with international norms. In addition the recommendations form a clear blue print to guide the project team to implement the recommendations and set the groundwork for robust project governance.”

“A number of the recommendations that have been implemented have had varying degrees of success. The less successful outcomes were largely due to timing of initiatives and lack of support in the underlying systems and processes and people skills to cope with the changes. There are a lot of repetitive recommendations with slight variations -this is somewhat reflective of the size and scope of the reports which often leads to repetitiveness and lack of clarity around priorities, sequencing etc. Some of the 'recommendations' reflect work that was already in progress rather than being 'recommendations'. Some of the items above are not recommendations.”

“In general the advisors from PFTAC have been highly valued in supporting the tax reform efforts of the department.”

Appendix 11: Content Analysis – Size of Recommendations by Country

Table 7: Content Analysis – Size of Recommendations by Country

	Strategy & Mission		External Environment		Culture		Leadership		Transformational Total		Structure		Task Requirements & Individual Skills		Systems		Management Practices		Transactional Total		Not agreed
Country 1	1	1%	0	0%	0	0%	0	0%	1	1%	3	3%	28	32%	42	48%	9	10%	82	93%	56%
Country 2	1	0%	5	2%	1	0%	0	0%	7	3%	13	5%	123	44%	113	40%	20	7%	269	96%	52%
Country 3	6	3%	0	0%	0	0%	1	1%	7	4%	18	10%	80	45%	53	30%	16	9%	167	95%	21%
Totals	8	1%	5	1%	1	0%	1	0%	15	3%	34	6%	231	42%	208	38%	45	8%	518	95%	122%

Percentages have been rounded to the nearest whole number.

Appendix 12: Content Analysis – Outcome of Recommendations by Country

Table 8: Content Analysis – Outcome of Recommendations by Country

	Country 1						Country 2				Country 3						Totals						TOTAL											
Year	2006		2007		Total		2004		2005		2006		Total		2002		2006		2007		Total		2002		2004		2005		2006		2007		2002-2007	
# of recommendations	82		6		88		111		114		55		55	280	280	122		18		36		176		122		111		114		155		42		544
Transformational	0	0	1	1	1	1	1	1	5	5	1	1	7	7	3	3	0	0	4	4	7	7	2	2	1	1	5	5	1	1	5	5	15	15
Accepted			1	100%	1	100%			3	60%			3	43%	3	100%			4	100%	7	100%	3	100%			3	60%			5	100%	11	73%
No decision yet							1	100%	2	40%	1	100%	4	57%											1	100%	2	40%	1	100%			4	27%
Rejected																																0	0%	
Transactional*	82	82	5	5	87	87	110	110	109	109	54	54	273	273	119	119	18	18	32	32	169	169	120	120	110	110	109	109	154	154	37	37	529	529
Accepted,	66	80%	5	100%	71	82%	89	81%	30	28%	7	13%	126	46%	114	96%	18	100%	32	100%	164	97%	114	96%	89	81%	30	28%	91	59%	37	100%	361	68%
No decision yet	2	2%			2	2%	13	12%	73	67%	47	87%	133	49%	5	4%					5	3%	5	4%	13	12%	73	67%	49	32%		0%	140	26%
Rejected	14	17%			14	16%	8	7%	6	6%			14	5%									0%	8	7%	6	6%	14	9%		0%	28	5%	

Key: * includes the recommendations where the raters did not agree on the category of transactional change.
Percentages have been rounded to the nearest whole number.

Appendix 13: Content Analysis - Status of Recommendations by Country

Table 9: Content Analysis – Status of Recommendations by Country and Year

Table 9: Content Analysis - Status of Recommendations by Country and Year																																												
	Country 1								Country 2								Country 3								Totals						TOTAL													
Year	2006		2007		Total		2004		2005		2006		Total		2002		2006		2007		Total		2002		2004		2005		2006		2007		2002-2007											
# of recommendations	82		6		88		111		114		55		280		122		18		36		176		122		111		114		155		42		544											
Transformational	0	0	1	1	1	1	1	1	5	5	1	1	7	7	3	3	0	0	4	4	7	7	2	2	1	1	5	5	1	1	5	5	15	15										
Accepted, Completed									3 60%				3 43%				1 33%				1 14%				3 60%				4 26%															
Accepted, Not yet Started													1 33%				1 14%				1 50%				1 7%																			
Accepted, Started, Not yet Finished	1 100%				1 100%								1 33%				4 100%				5 72%				1 50%				5 100%				6 40%											
No decision yet									1 100%				2 40%				1 100%				4 57%								1 100%				2 40%				1 100%				4 26%			
Rejected																																	0 0%											
Transactional*	82	82	5	5	87	87	110	110	109	109	54	54	273	273	119	119	18	18	32	32	169	169	120	120	110	110	109	109	154	154	37	37	529	529										
Accepted, Completed	18 22%				18 21%		74 67%		23 21%		7 13%		104 38%		67 56%		7 39%		7 22%		81 48%		68 57%		74 67%		23 21%		32 21%		7 19%		204 38%											
Accepted, Not yet Started	15 18%		2 40%		17 20%		5 5%		4 4%				9 3%		13 11%				3 9%		16 9%		13 11%		5 5%		4 4%		15 10%		5 14%		42 8%											
Accepted, Started, Not yet Finished	33 40%		3 60%		36 41%		10 9%		3 3%				13 5%		34 29%		11 61%		22 69%		67 40%		34 28%		10 9%		3 3%		44 29%		25 68%		116 22%											
No decision yet	2 2%				2 2%		13 12%		73 67%		47 87%		133 49%		5 4%						5 3%		5 4%		13 12%		73 67%		49 32%		0%		140 26%											
Rejected	14 17%				14 16%		8 7%		6 6%				14 5%										0%		8 7%		6 6%		14 9%		0%		28 5%											

Key: * includes the recommendations where the raters did not agree on the category of transactional change.
Percentages have been rounded to the nearest whole number.

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Cotton, Margaret

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