

# PUBLIC AGENCY LEADERSHIP: THE IMPACT OF INFORMAL UNDERSTANDINGS WITH POLITICAL APPOINTEES ON PERCEIVED AGENCY INNOVATION IN TAIWAN

EVAN BERMAN, DON-YUN CHEN, CHUNG-YUANG JAN AND TONG-YI HUANG

In Taiwan's post-democratization, public managers reduced their leadership and initiative-taking, thereby creating concerns about public sector leadership. This article defines the concept of informal 'executive initiative understandings' (EIUs) between political appointees and career executives, and examines how such understandings affect public managers' efforts and agency leadership. Based on an in-person survey of Taiwan central government executives, findings show that: (1) about half of senior career executives agree that they have an informal understanding with appointees' about their initiative-taking; and (2) having an EIU significantly and strongly increases executives' efforts and perceptions of agency innovation. This study also finds (3) that EIUs are associated with executives' public service motivation, perceptions of appointees' competence, and executives and appointees having similar political views. This article concludes with suggestions for increasing executive initiative-taking in public agencies.

In recent years, Taiwan has experienced rising public dissatisfaction with government responses to myriad contingencies such as natural and manmade disasters and chronic problems related to health, economy, security, transportation and education. Though popular anguish often focuses on elected officials, democratization during the last two decades has also been accompanied by a growing concern about decreased public managers' leadership (Tan 2000; Tang and Tang 2000; Chen 2001, pp. 163–92; Tang 2004; Huang *et al.* 2005). Bureaucratic retrenchment is thought to have resulted from preferences for political leadership in the new democratic era and, sometimes, from a slow development of new bureaucratic roles (Marsh 2006; Ramesh and Fritzen 2009). Yet, Taiwan senior career officials are also extremely well-qualified (many having advanced degrees and passing difficult entry exams), and its bureaucracy has a strong record of past leadership in the previous authoritarian era; thus, popular sentiment is that public managers should be able to do more and better to address current problems. It seems that the time has come to recalibrate the role of bureaucratic leadership in Taiwan's governance.

It is axiomatic that in democracies not all leadership can come from political officials; public managers must carry some of the burden, too, and they must do so with support and oversight from political appointees. This article examines a key aspect of these relations. Specifically, it contributes a new concept of informal 'executive initiative understandings' (EIUs) between political appointees (called, 'appointees') and senior career civil service managers (called 'executives') about executive initiative-taking. The three study questions are:

1. what is the prevalence of executive initiative understandings in Taiwan?;
2. what is the impact of executive initiative understandings on executive efforts and perceived agency innovation?;
3. what are some factors affecting the prevalence of EIUs?

Evan Berman is Director, the International PhD Program in Asia-Pacific Studies (IDAS) at National Chengchi University, Taipei, Taiwan. Don-yun Chen, Chung-yuang Jan and Tong-yi Huang are in the Department of Public Administration, National Chengchi University, Taipei, Taiwan.

Findings are based on an in-person survey of very senior career executives in the Taiwan national government, all of whom work directly under political appointees. Understanding the impact of appointee-executive relations on executive and agency leadership is relevant to the above concerns, and this study suggests that its findings likely have broad applicability to other countries. Study caveats and limitations are discussed later.

This study contributes to the literature by adopting a public administration perspective on appointee-executive relations, and thereby breaks with well-established traditions in political science. Political theory has traditionally been concerned with ensuring political power and *control* over bureaucracy, rather than bureaucratic *leadership* and performance. The received tradition from political science often depicts appointee-executive relations in 'adversarial' ways with each side seeks to further its interests and agendas (Peters 1987; Ingraham 1995, pp. 92–111; Rosenbloom 2008). Resulting studies often have different foci than that discussed here, and they often examine appointees' efforts to implement political agendas (Biggart and Hamilton 1984; Ingraham 1987; Michaels 1995; Anderson 2000), bureaucratic efforts to resist politicization and exert professional norms (for example, Peters 1987, 2009; Hammond 1996; Waterman *et al.* 1998), appointee selection and appointment processes (Kim 2004; Bertelli and Feldman 2006; Lewis 2008), the length of appointees' tenure and their discretion (Chang *et al.* 2001; Wood and Marchbanks 2008), discretion by appointees (Olshfski and Cunningham 2008; Knott and Miller 2008), and general studies of appointee and bureaucrats' motivations and political views (Golden 2000, Aberbach and Rockman 2000; Huang *et al.* 2005, Jacobsen 2005; Jensen *et al.* 2009). Few studies extend these concerns to matters of bureaucratic performance (Stehr 1997; Dolan 2000; Meier and O'Toole 2006a, b).

By contrast, a very different perspective, within public administration, points to distinctive and complementary roles and competencies of elected officials and career managers (Protasel 1985; Pfeffer 1987a, b; Brady and Catterall 1997; Dunn 1999). At issue here is not the ability of political appointees to implement political agendas, but rather the extent that agencies and senior executives give leadership to the often highly diversified policy portfolios of agencies (for example, Maranto 2005). Our broader interest, to which this study contributes, is whether (and how) agencies make the very large number of major decisions that are needed. Our focus is on how cooperative appointee-executive relations can increase the amount of initiative and leadership in agencies, such as new policy and programme development. To date, very few studies focus on this, and most that do concern local government (for example, Svava 1985, 2006, 2010), sometimes showing how mayors support managers' leadership and a culture of innovation (for example, Berman and Kim 2010). One reason for having few studies on our topic is, we think, that New Public Management, which until recently strongly guided research agendas, did not emphasize political relations. Yet, some studies do show appointees supporting bureaucrats' initiatives and management reforms that further political agendas, such as in Greater China (Lo 2007; Cheung 2007; Tsao and Worth 2007; Sun 2008), and some 'adversarial' studies also call on appointees and executives to show more mutual understanding and respect and search for collaborative relations (NAPA 1985, 2009; Ferrara and Ross 2005). The time has come to make central the impact of appointee-executive relations on agency leadership and performance.

## PUBLIC AGENCY LEADERSHIP IN PRE- AND POST-DEMOCRATIZED TAIWAN

Taiwan is a mountainous island off the southeastern coast of Mainland China, with a population of about 23 million and size of 13,972 square miles (similar to The Netherlands

or the US State of Maryland [Minister of Interior 2010]). Though having few natural resources, its per capita GNP developed from about \$300 in 1959, to \$32,000 in 2009 (referred to as the 'Taiwan Miracle'), putting Taiwan among developed nations (GGDC 2010; CIA 2010). The modern history of Taiwan begun in 1949, when the Kuomintang (the Nationalist Party, KMT) party was ousted of from Mainland China by the Communists. The period from 1950 through 1987 was characterized by a one-party (KMT) administrative system and martial law. During that period, the KMT had total control over the bureaucracy and the legislative bodies, while also controlling important decisions and appointments. The KMT implemented modern public administration structures and practices, and focused on promoting security, economic development, health and education. Authoritative technocrats successfully pursued economic intervention, macroeconomic management, and sectoral guidance through successive 5-year plans, numerous state-run corporations, programs and funding in support of economic objectives furthered by the private sector, and companies which the government sometimes helped create (for example, Cheng *et al.* 1998; Jan 2010; Huang and Tu 2010, pp. 518–19).

Part A of figure 1 shows the leadership structure in Taiwan agencies during this period, allowing agencies to draw on considerable bureaucratic leadership and innovation. During the authoritarian regime, many public managers were KMT party members and formed close networks with top agency leaders; together, managers and leaders were often regarded as extensions of the ruling party. The KMT continued the practice of requiring rigorous entrance exams, thus ensuring well-qualified civil servants, and public managers were often encouraged to take initiative in the hope of being noticed by leaders and thus promoted or otherwise rewarded. Leadership and initiative -taking was also facilitated by quick political decisions from the top. When political decisions were needed, they could be brought to weekly KMT party meetings for rapid resolution (for example, Wednesday mornings in Taipei [Huang and Tu 2010, p. 519]). KMT officials, ministers and senior officials often knew each other well; the fluidity in relations is represented by the dotted line in figure 1A. People were often 'of the same village,' having known each other for many years, and sometimes even 'switching' positions; executives sometimes became minister for a few years, before returning to career civil status position or being assigned to a government corporation. Though achievement and leadership were hallmarks in this

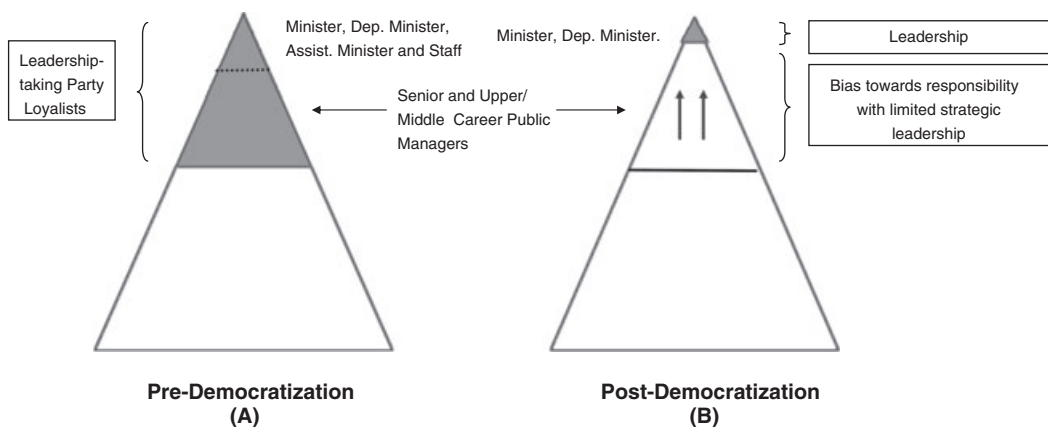


FIGURE 1 *Leadership in pre- and post-democratized Taiwan public agencies*

system, Su (2010) also notes that preferential treatment existed in this close network of officials as the above processes had very little transparency to outsiders.

After democratization in late 1980s, decision-making processes and leadership expectations of this network of officials begun to change. First, democratic laws and processes restricted the ability of public managers and appointees to get speedy approval for new projects and policies. Sometimes, ideas got caught up in election and party politics and decisions and postponed during election cycles. Second, concepts of 'political neutrality' in democracy were interpreted to suggest that policy leadership and direction should come mostly or foremost from appointees. Under Taiwan Constitutional practice, appointees in central government are often limited to only one Minister and up to three Deputy Ministers per public agency, which also causes significant human resource constraints to appointee leadership. Additionally, appointees begun to spend less time on policy and more time on relationship management with other appointees, legislators, and the media. Third, though in some cases executive leadership was shifted to lower levels, a certain amount of bureaucrat bashing occurred and bureaucrats became more and more reluctant to propose new initiatives as they were operating in the 'fish bowl' of public media (Levine, Peters, and Thompson 1990:195–198). During the first central government party-turnover in year 2000, for example, the General Secretary of the new ruling Democratic Progressive Party (DPP) Wu Nai-Jen said to the media that 'we, 'new government,' must be out of mind to count on these 'old' bureaucrats from the KMT years.' (*United Daily News* 2000/9/27). In response, some civil servants developed practices of 'passive compliance' by waiting for leadership direction from elected officials and appointees rather than proactively taking initiative (Heclo 1977, p. 172; Ho 1987; Clark 2000; Tang and Tang 2000, pp. 93–4). Additionally, the DPP appointed quite some 'political workers' such as local elected politicians and social activists (Chiu and Hsu 2004, pp. 173–4; Lin 2007). Reflecting this changed climate for leadership, a popular saying among Taiwan executives now 'Don't worry, they (politicians and appointees) will come and go, we (career executives) will be quiet and grow.'

The difference in the shaded areas in parts A and B of figure 1 is taken to reflect reduced leadership in Taiwan public agencies today. While the second party turnover in 2008 restored the KMT back to power, the old ways of doing things have gone away fast in democracy, even though new rules of interactions between public managers and politicians are not yet well in place. Initiatives still do boil up from within agencies, of course, but there seems less leadership than before. Some civil servants surely take leadership for new ideas and they work well with appointees. In one example, appointees and executives rallied together to oppose reforms of the Civil Servants Evaluation Act in 2010 (Chen 2010). Still, the need for increased public leadership has become clear during the 2009 global economic crises and in public debate on myriad issues. Though various reform efforts have been proposed and implemented, dissatisfaction persists (Su 2010; Sun 2008), which is heightened by growing anxiety over the competitive successes of nearby, non-democratic Mainland China, Hong Kong, and Singapore; some practices of these regimes are getting a second look. While processes of democratic and bureaucratic accountability support strong executive initiative-taking that is subject to oversight by appointees and elected bodies (McCubbins and Schwartz 1984; Piotrowski and Rosenbloom 2002; Lewis 2008), the challenge is to create new models of cooperative appointee-executive leadership that result in new and higher levels of bureaucratic initiative-taking. Democracy is seen as being in need of some fine-tuning, and one place is at the nexus of senior executives and appointees.

## FRAMEWORK FOR INCREASED EXECUTIVE INITIATIVE-TAKING

It is axiomatic that all formal structures and relations require informal, unwritten understandings in order to deal with ambiguity, uncertainty and other matters that are not covered by formal rules and agreements. This is especially the case in relations between appointees and executives. Legislative bills and political directives often are broad and contain ambiguities that require operationalization and understanding of the bureaucratic context (Hecklo 1977; Aberbach *et al.* 1981; Durant 1990; Savoie 2003; Abramson and Lawrence 2005; Maranto 2005). Appointees and executives also have an overabundance of tasks and obligations, depend on mutual support for success and their relations often lack clear, *a priori* guidelines. Indeed, studies show that appointees and executives frequently discuss matters of prioritization, expectations of mutual support, performance standards, expertise, 'dealing with the bureaucracy,' frequency of interaction, respect for agency decision-making processes, and being open to 'new directions' (e.g., Ferrara and Ross 2005; NAPA 2009, 1985).

Theoretically, the nature of such understandings in which these matters are dealt with can be regarded as a 'psychological contract'. Though not hitherto applied to appointee-executive relations, psychological contracts are defined as informal understandings through which parties give shape to their mutual expectations (Rousseau 1995; Berman and West 2003; Bellou 2007; Bourgault 2011). Rooted in the heritage of Management by Objectives (for example, Odiorne 1976), psychological contracts are generally established between supervisors and their subordinates at the beginning of employment (establishing what each is 'expected to give' and 'expected to get' Osland *et al.* 2006), and deal with broad ranging matters that often concern ambiguity and constraints. Psychological contract processes include periodic follow-up ('checking in') or when unexpected conditions cause 'pinch points' for parties (Ring and Van der Ven 1994; Robinson and Morrison 2000; Guest and Conway 2000; Coyle-Shapiro and Kessler 2003). Psychological contracts increase organizational commitment, and are used in many settings, especially dynamic and unstructured settings, and in many locations, including China (for example, O'Donnell and Shields 2002; Castaing 2006; Gopal 2006; Zhu 2006; Zhao *et al.* 2007; Lin *et al.* 2007).

This study focuses on one aspect of psychological contracts between appointees and executives, namely, as understandings to increase executive initiative-taking. In broader context, such understandings can also be regarded as a form of employee empowerment and distributed leadership. As there is more leadership in agencies to be done than appointees alone can handle, appointees and executives need to distribute (divide up) leadership tasks among them. Appointees can empower executives for taking leadership, subject to their oversight. Rivera and Casias (2001) additionally note that, '(t)he trend toward team leadership and decision making is a participatory model of policy-setting requiring *distributed responsibility*' (italics added). This is different from shared leadership which involves two or more parties jointly exercising leadership (Crosby and Bryson 2005); here, leadership is increased in organizations by distributing new tasks among actors. Recently, Currie *et al.* (2011, p. 244) also discuss distributed leadership in services networks.

This study defines executive initiative understandings (EIUs) as appointee-executive agreements that aim to increase executive initiative-taking. This study conceptualizes appointee-executive understandings that further executive initiative-taking as involving: (1) discussion and understanding (agreement) between appointees and executives



about which programs and policies executives will take initiative for; (2) appointee oversight for executives' initiatives (to ensure democratic legitimation); (3) expectations about appointee support for executives' initiatives for new programs and policies (such as appointee agreement for using agency resources or getting political approvals). We choose the word 'understanding' over 'agreement' in the study concept, EIU, in order to avoid suggestion of formalization that the word 'agreement' might connote for some readers. In Taiwan, these are clearly informal understandings, only, and some thoughts on possible formalization are offered at the end.

Processes of establishing psychological contracts are usually straightforward, with one of the parties usually extending conversations about 'what is to be done'. Typically, either superiors or subordinates approach the 'other' party about something that needs to be done or that they would like to do (Berman and West 2003a). Psychological contracts are often initial ones that are 'firmed up' over time as preferences and feasibility become clear (for example, as regarding assurances from elected officials about their support). Comprehensiveness and the need for mutual support are also thought to keep modest levels of disagreement in check by focusing on ways that the psychological contract allows each to realize their goals (Aberbach and Rockman 2000, p. 146). Agreement stability of psychological contracts occurs because of their encompassing nature which discourages 'cherry picking', backtracking and by-standing (Pfeffer 1994, pp. 207–26). Task division that retains appointee oversight (control) over executives' initiatives (and, by extension, other managers) is obviously also helpful to appointees (Lewis 2008). Even as psychological contracts occur in highly dynamic environments, such as those of appointees and executives, each party has good reason for maintaining the entirety of the agreement.

The presence of EIUs between appointees and executives is hypothesized to have a broad, multiplying impacts on executives' efforts and that of their agencies. Executives with heightened expectations for leadership and initiative-taking can be assumed to be more active in discussions of policy and program development, involve subordinates and resources in new efforts, cause their agencies to adopt more, new or improved programs and policies. This study focuses on two core (exemplary) areas of impact. First, it examines increased executive exercise of leadership in policy development and implementation. Increased understanding between appointees and executives about which programs and policies executives will take initiative for, should lead to this involvement, of course. Increased policy involvement is conceptualized in this study as involving executives advocating new policies, influencing policy decisions made by appointees, contributing information in policy discussion with appointees, executives making policy decisions or affecting decisions about how policies are implemented, which may also involve more extensive involvement consultation of external stakeholders, too. For short, we label these activities 'Executives' Efforts'. Second, increased executive leadership can be hypothesized to result in new and improved programs. This study examines a key aspect of this, namely, perceptions of frequently developing new, innovative programs which is labelled 'Perceived Agency Innovation'. Though no study can study all effects of its main study concepts, additional effects can also be hypothesized and studied, such as executives and others becoming more expert in the areas that they are now responsible for, improvements in existing programs, or even improved coordination with other agencies a result of broader agreement and empowerment in those matters. In sum, EIUs are hypothesized to have a broad, catalysing effect on public agencies, of which two impacts are examined here.

Several factors are also hypothesized to affect the use of EIUs, as well. As a study within human resource management (HRM), this study firstly considers public service motivation, appraisal incentives and competencies. Public service is a relevant motivation for executives wanting increased opportunity for making a difference and leaving a legacy (for example, Perry 1996; Alonso and Lewis 2001). Appraisal incentives can strengthen leadership of senior managers, with various studies showing that linking managerial rewards and promotion to program and agency performance can increase individual performance. The competencies of political appointees are also considered; though many appointees are highly skilled and talented, possessing ample ability to lead their agencies and engage in technical discourse (Abramson and Lawrence 2005), the Western literature reports on appointees who lack of professional expertise, have unethical conduct, and are unable to be effective liaisons for the agency with the political establishment (Mackenzie 1987; Lewis 2008; Coursey and Killingsworth 2010). Appointees who lack expertise or credibility might cause executives to shy away from pursuing activities with them, while those having these qualities may be hypothesized to further executive initiative-taking.

The literature also notes that appointees and executives having the same ideological outlook will find it easier to agree on policy proposals; political neutrality does not mean a lack of policy preferences, of course. Competency and political compatibility also point to trust and support affecting the willingness of parties to create EIUs. Trust is an important foundation of agreement and is widely discussed in the literature of appointee-executive relations (Aberbach and Rockman 1976; Heclo 1977, pp. 181–90; Durant 1990; Rourke 1992, pp. 540–1). Beyond the above, additional factors can be hypothesized, such as patterns of organizational behavior. For example, in countries with Confucian cultures such as Taiwan, a frequently observed feature of people is showing loyalty by putting in long hours, but still producing little due, sometimes due to restricted autonomy. Such patterns might have a negative impact on EIUs, of course. This study examines these and other factors.

## METHOD

The case setting of Taiwan involves public agencies whose capacity for implementation is well-known, which promote professional and advanced public administration processes, and where issues of agency responsiveness and the impact of election processes now resemble other democratic countries (Clark 2000; Tan 2000; Sun 1996). Adding to study relevance is that executives serving directly under political appointees are all exceptionally senior. Constitutional practice is to only appoint to appointee as Ministers or Deputy Ministers, though under the rules of some ministries, some Secretary-Generals are appointees rather than civil servants; career executives who interact with appointees are thus at the pinnacle of their agencies. The limited number of political appointees in Taiwan is a bit similar to that found in US states (rather than the US federal government), but executive relations are characterized by similar tensions and concerns as mentioned in the Western literature (for example, Aberbach and Rockman 1976; Lorentzen 1985; Dunn 1999; NAPA 2009; Coursey and Killingsworth 2010). While the size of Taiwan, and its central government (about 180,000 civil servants. Examination Yuan 2009a) are similar to larger U.S. States, the hotly contested political processes, and expectations of agency responsiveness to political forces, are akin to Federal levels. (For accuracy, we note that the number of 180,000 civil servants in Taiwan includes 96,333 civil servants working in public enterprises, medical institutions and schools.)

Between November 2009 and March 2010, an in-person survey was undertaken of top level (senior, civilian) career executives in the Taiwan national government (executive branch) who work directly under political appointees. The sampling frame consists of: (1) career civil service deputy agency directors; (2) department directors reporting to appointees who are agency directors or deputy agency directors (some of whom have titles as deputy minister, but are civil servants); (3) directors of agency-affiliated organizations reporting to agency directors; and (4) directors of administrative support functions who directly report to political appointees (including some civil service career staff). The number of positions are, respectively, 95, 103, 211 and 195 (total 604). The names and contact information of these 604 positions were provided by the Taiwan Central Personnel Administration, selected from the list of directors of Executive Yuan departments, offices and organizations (Taiwan CPA 2009. This directory also includes other positions, such as directors of state-owned banks and public enterprises, presidents of public universities and research institutes, heads of military departments and directors of metropolitan government offices, which are not part of the above categories). Senior level, managerial personnel in Taiwan are defined as having civil service grades 10 to 14. Of these 604 positions, we were able to ascertain that 436 persons were in fact appointed and present in Taiwan (in other instances, staff and secretaries failed to report back to us before the study deadline about this, despite making up to three requests). Reflecting the seniority of respondents, we refer to them as 'executives'.

To ensure that surveys were completed by executives (and not assigned by executives to a staff person, for example), interviewers made appointments with career executives and visited them in their office as they completed the survey. In this manner, 237 executives agreed to participate and completed the in-person survey for a responses rate of  $(237/436=)$  54.4 per cent among those who we were able to ascertain, or  $(237/604=)$  39.2 per cent of the entire sampling frame. Such response rates are consistent or better than those commonly reported in the public administration literature. Across the four categories of executives (above), the sample is broadly representative of the study population, though we have a slight oversampling of career civil service deputy agency directors (above category 1, 22 per cent in the sample versus 16 per cent in the study population). We determine later that such slight oversampling does not materially affect study results.

On average, respondents have worked 27.7 years in government and the last 12.5 years for their organization. Among respondents, 88.1 per cent state that they are familiar or very familiar with senior-level policy-making in their organization, and 87.7 per cent state that they are familiar or very familiar with the performance of their organization. Reflecting the high regard for education in Taiwan civil service, 17.4 per cent of respondents have a PhD, 54.9 per cent have a Master's and 25.1 per cent have a college degree. On average, respondents are 52.5 years old and 85.7 per cent of respondents are male. Reflecting the short tenure of appointees, on average they have worked 12.4 months in their current capacity with the appointee. However, there is variation; 39.7 per cent of career executives worked less than 6 months with their present appointee, 23.6 per cent worked between 6 months and less than 18 months with their appointee, 31.6 per cent worked between 18 and 24 months, while only 5.1 per cent worked for more than two years.

The survey consists of 98 questions. Of these, 88 items are short statements that involve respondents' assessment using a standard 7-point defined Likert scale, with response categories 1 = strongly agree to 7 = strongly disagree. Other items are demographic in nature (age, gender, position, highest degree, years in government or agency), respondents



familiarity with certain matters (4-point defined Likert scale, 4 = very familiar to 0 = not familiar), and respondents' frequency of interaction (8-point defined Likert scale, 1 = seldom or never to 8 = daily or almost daily). The survey instrument include two additional open-ended questions, and the follow-up, in-depth interviews involved about ten open-ended questions used for structured interviewing. The survey instrument was pre-tested on six senior level civil servants (non-executives) and a former Taiwan executive (who is now a professor in public sector HRM). The survey items shown in the tables of this manuscript as are they appear on the survey instrument, which is therefore not reproduced here. Index measures, including EIUs, are discussed in the results section.

Validity is an important study concern. First, the survey was implemented about two years after national elections which ensure that executives have had time to form working understandings with appointees. Second, survey items concern policies, actions and assessments of respondents or about which respondents are likely to be familiar as result of their jobs. Third, we provided both anonymity and confidentiality, thus encouraging respondents to provide frank assessments. Fourth survey items were translated from English into Mandarin and checked for accuracy by multiple professional translators, as were translations from Mandarin to English. Fifth, where possible, we used or adapted items used by previous researchers (for example, Nyhan 2000; Berman 2003a). Sixth, we consider the relationship among variables as a way to further explore and triangulate study results (that is, construct validity). Seventh, sample bias is examined by comparing the responses of the four different categories of career executives in our study. While a few differences exist, they are relatively minor and do not significantly affect our results. Eighth, we verified responses of those who provided exceptionally positive or negative views towards their appointees through additional interviews. Finally, non-response bias was examined by a further phone survey of non-respondents. A subset of randomly chosen items finds no difference, such as (for respondents and non-respondents, respectively), 'how long have you worked for the appointee in your current capacity?', 12.4 versus 12.6 months; gender (male): 85.7 per cent versus 88.1 per cent; 'The appointee expects me to withhold support when I believe that proposals are unsound': 2.09 versus 2.03; and 'when my political supervisor tells me something, I can rely on what he/she tells me': 1.87 versus 1.89. These differences are not statistically different.

## RESULTS

### Executive initiative understanding

Table 1 shows understandings between appointees and executives about executive initiative-taking. Among respondents, three-quarters (74.5 per cent) agree or strongly agree that 'The appointee and I have an understanding about which program areas and policies each of us take initiative for,' and even more respondents agree or strongly agree with other items of 'I discussed with the appointee which policy or program areas I would like to work on' (76.4 per cent), 'I am often able to get support from the appointee for new policy and program proposals that I want to initiate' (75.3 per cent) and 'The appointee provides oversight of programs and policies that I am responsible for' (86.4 per cent). These four items encompass elements of executive initiative understandings mentioned above, in the framework; these are aggregated into the index variable, 'Executive Initiative Understanding' (EIU,  $\alpha = 0.80$ ).

Further analysis of the data shows that 55.3 per cent of respondents agree or strongly agree with *each* of the items in table 1. We take this as a measure of the prevalence of

TABLE 1 *Executive initiative understanding with appointees (%)*

|   | Strongly agree | Agree | Somewhat agree | Disagree <sup>1</sup> | Don't know |
|---|----------------|-------|----------------|-----------------------|------------|
| <i>Executive initiative understanding (with appointees)</i>   |                |       |                |                       |            |
| The appointee provides oversight of programs and policies that I am responsible for                             | 35.3           | 51.1  | 11.9           | 0.4                   | 1.3        |
| I discussed with the appointee which policy or program areas I would like to work on                            | 32.5           | 43.9  | 16.9           | 3.8                   | 3.0        |
| I am often able to get support from the appointee for new policy and program proposals that I want to initiate  | 21.7           | 53.6  | 18.7           | 3.0                   | 3.0        |
| The appointee and I have an understanding about which program areas and policies each of us take initiative for | 20.3           | 54.2  | 18.2           | 5.9                   | 1.3        |
| Index <sup>1</sup> =  | 27.5           | 50.7  | 16.4           | 3.3                   | 2.2        |

Note: Cronbach score of the index measure is 0.80.

executive initiative understandings; those who only somewhat agree (or less) with any one of these items cannot be said to have sufficient evidence of having the elements of an EIU in place (Study Question 1). The high prevalence shows that EIUs are *quite common*, supporting the above notion of executive initiative-taking as a necessary and common feature in public agencies, and among respondents with EIUs, almost two-thirds (63.0) per cent also strongly agree with at least two of the above items. However, the fact that EIUs are not ubiquitously present is also consistent with concerns about inadequate bureaucratic leadership.

We also examined whether EIUs vary by grade and type of respondents, and find that directors of administrative support functions (category 4, methods) have somewhat fewer EIUs than department directors (category 2; 45 per cent versus 59 per cent,  $p < .05$ ). Gender, education, and age are not significantly associated with EIUs when controlled for grade and type of respondents. Somewhat more women are among directors of agency-affiliated organizations and executive staff of political appointees than career agency deputy heads and directors (18.6 per cent versus 8.2 per cent,  $\text{tau-c} = .109$ ,  $p < .05$ ). By way of validity, we find that weighting for the slight oversampling of category 1 respondents (methods, above) does not materially affect the incidence of EIUs: 53.8 per cent versus 55.3 per cent. Also, the construct of EIU is associated with other executive activities in the survey such 'providing appointees with information about the feasibility and difficulty of programs and policies' ( $\text{tau-c} = .492$ ,  $p < .01$ ) and 'helping the appointee align his/her workload with the priorities that (s)he has', all of which are consistent with EIUs being part of psychological contracts between appointees and executives.

Table 2 shows how often appointees and executives talk about the distribution of work between them. On average, respondents talk a little less than weekly with agency heads and appointee deputy agency heads about the distribution of work among them (resp., 5.84 and 5.92). As might be expected, those with EIUs talk more frequently with agencies heads; about weekly (6.39) versus only few times monthly (5.39) among those who do not have an EIU ( $t = 4.3$ ,  $p < .01$ ). The results for talking with appointee deputy agency heads

TABLE 2 *Frequency of discussion between executives and appointees*

| How often do you talk with the agency head and political deputy agency head about the distribution of work? |                 |                        |
|---|-----------------|------------------------|
|   | Agency head (%) | Deputy agency head (%) |
| 1. Seldom or never  | 1.3             | 1.8                    |
| 2. About once or twice each year  | 2.0             | 1.8                    |
| 3. About quarterly  | 2.1             | 1.8                    |
| 4. About monthly  | 7.3             | 7.2                    |
| 5. A few times each month   | 31.6            | 28.8                   |
| 6. Weekly   | 12.4            | 9.5                    |
| 7. A few times each week  | 35.0            | 41.0                   |
| 8. Daily or almost daily  | 8.1             | 8.1                    |
| Mean =  | 5.84            | 5.92                   |

are, respectively, 6.12 and 5.66 ( $t = 2.3, p < .05$ ). Of course, talking about work distribution is broader than about executive initiatives, which may include dealing with appointee initiatives, administrative issues, and requests from appointees for help on other matters. An interviewee states his role as ‘controlling or coordinating for my Minister’ which suggest this. Interviewees also state that discussions about task distribution are informal. A typical comment by a Secretary-General is ‘the best way of functioning is that the three of us (the Minister, Deputy Minister and I) meet frequently, once or twice a day. It doesn’t need to be too long – each time a quarter or half an hour is enough’. Another respondent recalls that ‘my Minister created a meeting room from his office space so that they could meet frequently’.

Processes of establishing EIUs appear to occur early in the relationship. Among respondents, 39.7 per cent have worked less than 6 months with their present appointee, and 36.7 per cent have worked for more than 18 months (mean = 12.4 months). We examined whether the incidence of EIUs increase over time, but working longer for appointees is not associated with changes in EIUs ( $\text{tau-c} = .04, \text{n.s.}$ ). Finally, as an exploratory study, the measure of EIUs reflects the prevalence of these understandings, only. Though it does not inform about the specific content or about the number of initiative undertaken, those who strongly agree on all of the items can be presumed to have a higher level of initiative-taking; however, only 22 of 237 (9.3 per cent) respondents report such a very high level.

### Correlates

A key study objective is to determine the impact of EIUs (study question 2). Table 3 shows a range of activities that conceptually reflect career executives’ leadership and interactions with appointees in policy development and implementation. Among respondents, 71.5 per cent agree or strongly agree that they are an advocate for new policies, 83.8 per cent agree or strongly agree that they bring essential information to policy decisions, 68.7 per cent agree or strongly agree that they make policy decisions in their area of work. Also, 59.8 per cent agree or strongly agree that they affects decisions how policies are implemented, 53.6 per cent agree or strongly agree that they bring outside stakeholders into policy-making, and 46.0 per cent agree or strongly agree that they impact policy decisions made by the appointee. While these results are consistent with the notion that public managers indeed fulfill leadership roles, they also show variation; on average, 29.7

TABLE 3 *Executives' efforts (%)*

|   | Strongly Agree | Agree | Somewhat agree | Disagree <sup>1</sup> | Don't know | EIU<br>( <i>tau-c</i> ) <sup>2</sup> |
|---|----------------|-------|----------------|-----------------------|------------|--------------------------------------|
| <i>In my agency, I am able to effectively:</i>      |                |       |                |                       |            |                                      |
| Bring essential information to policy discussions   | 18.7           | 65.1  | 13.6           | 1.3                   | 1.3%       | .317**                               |
| Be an advocate for new policies                     | 14.5           | 57.0  | 21.7           | 4.7                   | 2.1        | .254**                               |
| Make policy decisions in my area of work            | 12.3           | 56.4  | 21.6           | 5.0                   | 4.7        | .266**                               |
| Affect decisions about how policies are implemented | 6.8            | 53.0  | 28.2           | 4.3                   | 7.7        | .326**                               |
| Bring outside stakeholders into policy making       | 4.7            | 48.9  | 31.8           | 3.5                   | 12.0       | .281**                               |
| Impact policy decisions made by the appointee       | 5.1            | 40.9  | 37.0           | 6.0                   | 11.1       | .292**                               |
| <i>Index =</i>                                      | 10.3           | 53.5  | 25.6           | 4.1                   | 6.5        | .471**                               |

Note 1: Includes: 'don't know', 'disagree somewhat', 'disagree', 'strongly disagree' categories.  
Cronbach scores of index variable 0.84.

Note 2: EIU = Executive-Initiative Understanding; tau-c measures shown; \*\* =  $p < .01$  (except the index variable, which shows Pearson correlation coefficients).

per cent only somewhat agrees or disagrees with these items, and additional analysis of these items shows that 42.2 per cent of respondents do *not* agree or strongly agree with at least half of the items shown.

Table 3 also shows that each of the items is significantly associated (at the 1 per cent level) with the index measure of Executive Initiative Understanding (EIU). The above measures of executive leadership in policy development and implementation are aggregated into an index variable, labelled 'Executive Efforts' ( $\alpha = 0.84$ ) which is also associated with EIUs:  $r = +.471$  ( $p < .01$ ). Hence, the prevalence of executive initiative understandings increases perceived executive efforts. Those with EIUs report a higher level of average executive effort: 2.2 versus 2.7 among respondents without EIUs (1 = high, 7 = low). Those 22 respondents who strongly agree that they have EIUs report even higher levels of effectiveness: 1.8, for both executive and agency performance.

Figure 2 shows the practical significance of the strength of these relationships. Among those with low EIUs (defined as not agreeing or strongly agreeing with all items of the index, above), only one-third (31.4 per cent) state being able to impact policy decisions made by appointees, compared to over half (57.7 per cent) of those with EIUs. Even the perception of being able to make policy decisions in their own work is affected by having EIUs: 50.5 per cent versus 83.2 per cent. Figure 2 also shows the additional item 'We frequently develop new, innovative programs' which is used as a measure of perceived agency innovation. It is reasonable to hypothesize that understandings about areas that executives take initiative for, along with appointees' support, should lead to some new programs, too. Figure 2 shows that less than half (46.2 per cent) of executives without EIUs report that their agency frequently develops innovative programs, compared with three-quarters (75.6 per cent) of those who do have EIUs. (By way of triangulation, we note that EIUs are also associated with related measures of agency processes, such as 'we use up-to-date information technology applications,'  $r = +.332$ , and 'collaboration with

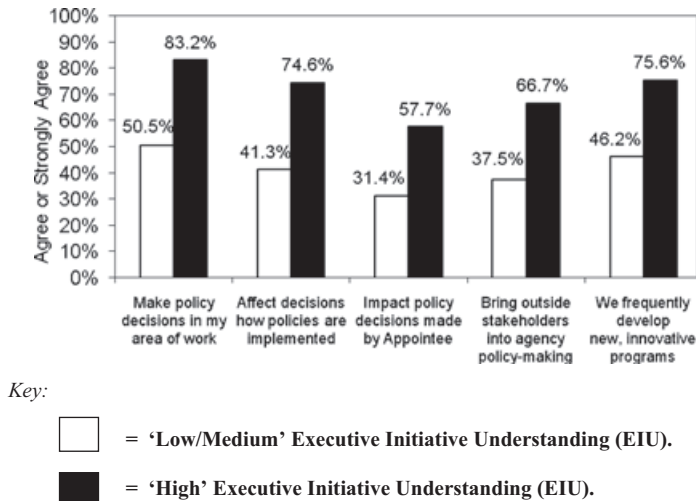


FIGURE 2 *Impact of executive initiative understanding on executives' efforts and perceived agency innovation*

community leaders is good,'  $r = +.398$ , as well as performance such as 'organizational productivity is high,'  $r = +.275$ , all  $p < .01$ ).

Table 4 shows that the association between perceived agency innovation and EIUs is significant ( $r = +.409$ ,  $p < .01$ ), as is also the association between perceived agency innovation and Executive Efforts ( $r = +.590$ ,  $p < .01$ ). Table 4 shows correlations among the above variables, as well as other variables used in this study. The selection of these items is consistent with our theoretical framework and reflects variables included in the parsimonious regression models shown in table 5. Though the survey instrument included other variables, as well, only significant variables are shown. Of course, regression provides a more rigorous testing of these relationships.

Table 5 shows the regression models for, respectively, three (3) dependent variables: Executive Initiative Understanding (column A), Executive Efforts (column B), and Perceived Agency Innovation (column C). All models have good fit (R-square adjusted values .30 to .46), and no problems of multicollinearity (all Variance Inflation Factors [VIFs]  $< 2.1$ , not shown). The regression results in models B and C fully confirm the positive associations between EIU, and executive efforts and perceived agency innovation. Model C also shows that the effect of EIU on perceived agency innovation is significant even when controlled for executive efforts ( $t = 2.94$ ;  $p < .01$ ). The largest standardized coefficients (not shown) in Model C are those of EIU (.214) and Executive Efforts (.466); in Model B, the largest standardized coefficients are those of EIU (.218) and public service motivation (.261). Models B and C provide information for addressing Study Question 2 (impacts of EIUs), and Model A provides for addressing Study Question 3 (determinants of EIUs).

The multivariate models show mixed results for the various independent variables mentioned in the Framework section. As regarding HRM factors, though public service motivation (PSM) is bivariate associated with EIUs, Executive Efforts and Perceived Agency Innovation, it is multivariately only associated with Executive Efforts. This does not mean that PSM is unimportant, only that other factors are more important. This finding extends PSM research to these concerns. Of course, most executives already have



TABLE 4 *Correlations*

|  | Mean <sup>3</sup> | S.D.   | 1       | 2      | 3      | 4      | 5      | 6      |
|--|-------------------|--------|---------|--------|--------|--------|--------|--------|
| 1. Executive Initiative Understanding (EIU)  | 2.04              | 0.75   | 1.00    |        |        |        |        |        |
| 2. Executives' Efforts   | 2.42              | 0.71   | .471**  | 1.00   |        |        |        |        |
| 3. Perceived Agency Innovation <sup>3</sup>  | 2.42              | 1.00   | .409**  | .590** | 1.00   |        |        |        |
| 4. Public service is an important motivation for me <sup>2</sup>   | 1.82              | 0.79   | .307**  | .392** | .265** | 1.00   |        |        |
| 5. We link managerial evaluation to agency results <sup>2</sup>  | 2.06              | 0.83   | .473**  | .261** | .146*  | .232** | 1.00   |        |
| 6. I have confidence that my political supervisor is techn. competent at the critical elements of his/her job <sup>2</sup> . | 1.73              | 0.97   | .518**  | .209** | .092   | .187** | .429** | 1.00   |
| 7. The appointee gets political support for new proposals in our agency  | 1.79              | 0.85   | .453**  | .263** | .221** | .168*  | .357** | .467** |
| 8. The appointee and I have similar political views <sup>2</sup>   | 2.68              | 1.22   | .430**  | .282** | .187** | .280** | .369** | .401** |
| 9. My political supervisor will back me up in a pinch <sup>2</sup>   | 2.00              | 0.97   | .530**  | .387** | .290** | .247** | .418** | .594** |
| 10. People work hard, but don't produce meaningful results <sup>2</sup>  | 5.08              | 1.28   | -.079   | -.009  | -.090  | -.061  | -.068  | -.167* |
| 11. Months working for the appointee   | 12.4              | 10.8   | .047    | -.020  | -.111  | .002   | .042   | -.013  |
| 12. Age  | 52.4              | 6.73   | .082    | .026   | .050   | .247** | .129*  | .123*  |
| 13. Gender   | 1.14              | 0.35   | .133*   | .065   | .028   | .003   | .133*  | .126   |
|  | 7                 | 8      | 9       | 10     | 11     | 12     | 13     |        |
| 7. The appointee gets political support for new proposals in our agency  | 1.00              |        |         |        |        |        |        |        |
| 8. The appointee and I have similar political views <sup>2</sup>   | .351**            | 1.00   |         |        |        |        |        |        |
| 9. My political supervisor will back me up in a pinch <sup>2</sup>   | .456**            | .393** | 1.00    |        |        |        |        |        |
| 10. People work hard, but don't produce meaningful results <sup>2</sup>  | -.064             | .019   | -.178** | 1.00   |        |        |        |        |
| 11. Months working for the appointee   | .055              | .012   | .029    | .160*  | 1.00   |        |        |        |
| 12. Age  | .198**            | .195** | .124    | .022   | .014   | 1.00   |        |        |
| 13. Gender   | .032              | .167*  | .014    | -.016  | -.037  | -.037  | 1.00   |        |

Note 1: \*\* =  $p < .01$ ; \* $p < .05$ ; Pearson correlation coefficients shown.

Note 2: 7-point Likert scale = 1 = Strongly agree to 7 = Strongly disagree.

Note 3: As measured by the item: 'We frequently develop new, innovative programs' (7-point Likert scale).

high levels of public service motivation (mean = 1.82, 1 = high, 7 = low), and thus the regression results concern even higher levels of PSM. The performance measure 'we link managerial evaluation to agency results' is also significantly associated with EIU.

Trust is found to be an important currency in appointee-executive relations. This survey adopts the single-item measure of general trust in superiors, 'my political supervisor will be back me up in a pinch' (adapted from Nyhan 2000), and regression results confirm

TABLE 5 *Regression models*

|   | <i>Dependent Variable:<sup>1</sup></i>                             |  |  |
|---|--|--|--|
|   | (A) Executive initiative understanding<br>Reg.Coeff. (t-statistic) | (B) Executives' efforts Reg.Coeff. (t-statistic) | (C) Perceived agency innovation <sup>5</sup><br>Reg.Coeff. (t-statistic) |
| Constant  | 1.106**<br>(2.862)   | 1.623**<br>(3.809)                               | 1.394*<br>(2.527)  |
| <i>Executive Initiative Understanding (EIU)</i>   | <i>n/a</i> <sup>2</sup>  | .229**<br>(3.653)                                | .279**<br>(2.941)  |
| Executives' efforts   | <i>n/a</i> <sup>2</sup>  | <i>n/a</i> <sup>2</sup>                          | .641**<br>(7.502)  |
| Public service is an important motivation for me  | .101<br>(1.994)  | .236**<br>(4.241)                                | .025<br>(.342)   |
| We link managerial evaluation to agency results   | .165**<br>(3.170)  | .002<br>(.034)                                   | -.093<br>(-1.284)  |
| I have confidence that my political supervisor is technically competent in critical elements of his/her job | .137**<br>(2.656)  | -.090<br>(-1.585)                                | -.150*<br>(-2.087)   |
| The appointee gets political support for new proposals in our agency  | .173**<br>(3.255)  | .046<br>(.776)                                   | .119<br>(1.611)  |
| The appointee and I have similar political views  | .077*<br>(2.161)   | .020<br>(.513)                                   | .020<br>(.408)   |
| My political supervisor will back me up in a pinch  | .160**<br>(3.148)  | .169**<br>(2.967)                                | .043<br>(.591)   |
| People work hard, but don't produce results   | .006<br>(.185)   | .031<br>(.963)                                   | -.080*<br>(-1.975)   |
| Months working for current appointee  | .001<br>(.414)   | .003<br>(.770)                                   | .013**<br>(2.678)  |
| Age   | .013*<br>(2.225)   | .013*<br>(2.012)                                 | .000<br>(.081)   |
| Gender <sup>3</sup>   | .144<br>(1.334)  | .086<br>(.732)                                   | .218<br>(1.476)  |
| Level 1 (dummy) <sup>4</sup>  | -.070<br>(-.622)   | -.139<br>(-1.135)                                | -.171<br>(-1.113)  |
| Level 2 (dummy)   | -.442**<br>(-3.854)  | -.215<br>(-1.671)                                | -.404*<br>(-2.488)   |
| Level 3 (dummy)   | -.179<br>(-1.859)  | -.156<br>(-1.477)                                | -.323*<br>(-2.433)   |
| N =   | 230  | 230  | 230  |
| Adjusted R-square   | .462   | .302   | .420   |
| F-score =   | 16.207**   | 8.082**  | 12.069**   |

Note 1: \*\* =  $p < .01$ ; \* =  $p < .05$ .

Note 2: n/a: variable not in model (not appropriate).

Note 3: Gender: 1 = male; 2 = female.

Note 4: Level 1 = career civil service deputy agency directors; 0 = other; Level 2 = department directors reporting to appointees who are agency directors or deputy agency directors; 0 = other; Level 3 = directors of agency-affiliated organizations reporting to agency directors; 0 = other.

Note 5: As measured by the item: 'We frequently develop new, innovative programs' (7-point Likert scale).

that trust is important; it is one of only two variables that are significant in all three models, including EIUs. Many interviews mentioned the importance of trust, such as in the following:

The core in the relationship between the appointee and the civil servant is trust. This trust results from the interaction, and it is the relationship that makes the civil servant trusted by his political appointee. When this trust exists, civil servants need not fear that they will be scapegoated by appointees when something goes wrong. When the

appointee thinks the subordinate is trustable, the appointee will dare to give new missions to their subordinates, because the boss believes that if the subordinate thinks the mission isn't OK, this subordinate will tell him the truth. When no such trust exists, big trouble will result.

Another states that: 'Of course, to help our Minister's oversight is to help myself to gain support from him. . . the more I help him, the more he trusts me, and the more support I get for the policies I propose'. This quote shows that successful interactions in one area build trust that furthers interactions in others, and is consistent with the notion of EIU being part of broader agreements. Indeed, the above measure of trust is also associated with EIU index item 'The appointee provides oversight of programs and policies that I am responsible for' ( $\tau\text{-}c = .310, p < .01$ ). Trust is broadly important and earned in many different situations. Appointees and career executives with similar political views more often have EIUs. The association between ideological compatibility and trust is bivariate significant ( $\tau = .356; p < .01$ ).

While appointees give generally high marks for their appointee's competency (mean = 1.80 of the three items shown), a significant minority is found wanting in some way, notably as having inadequate understanding about of the difficulty of tasks (19.5 per cent), insufficient professional or ethical conduct (17.3 per cent), not being able to obtain adequate political support (11.9 per cent) or not being sufficiently technically competent in critical elements of the job (11.8 per cent). About one-third (34.6 per cent) of executives only somewhat agrees or disagrees with one or more of the three items shown. Regression results show that executives more often pursue EIUs when appointees are able to get support for new proposals and are technically proficient, and also when they are able to get support for new proposals is also relevant to perceived agency effectiveness. Appointee comportment is not significant with any of the dependent variables and is therefore not included in table 5 suggesting that executives are able to deal with myriad behavior. These measures of competency are all significantly associated with the above measures of trust (all  $p < .01$ ).

The survey instrument included a few measures of organizational climate, such as 'managers are energized to make a difference,' but while some have bivariate significance, only one has multivariate significance; the measure 'people work hard, but don't produce results' which is negatively associated with perceived agency innovation (Model C). This is a distinctively Confucian (East Asian) characteristic of employees and managers showing loyalty and commitment through effort rather than outcomes (Williams and Sandler 1995; Li and Madsen 2009). The model also controls for the respondent category (see methods), but adding this control variable does not significantly affect the above results. Finally, the negative association between 'months working for appointees' and managerial effectiveness may be caused by the following 'local' matter, namely, that about 8 per cent of respondents work for their current appointees more than 20 months which were 'carried' over from the previous Administration of a competing political party; estimating the model without these appointees eliminates this significance, but does not affect other study results.

## CONCLUSION

Taiwan experienced retrenchment of its bureaucratic leadership following democratization, and this study examines whether appointee-executives understandings (EIUs) about executive initiative-taking are associated with bureaucratic leadership and initiative-taking.

This study defines EIUs as informal understandings between appointees and executives that involve: (1) discussion and understanding (agreement) between appointees and executives about which programs and policies executives will take initiative for; (2) appointee oversight for executives' initiatives; and (3) expectations about appointee support for executives' initiatives for new programs and policies. This study of executives in Taiwan central government finds that: (1) over half (55 per cent) of executives have EIUs; (2) higher levels of EIUs are associated with higher levels of perceived executive and agency performance; and (3) factors affecting the prevalence of EIUs are having similar political views, appointee competency, trust and linking managerial evaluations to agency results (all  $p < .01$ ). The practical impact of EIUs on performance is highly significant; for example, less than half (46.2 per cent) of executives without EIUs report that their agency frequently develops innovative programs, compared with three-quarters (75.6 per cent) of those who do have EIUs. Results also show that EIUs are established in the beginning of appointee-executive relationships. Executive initiative-taking responds to widespread public concerns of inadequate public leadership.

As Galileo Galilei (1564–1642) once said, 'all truths are easy to understand once they are discovered; the point is to discover them'. Though it is hardly a surprise that executives who have understandings with appointees about their initiative-taking also increase their efforts and improve their agency's performance, no one has hitherto either emphasized such understandings or examined their empirical significance. The theoretical proposition, that 'in a democracy, some policy leadership must come from elected officials and their appointees, but executives must provide the rest,' has not been much pursued in research or practice with regard to effective rules for appointee-executive relations, in particular, with regard to leadership of very senior public managers. EIUs are a very practical way of giving shape to bureaucratic initiative in a democratic context that has not been hitherto considered in the public administration literature.

Broader implications of these findings are straightforward and easy to understand. First, this study finds that only half of respondents have understandings to increase initiatives, and one might also assume that research beyond this study might find that those with agreements have something to improve in these, as well. The time has come to take a deeper look into the working relations between appointees and executives and their impacts on performance. Second, if agencies and their public want more leadership, then they do well to consider selection criteria for officials into executive roles. Are executives prepared for taking more initiative? How much leadership and initiative have they shown in the past? How much should they have shown and with what outcomes? These considerations are also relevant to higher civil servant training and development programs, of which new ones are to be established in Taiwan in the next few years (Six Planned Programs of Reforming Civil Service 2009b). They are also relevant to current discussions in Taiwan about creating a Senior Executive Service (SES) and recruitment criteria for selection into it. It is time to rethink the responsibilities of the Examination Yuan (the Taiwan Office of Personnel Management) for greater linkage between personnel selection, evaluation and agency performance.

Third, agencies do well to increase leadership and initiative by building these into executives' performance evaluations and rewards. As the saying goes, 'what gets measured gets done,' but in Taiwan initiative taking and results achievement are not performance criteria which motivate much through any real financial or career consequence. Requiring executives to formulate agency strategic plans and meet semi-annual performance targets is surely appropriate, as is requiring appointees to participate in, and approve agency

strategic plans, and evaluate subordinate senior managers accordingly based on strategic leadership results. Efforts and discussions to establish a suitable reward system for executive initiative taking are now taking place in Taiwan. It is time think hard and creatively about executive rewards. Finally, there are other issues come up in the context of increased executive initiative-taking. At present, few mechanisms exist to protect senior managers from harsh, punitive consequence of public criticism which has lead officials to avoid taking initiative for which they could be blamed. Others might be collusion or capture of appointees by bureaucrats, or of appointees usurping executive initiative-taking. Some people are also concerned about funding for new initiatives; perhaps the time has come to annually target 1–2 per cent of annual agency expenditures for efficiency savings and program reductions, and to use these ‘savings’ for funding new initiatives.

Of course, all studies have caveats and limitations. Other studies might well provide alternative frameworks or managerial strategies for studying appointee-civil servant relations and the impact on public agency strategies and outcomes; for example, frameworks stemming from principal-agent theory are not part of this study, but might be considered in future studies. They might also examine the opinions of others actors who may have other opinions such as political appointees, elected officials, other senior officials and midlevel officials. Typical political science concerns such as bureaucratic rent seeking, capture, information asymmetries, adversarial relations, etc. are also not considered here, but might be relevant to such studies. Future studies might consider other measures of agency outcomes and performance, considering a broader range of processes and outcomes affected by appointee-executive relations. Also, while our measures are all subjective, other studies might try to integrate ‘hard’, objective data exist in their analysis. We acknowledge the limitations in our study, and hope that others will give new impetus to this area of study.

Concerns about inadequate public leadership are surely widespread in the world. New democracies experience, by definition, a change in leadership patterns which, in Taiwan, has generated bureaucratic passivity, a slowing down of decision-making processes, and increased political rather than policy roles of appointees. While no one wants to turn the clock back on democracy and freedom, a push is now needed to ensure that democratically governed bureaucracies remain able to provide the leadership and security that its citizens expect. Indeed, this seems to be broadly the case in many countries. Various administration reforms, initiated by vice presidents and legislatures, are seen as helpful but insufficient to meet the need for agency leadership (for example, Kim 2009). The time has come to think more systematically and fundamental about the role of bureaucratic initiative and appointee oversight in democracies. While the capacity and professionalism of civil servants are held in high regard in Taiwan and other East Asia countries, people also want increased leadership and performance from their public agencies.

## ACKNOWLEDGEMENT

The authors thank the Taiwan National Science Council for project funding, grant NSC-96-2414-H-004-037-SS2. The authors are also grateful for support from the Chiang Ching-kuo Foundation grant RG003-D-06 (Taipei, Taiwan). We thank Professor Jay Shih for his contributions and support.

## REFERENCES

- Aberbach, J.D., R.D. Putnam and B.A. Rockman. 1981. *Bureaucrats and Politicians in Western Democracies*. Cambridge, MA: Harvard University Press.



- Aberbach, J.D. and B.A. Rockman. 1976. 'Clashing Beliefs within the Executive Branch: The Nixon Administration Bureaucracy', *American Political Science Review*, 70, 2, 456–68.
- Aberbach, J.D. and B.A. Rockman. 2000. *In the Web of Politics: Three Decades of the U.S. Federal Executive*. Washington, DC: Brookings Institution.
- Abramson, M.A. and P.R. Lawrence (eds). 2005. *Learning the Ropes: Insights for Political Appointees*, Lanham, MD: Rowman and Littlefield.
- Alonso, P. and G.B. Lewis. 2001. 'Public Service Motivation and Job Performance. Evidence from the Federal Sector', *American Review of Public Administration*, 31, 4, 363–80.
- Anderson, M. 2000. 'Turning the President's Agenda into Administration Policy', in A.S. Felzenburg (ed.), *The Keys to a Successful Presidency*. Washington, DC: Heritage Foundation.
- Babbie, E. 2007. *The Practice of Social Research*, 7th edn. Belmont, CA: Wadsworth.
- Bellou, V. 2007. 'Shaping Psychological Contracts in the Public and Private Sectors', *International Public Management Journal*, 19, 3, 327–49.
- Berman, E.M. and J.P. West. 2003a. 'Psychological Contracts in Local Government: A Preliminary Survey', *Review of Public Personnel Administration*, 23, 4, 267–85.
- Berman, E. and J.P. West. 2003. 'What is Managerial Mediocrity? Definition, Prevalence and Negative Impact Part 1', *Public Performance and Management Review*, 27, 2, 7–27.
- Berman, E. and C-G. Kim. 2010. 'Creativity Management in Public Organizations: Jump Starting Innovation', *Public Performance and Management Review*, 33, 4, 619–52.
- Bertelli, A. and S.E. Feldmann. 2007. 'Strategic Appointments' *Journal of Public Administration Research and Theory*, 17, 1, 19–38.
- Biggart, N.W. and G.G. Hamilton. 1984. 'The Power of Obedience', *Administrative Science Quarterly*, 29, 4, 540–9.
- Bourgault, J. 2011. 'Canada's Senior Public Service and the Typology of Bargains: From the Hierarchy of Senior Civil Servants to a Community of "Controlled" Entrepreneurs', *Public Policy and Administration*, 26, 2, 256–75.
- Brady, C. and P. Catterall. 1997. 'Managing the Core Executive', *Public Administration*, 75, 3, 509–29.
- Brewer, G.A. and R.A. Maranto. 2000. 'Comparing the Roles of Political Appointees and Career Executives in the U.S. Federal Executive Branch', *American Review of Public Administration*, 30, 1, 69–86.
- Castaing, S. 2006. 'The Effects of Psychological Contract Fulfilment and Public Service Motivation on Organizational Commitment in the French Civil Service', *Public Policy and Administration January*, 21, 1, 84–98.
- Chang, K., D. Lewis and N. McCarty. 2001. *The Tenure of Political Appointees*. Paper delivered at the 2001 Annual Meetings of the Midwest Political Science Association, 22–25 April, Chicago.
- Chen, D-Y. 2001. *Democracy and Bureaucracy: An Institutional Perspective*. Taipei: Weber Publications (in Chinese).
- Chen, D-Y. 2010. Editorial: Real Civil Service Reform is Needed. *Taipei Times*, 28 March (<http://www.taipeitimes.com/News/editorials/archives/2010/03/28/2003469133>).
- Cheng, T-J., S. Haggard and D. Kang. 1998. 'Institutions and Growth in Korea and Taiwan: The Bureaucracy', *Journal of Development Studies*, 34, 87–111.
- Cheung, A. 2007. 'Policy Capacity in Post-1997 Hong Kong: Constrained Institutions Facing a Crowding and Differentiated Polity', *The Asian Pacific Journal of Public Administration*, 29, 1, 51–75.
- Central Intelligence Agency. 2010. World Fact Book: Taiwan (<https://www.cia.gov/library/publications/the-world-factbook/geos/tw.html>), accessed 28 October 2010.
- Chiu, Y-C. and Y-M. Hsu. 2004. 'Formation of Administrative Elites in the DPP: Using the First Power Transition as Observation Point', *Taiwanese Political Science Review*, 8, 2, 121–83 (in Chinese).
- Clark, C. 2000. 'Democracy, Bureaucracy, and State Capacity in Taiwan', *International Journal of Public Administration*, 23, 10, 1833–53.
- Coursey, D. and J. Killingsworth. 2010. 'Managing IT in Florida: Consequences and the Aftermath of the Bush Era', in C. Shea and G.D. Garson (eds), *Handbook of Public Information Systems*, 3rd edn. New York: Taylor and Francis, pp. 149–68.
- Coyle-Shapiro, J. and I. Kessler. 2003. 'The Employment Relationship in the U.K. Public Sector: A Psychological Contract Perspective', *Journal of Public Administration Research and Theory*, 13, 2, 213–30.
- Crosby, B. and J. Bryson. 2005. *Leadership for the Common Good*. San Francisco, CA: Jossey-Bass.
- Currie, G., S. Grubnic and R. Hodges. 2011. 'Leadership in Public Services Networks: Antecedents, Process and Outcomes', *Public Administration*, 89, 2, 242–64.
- Dolan, J. 2000. 'Influencing Policy at the Top of the Federal Bureaucracy: A Comparison of Career and Political Senior Executives', *Public Administration Review*, 60, 6, 573–81.
- Dunn, D. 1999. 'Mixing elected and nonelected officials in democratic policy making: Fundamentals of accountability and responsibility', in A. Przeworski, S.C. Stokes and B. Manin (eds), *Democracy, Accountability, and Representation*. New York: Cambridge University Press, pp. 297–325.
- Durant, R.F. 1990. 'Beyond Fear or Favor: Appointee-Careerist Relations in the Post-Reagan Era', *Public Administration Review*, 50, 3, 319–31.

- Examination, Yuan Taiwan Ministry of Civil Service. 2009a. Civil Service Statistics. table 2, p. 2. Taipei: Examination Yuan (<http://www.mocs.gov.tw/index.htm> 05/04/2010), accessed May 2010.
- Examination, Yuan Taiwan Ministry of Civil Service. 2009b. The Six Planned Programs of Reforming Civil Service. Taipei: Examination Yuan (<http://www.exam.gov.tw/public/Data/01610135071.pdf>), accessed August 2010.
- Ferrara, J. and L. Ross. 2005. *Getting to Know You: Rules of Engagement for Political Appointees and Career Executives*. Washington, DC: IBM Center for The Business of Government.
- Frederickson, H.G. 2002. 'Confucius and the Moral Basis for Bureaucracy', *Administration and Society*, 336, 610–28.
- GGDC. 2010. Statistics on World Population, GDP and GDP Per Capita ([http://www.ggdc.net/maddison/Historical\\_Statistics/vertical-file\\_02-2010.xls](http://www.ggdc.net/maddison/Historical_Statistics/vertical-file_02-2010.xls)), accessed 28 October 2010; recalculated as current dollars.
- Golden, M.M. 2000. *What Motivates Bureaucrats?* New York, NY: Columbia University Press.
- Gopal, S. 2006. 'Emerging Role of Psychological Contracts in Indian Civil Services: Case Study Analysis of Two Organizations in the State of Himachal Pradesh', Doctoral Dissertation, The University of Birmingham.
- Guest, D. and N. Conway. 2000. *The Psychological Contract in the Public Sector: The Results of the 2000 CIPD Survey of the Employment Relationship*. London: Chartered Institute of Personnel and Development.
- Hammond, T.H. and J.H. Knott. 1996. 'Who Controls the Bureaucracy? Presidential Power, Congressional Dominance, Legal Constraints and Bureaucratic Autonomy in a Model of Multi-institutional Policy-making', *The Journal of Law, Economics, and Organization*, 12, 1, 119–66.
- Hecl, H. 1977. *A Government of Strangers: Executive Politics in Washington*. Washington, DC: Brookings Institution.
- Hood, C. 2002. 'Control, Bargains, and Cheating: The Politics of Public-service Reform', *Journal of Public Administration Research and Theory*, 12, 3, 309–32.
- Ho, S.P.S. 1987. 'Economics, Economic Bureaucracy, and Taiwan's Economic Development', *Pacific Affairs*, 60, Summer, 226–47.
- Huang, T.-Y., D.-Y. Chen and C. Yu. 2005. 'The Political Attitudes of Public Managers in Taiwan', *The Chinese Public Administration Review*, 14, 2, 1–32.
- Huang, T.-Y. and W. Yu. 2010. 'Public Policy Processes and Citizen Participation in Taiwan', in E. Berman, J. Moon and H. Choi (eds), *Public Administration in East Asia: China, South Korea, Japan and Taiwan*. New York: Taylor and Francis, Ch. 24, pp. 517–32.
- Ingraham, P.W. 1987. 'Building Bridges or Burning Them? The President, the Appointees, and the Bureaucracy', *Public Administration Review*, 47, 5, 425–43.
- Ingraham, P.W. 1995. *The Foundation of Merit: Public Service in American Democracy*. Baltimore, MD: The Johns Hopkins University Press.
- Jacobsen, D. 2005. 'Sand in the Machinery? Comparing Bureaucrats' and Politicians' Attitudes toward Public Sector Reform', *European Journal of Political Research*, 44, 6, 767–99.
- Jan, C.-Y. 2010. History and Context of Public Administration in Taiwan, in E. Berman, J. Moon and H. Choi (eds), *Public Administration in East Asia: China, South Korea, Japan and Taiwan*. New York: Taylor and Francis, Ch. 23, pp. 497–516.
- Jensen, J.L., P. Sum and D.T. Flynn. 2009. 'Political Orientations and Behavior of Public Employees: A Cross-national Comparison', *Journal of Public Administration Research and Theory*, 19, 4, 709–30.
- Kim, P.S. 2009. 'Case for Performance Management for Political Appointees', *Public Personnel Management*, 38, 4, 1–19.
- Kim, P.S. 2004. 'Presidential Personnel Innovation for Presidential Appointees in Korea: Towards an Institutional Presidency', *Public Administration and Development*, 24, 3, 235–246.
- Knott, J.H. and G.J. Miller. 2008. 'When Ambition Checks Ambition: Bureaucratic Trustees and the Separation of Powers', *American Review of Public Administration*, 38, 4, 387–411.
- Lewis, D.E. 2008. *The Politics of Presidential Appointments: Political Control and Bureaucratic Performance*. Princeton, NJ: Princeton University Press.
- Li, J. and J. Madsen. 2009. 'Chinese Workers' Work Ethic in Reformed State-owned Enterprises: Implications for HRD', *Human Resource Development International*, 122, 171–88.
- Lin, W., J. Yan, Z. Dingtao and L. Liang. 2007. 'Analyzing Psychological Contract of Civil Servants at Different Government Positions in China', *Journal of Public Management*, 4, 4, 83–126 (in Chinese).
- Levine, C.H., B.G. Peters and F.J. Thompson. 1990. *Public Administration: Challenges, Choice, Consequences*. Glenview IL: Scott, Foresman.
- Lin, C.-C. 2007. 'Mobility at the Administrative Chief Executive Level: May 2000 to May 2007', *National Elite*, 34, 1, 1–8 (in Chinese).
- Lo, S. 2007. 'One Formula, Two Experiences: Political Divergence of Hong Kong and Macao since Retrocession', *Journal of Contemporary China*, 16, 2, 359–87.
- Lorentzen, P. 1985. 'Stress in Political-Career Executive Relations', *Public Administration Review*, 45, 3, 411–14.
- Maranto, R. and B.D. Skelley. 1992. 'Neutrality: An Enduring Principle of the Federal Service', *American Review of Public Administration*, 22, 2, 173–87.
- Maranto, R. 2005. *Beyond a Government of Strangers: How Career Executives and Political Appointees can turn Conflict to Cooperation*. Lanham, MD: Lexington Books.

- March, I. (ed.). 2006. *Democratization, Governance and Regionalism in East and Southeast Asia: A Comparative Study*. London: Routledge.
- Mackenzie, G.C. (ed.). 1987. *The In-and-Outers: Presidential Appointees and the Transient Government in Washington*. Baltimore, MD: The Johns Hopkins University Press.
- McCubbins, M.D. and T. Schwartz. 1984. 'Congressional Oversight Overlooked: Police Patrols versus Fire Alarms', *American Journal of Political Science*, 28, 165–79.
- Meier, K.J. and L.J. O'Toole, Jr. 2006a. *Bureaucracy in a Democratic State: A Governance Perspective*. Baltimore, MD: The Johns Hopkins University Press.
- Meier, K.J. and L.J. O'Toole, Jr. 2006b. 'Political Control versus Bureaucratic Values: Reframing the Debate', *Public Administration Review*, 66, 177–92.
- Michaels, J.E. 1995. 'A View from the Top: Reflections of the Bush Presidential Appointees', *Public Administration Review*, 55, 3, 273–83.
- NAPA (National Academy of Public Administration). 2009. *Agencies in Transition: A Report on the Views of the Members of the Federal Senior Executive Service*. Washington, DC: NAPA.
- NAPA (National Academy of Public Administration). 1985. *Leadership in Jeopardy: The Fraying of the Presidential Appointees System*. Washington, DC: NAPA.
- Nyhan, R.C. 2000. Changing the Paradigm: Trust and its Role in Public Sector Organizations. *American Review of Public Administration*, 30, 1, 87–109.
- Odiorne, G. 1976. 'MBO in State Government', *Public Administration Review*, 36, 1, 28–33.
- O'Donnell, M. and J. Shields. 2002. 'Performance Management and the Psychological Contract in the Australian Federal Public Sector', *The Journal of Industrial Relations*, 44, 3, 435–57.
- Olshfski, D. and R. Cunningham. 2008. *Agendas and Decisions*. Albany, NY: State University of New York Press.
- Osland, J., D. Kolb and I. Rubin. 2006. *Organizational Behavior*, 8th edn. New York: Prentice Hall.
- Protasel, G. 1985. 'Leadership in Council-manager Cities: The Institutional Implications', in G. Frederickson (ed.), *Ideal and Practice in Council-Manager Government*. Washington, DC: ICMA Press, pp. 20–8.
- Peters, G.B. 1987. 'Politicians and Bureaucrats in the Politics of Policy-making', in J.E. Lane (ed.), *Bureaucracy and Public Choice*. Thousand Oaks, CA: Sage, pp. 256–82.
- Peters, G.B. 2009. *The Politics of Bureaucracy: An Introduction to Comparative Public Administration*, 7th edn. London: Routledge.
- Perry J.L. 1996. 'Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity', *Journal of Public Administration Research and Theory*, 6, 1, 5–22.
- Pfiffner, J. 1987a. 'Political Appointees and Career Executives: The Democracy-Bureaucracy Nexus in the Third Century', *Public Administration Review*, 47, 1, 57–65.
- Pfiffner, J. 1987b. 'Strangers in a Strange Land: Orienting New Presidential Appointees', in G.C. Mackenzie (ed.), *The Insiders and Outsiders*, Baltimore, MD: The Johns Hopkins University Press.
- Pfeffer, J. 1994. *Managing with Power: Politics and Influence in Organizations*. Boston, MA: Harvard Business School Press.
- Piotrowski, S.J. and D.H. Rosenbloom. 2002. 'Nonmission-Based Values in Results-Oriented Public Management: The Case of Freedom of Information', *Public Administration Review*, 62, 6, 643–57.
- Pye, L.W. 1985. *Asian Power and Politics: The Cultural Dimensions of Authority*. Cambridge, MA: Harvard University Press.
- Ramesh, M. and S. Fritzen (eds). 2009. *Transforming Asian Governance: Rethinking Assumptions, Challenging Practices*. London: Routledge.
- Ring, P. and A.H. Van de Ven. 1994. 'Development Processes of Cooperative Inter-Organizational Relationships', *Academy of Management Review*, 19, 1, 90–118.
- Rivera, M. and R. Casias. 2001. 'Resource Constraints in Information Systems Development: A Land Management Case Study', *International Journal of Public Administration*, 24, 5, 521–47.
- Robinson S.L. and E.W. Morrison. 2000. 'The Development of Psychological Contract Breach and Violation: A Longitudinal Study', *Journal of Organizational Behavior*, 21, 4, 525–46.
- Rosenbloom, D.H. 2008. 'The Politics–Administration Dichotomy in U.S. Historical Context', *Public Administration Review*, 68, 1, 57–60.
- Rousseau, D. 1995. *Psychological Contracts in Organizations*. Thousand Oaks, CA: Sage.
- Savoie, D.J. 2003. *Breaking the Bargain: Public Servants, Ministers, and Parliament*. Stehr, S.D. 1997. 'Top Bureaucrats and the Distribution of Influence in Reagan's Executive Branch', *Public Administration Review*, 57, 1, 75–83.
- Su, T.-T. 2010. 'Civil Service Reforms in Taiwan', in E. Berman, J. Moon and H. Choi (eds), *Public Administration in East Asia: China, South Korea, Japan and Taiwan*. New York: Taylor and Francis, Ch. 28, pp. 609–26.
- Sun, T.-W. 2008. 'Rhetoric or Action? An Assessment of the Administrative Reform in Taiwan', *Journal of Asian Public Policy*, 1, 1, 52–70.
- Sun, T.-W. and J. Gargan. 1996. 'A Strategic Perspective on Public Administration Problems in Taiwan', *Asian Journal of Public Administration*, 18, 1, 96–118.

- Svara, J. 2010. *The Facilitative Leader in City Hall*. New York: CRC Press.
- Svara, J. 2006. 'Complexity in Political-administrative Relations and the Limits of the Dichotomy Concept', *Administrative Theory and Praxis*, 28, 1, 121–39.
- Taiwan CPA (Taiwan Central Personnel Administration). 2009. *Directory of Executive Yuan Directors Names and Contact Information* [Sing zheng yuan ji suo shu ge ji guan jhu guan ren yuan ming lu], Taipei: Taiwan CPA.
- Tan, Q. 2000. 'Democratization and bureaucratic restructuring in Taiwan', *Studies in Comparative International Development*, 352, 48–64.
- Tang, C-P. 2004. 'When New Public Management runs into Democratization: Taiwan's Public Administration in Transition', *Issues and Studies*, 40, 3/4, 59–100.
- Tang, C-P. and S-Y. Tang. 2000. 'Democratizing Bureaucracy: The Political Economy of Environmental Impact Assessment and Air Pollution Prevention Fees in Taiwan', *Comparative Politics*, 33, 1, 81–99.
- Tsao, K.K. and J.A. Worthley. 2009. 'Civil Service Development in China and America: A Comparative Perspective', *Public Administration Review*, 69, special issue: S88–S94.
- Waterman, R., A. Rouse and R. Wright. 1998. 'The Venues of Influence: A New Theory of Political Control of the Bureaucracy', *Journal of Public Administration Research and Theory*, 8, 1, 13–39.
- Williams, S. and R.L. Sandler. 1995. 'Work Values and Attitudes: Protestant and Confucian Ethics as Predictors of Satisfaction and Commitment', *Research and Practice in Human Resource Management*, 3, 1, 1–13.
- Wood, B.D. and M.P. Marchbanks III. 2008. 'What Determines How Long Political Appointees Serve?', *Journal of Public Administration Research and Theory*, 18, 3, 375–96.
- Zhao, H., S.J. Wayne, B.C. Glibkowski and J. Bravo. 2007. 'The Impact of Psychological Contract Breach on Work-related Outcomes: A Meta-analysis', *Personnel Psychology*, 60, 3, 647–80.
- Zhu, X. and Z. Wang. 2006. 'Research on the Employee's Psychological Contract and its Organizational Effectiveness', *Journal of Industrial Engineering and Engineering Management*, 20, 3, 123–5 (in Chinese) ([http://en.cnki.com.cn/Article\\_en/CJFDTOTAL-GLGU200603026.htm](http://en.cnki.com.cn/Article_en/CJFDTOTAL-GLGU200603026.htm)).

*Date received 30 October 2010. Date accepted 8 March 2011.*