CITY UNIVERSITY OF HONG KONG
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The Impact of Welfare Subvention Reform on NGOs in Hong Kong: Managerialism and Political Economy

香港福利津貼制度改革
對非政府組織的影響：
管理主義與政治經濟學

Submitted to
Department of Applied Social Sciences
應用社會科學系
in Partial Fulfillment of the Requirements
for the Degree of Doctor of Philosophy
哲學博士學位

by

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September 2014
二零一四年九月

ABSTRACT

The past decade has witnessed a series of changes to the way NGOs are funded in Hong Kong social welfare. This subvention reform was greatly influenced by managerialism with emphasis on value for money of public resource, accountability to the public and responsive service for customer. The present study aims to investigate two main impacts of subvention reform, the first is how the subvention system shapes the social relations in Hong Kong social welfare in terms of trust relations between social worker and managers at the micro-level, and between government and NGOs (Gov-NGO) at the macro-level. The second is whether the policy outcomes as intended by the subvention reform have been achieved.

Employing the concept of political economy, the study develops a conceptual framework to examine the associations among NGOs' managerial initiatives, social worker's professionalism and work life, and trust relations. The empirical work in this study is obtained from registered social workers (both frontline social workers and first line managers) in Hong Kong by means of a questionnaire supplemented by qualitative research method. In the questionnaire, several scales were developed by the author to ask about the NGOs' management initiatives in response to the subvention reform, social workers' working life and professionalism, achievement of intended policy outcomes and trust relations between social worker and manager, and between NGOs and government.

A pilot test was conducted with 19 second year students who were practicing social workers in their day job and who were studying the Master in Social Work programme at the City University of Hong Kong. The reliability values of the various scales ranged from 0.726-0.915. The question items of the scales were revised and fine-tuned accordingly. Registered social workers were invited to fill in the finalized questionnaire through the email system of the Hong Kong Social Worker General Union twice. A total of 257 respondents have participated (a response rate of 3.1%). Then 62 more respondents were obtained from part-time students who were practicing social workers and who were undertaking the part-time programmes of Bachelor in Social Work and Master in Social Work at City University of Hong Kong, as well as from their colleagues using snowball sampling. Finally, a total of 319 valid respondents were obtained.

This study found that the overall achievement of intended policy outcomes of the subvention reform (namely better resource use and management enhancement) was moderate. Respondents reported the highest level of frequency in customer-centered services. Organizational size was found to make a difference. Respondents in large NGOs reported higher frequencies of having enough resources, flexible use of resources and innovation than their counterparts in small NGOs. In terms of accountability and customer-centered service, respondents in medium and large NGOs also reported higher frequency in reaching these targets than respondents working in small NGOs, but the differences were not as significant as the first three outcomes.

This study also found that the two types of trust were on the low side in Hong Kong. Distrust appeared to be prevalent in Hong Kong social welfare field. The mid-and-low trust relations tended to reflect an accountability deficit of NGO managers and the voiceless of social workers. Apart from these two common factors, trust relations between social worker and manager, and between Gov-NGO are also being predicted by another factor. Interpersonal distrust between social worker and manger appears to be due to limited agency support to social workers in their working life and restricted professional autonomy of social worker. And Gov-NGO distrust could be the negative result of enormous work challenges such as lots of paper work. The distrust relations were a common view shared by respondents, independent of personal factors such as post (i.e. frontline worker or first line manager), employment status (i.e. contract basis or permanent position), and independent of organizational factors such as agency size and service nature.

The study findings suggest that both the government and NGO managers applied the concepts of management that place welfare NGOs and social work professionals in roles of acting for the interests of the state and agency respectively. It is an exercise of managerial power over social work professionals.

Based on the research findings, recommendations for the social welfare management to break down the power dominance of the government and agency managers, and implication for future research are presented at the end of the thesis.

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ACKNOWLEDGEMENTS

Without the full support of teachers and staff at the City University of Hong Kong, the completion of the book would not have been possible. In particular, I want to extend my deepest gratitude to my supervisor Dr. CHONG, Ming Lin Alice, who was extraordinarily patient, supportive and attentive to details. And I feel very much indebted to the critical and constructive comments on my work of my co-supervisor, Dr. NGAN, Man Hung Raymond.

I am very grateful to my Qualifying Panel Members, Dr. KAM, Ping Kwong and Dr. LEE, Tak Yan, who offered me timely help and encouragement when I was facing difficulties in developing the theoretical framework and research strategy. I would also like to thank my examiners, Prof. LEUNG, Cho Bun Joe, Dr. CHAN, Kwok Hong Raymond and Dr. HO Wing Chung, for their critical questions and insightful recommendations on my thesis.

My gratitude also goes to teachers at the Sun Yat-sen University. In particular, I am deeply thankful to Prof. NGOK, King Lun, my supervisor during the postgraduate study, who cultivated my intellectual curiosity and shared his research ideas and materials.

I also want to delivery many thanks to my friends and fellow students in Guangzhou, Hong Kong, and other world cities, for all the emotional support and idea sharing.

My deepest appreciation goes out to Dr. ZHOU Mi in Edmonton, Canada. I am most obliged to her for her untiring support over the years.

For my loving family, I hope this thesis will make you feel the long wait for my graduation and my frequent absence from family gatherings is worthwhile or forgivable, to some extent.

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CHAPTER 1

INTRODUCTION

The present study is interested in both welfare financing changes and the re-structuring of NGO-government relationships in the welfare sector. Nowadays, welfare services have been largely provided by non-state actors, NGOs in particular, with the support of public finance. Policy-makers have displayed increasing interest in the capacity of NGOs to meet social needs since 1970s (Taylor-Gooby 2013). The increasing participation of NGOs in social provision has increased the complexity of state's governance and regulation in social welfare (Rosenbloom & Gong 2013). Government has established various management institutions for managing welfare subsidy and service quality. These management institutions, as a set of social policy, would 'determine the distribution of resources, status and power between different groups in society' (Walker 1984, p. 31), and may promote, maintain, or damage NGOs' social conditions and chances (Jones 1990, pp. 3-4). Interests of someone will be favored over those of others as a result of reform (Boyne et al. 2003, p. 3). There may be winners, losers and many in-between in the reform.

Thus, this study intends to find out when new management institutions for managing welfare mix are introduced, what are the impacts on social relations in the welfare sector? Are these social relations more strained or harmonious?

This question, which was neglected by either welfare state research or civil society studies previously (Salamon 1995), has received more and more

emphasizes since late 1980s, especially when New Public Management [1] became the major international trend in public sector reform and was employed to manage welfare mix. Scholars have proposed a relational perspective to study the issue of NGOs in advanced welfare states, such as United State and Australia (Batley 2011; Boris & Steuerle 1998; Gidron, Kramer & Salamon 1992; Kramer, Lorentzen, Melief& Pasquinelli 1993; Kuhnle & Selle 1992; Ostrander & Langton 1987; Phillips & Smith 2011; Salamon 1995; Salamon, Sokowsk & Anheier 2000; Young 1999, 2000). Several relational models, based on division of responsibility (e.g. finance and delivery; or supplementary, complementary and adversarial roles of NGOs), dominant actor (state/society domination), and relational forms (e.g. hierarchy, network and market) (Hill & Hupe 2009), have been proposed to illustrate the collaboration and conflict between NGOs and the government (Boris & Steuerle 1998).

These static model descriptions are not enough to illustrate dynamic relations, either strained or harmonious, between NGOs and state. For example, on setting standards, introducing new projects and methods for monitoring and evaluation, it is particularly frustrating to the NGOs that the government sets standards in areas in which it has no direct experience of running services. Frequently these standards are considered not reasonable, based on a guiding principle that 'bigger is better' (because it saves money) rather than on professional considerations (Pearson 2005).

Scholars and welfare practitioners seeking to account for the changes in

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[1] New public management is a set of government policies that aimed to modernise and render more efficient the public sector through market-oriented management techniques (Hood 1991).

relations, such as shifts from professional consideration to rational economic calculations, refer to various aspects of the recent market-oriented reforms in the public sector. There are ongoing debates over whether market-oriented management techniques can work in the welfare sector. Supporters of welfare reform believe market-oriented management techniques will lead to responsive services. Governments may consider the reform works in the sense of transforming NGOs into a business-like enterprise with greater cost-efficiency. Providing better services may not be in the government's agenda (Langan & Clarke 1994). But the oppositions are: (1) questioning whether the level of resourcing will be adequate to support the services; and, (2) the business culture is seen as antithetical to the professional and public culture in which welfare service have been developed (Wistow et al. 1992).

The market-oriented management techniques are known as managerialism in the welfare sector (Pollitt 1993). The debate surrounding conflicting images of managerialism reflects divergent concerns and interests of government, NGOs and welfare practitioners. The present study examines social relations in the Hong Kong welfare sector, with a focus on the impact of managerialism.

1.1 HONG KONG WELFARE SECTOR AS FIELD SITE

Over the past two decades, Hong Kong has witnessed several economic fluctuations, demography change, and most importantly, sovereignty handover. Evidently, accompanied with socio-economic and political transformation, governance and policy of Hong Kong government has to be changed, social

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policy in particular. Similar to its counterparts in the western countries, Hong Kong's welfare NGOs have entered an era of change since mid-1990s, when welfare subvention and service management institutions were under reform.

Hong Kong's social welfare system is a typical case of the spread of neo-liberalism (McLaughlin 1993; Walker & Wong 1996; Wong 2008). To facilitate the economic development and enhance social stability, the British colonial government established a Western social welfare system in Hong Kong's Chinese society on the ideological basis of neo-liberal belief in 1970s. A stable social welfare subvention system was developed in early 1980s. When Hong Kong entered the 1990s, the stable social environment disappeared because of political dispute and economic fluctuation. The colonial government launched public management reform in response to these great challenges. Given substantial annual public expenditure on social welfare, the colonial government had the welfare subvention system under review in mid-1990s along the theories of the New Right and managerialism. Later, the subvention reform resulted in a new welfare subvention system, Lump Sum Grant Subvention System, which was carried out by the SAR government at the turn of the century. 'Meeting basic human needs costs money' (Glennerster 2009, p. 5), how to fund welfare service is the logical starting point of welfare management.

In the past decade, this new Lump Sum Grant has been under heated debates on its effectiveness and impacts on NGOs. Many social workers and NGO managers blame all of the emerging problems on the Lump Sum Grant,

since all of these phenomena appeared to have emerged only after the implementation of a new subvention system which restructured the resource allocation rules (LSGIRC 2008, p. 18). A sense of confusion appeared after the managerial subvention reform on the local scene. Does government achieve its intended outcomes of reform? What costs have been paid and what benefits have been generated? There are divergences in opinions on such problems and issues. These differences of position exist not only between government and NGO sector, but also inside the welfare sector.

The conflict within the social work profession was clearly witnessed in the race for the Social Service functional constituency seat in the 2004 Legco election. In that campaign, the work conditions of frontline social workers under LSG was a major campaign issue, and candidate Christine Fang, as the then chief executive officer of the Hong Kong Council of Social Services, was under much criticism during the campaign as she was seen to represent the interests of agency management. In the end, Fang lost with a relatively low vote share of 22.75% among three candidates (Ma 2007, p. 194). The other candidates gained 39.01% and 38.24% vote share respectively. Fang suddenly found that she 'was disconnected from frontline workers' and regret being not able to resolve conflicts over resource allocation to NGOs (South China Morning Post. 6 June 2013).

Hong Kong has been rated the world's most free economy by the Heritage Foundation for 15 consecutive years (Hong Kong Government 2009). With the developed social welfare sector, Hong Kong' subvention reform provides fertile

ground to examine managerialism's impacts on welfare NGOs. The answers to these questions are essential to both social policy development of Hong Kong and theory building in welfare management. The present study adopts a mixed research strategy of quantitative and qualitative methods to assess the impacts of subvention reform. From the empirical findings, the study shall illustrate the experiences and lessons of different NGOs as well as social workers and managers in coping with the challenges of subvention reform. Based on the success and failure of NGOs' coping strategy, hopefully, the present study will develop a theoretical explanation of the paradox and the dilemma confronting Hong Kong welfare NGOs which are behind the apparent impacts.

1.2 RESEARCH OBJECTIVES AND POTENTIAL SIGNIFICANCE

The notion of managerialism has now been one of the most influential management institutions for welfare service and civil society. But there have been very few studies of its impacts on NGOs (Meyer, Buber & Aghamanoukjan 2012). The present study will focus on the impacts of managerialism in the form of subvention reform on the NGO sector between 1999 and 2012.

These more than ten years are a transitional period for NGOs to adapt to the new Lump Sum Grant subvention system. In 1999, the quality management part of the new subvention system were carried out. Most of the transitional arrangements, such as Special One-off Grant, ceased in 2008. At the same time, the annual 2% reduction of the personal emoluments portion of the Lump Sum

Grant to reach benchmark was launched. The government also commissioned an independent review on the implementation of Lump Sum Grant subvention system. The review report was issued in December 2008. Since then, Social Welfare Department has introduced new measures to improve the subvention system based on the recommendations.

By unveiling the relations in the Hong Kong welfare sector after subvention reform in the mid-1990s, the current research aims to:

(1). illustrate NGOs' management initiatives to achieve the intended outcomes of Lump Sum Grant;

(2). examine work life and professionalism of social work professional under Lump Sum Grant;

(3). understand the impacts of managerialism on relations among government, NGOs and social workers with reference on power, resource and social construction.

The mission of every social service organization is to provide welfare services to help people in need and solve social problems. As a result, welfare NGOs engage in moral work with a normative assumption about "desirable" human behavior and the "good" society (Hasenfeld 2009). However, when the managerialism is introduced into social administration, the management of welfare NGOs becomes a part of the social problem. Individual welfare NGOs have to obtain resources and legitimacy to continue their work on people. And the traditional social administration theory needs development to inform

feasible administrative practices and operations of welfare NGOs in an era dominated by scientific management and new managerialism.

A comprehensive examination of social relationships in the welfare sector provided in the present study will be able to provide a critical analysis, which is not many currently, on the status of welfare NGOs under managerialist institutions. It also deepens the understanding on how managerialism shape relations in the welfare sector in terms of resource allocation and performance monitoring. Based on this, the study suggests possible ways to re-build harmonious employment relations between management and social workers; as well as between government and NGOs in the managed welfare services.

1.3 OVERALL STRUCTURE

The present empirical research is concerned with the social construction of managerialism and social relation from the point of view of social work professionals' under Hong Kong welfare subvention system. The thesis comprises eight chapters. Chapter 1 provides the background information, research objectives and potential contributions of the study. Chapter 2 offers the policy context of Hong Kong welfare subvention system. Chapter 3 introduces the ideology, theory and practice regarding to managerialism, and reviews the existing research on the impacts of managerialism in the welfare sector. Chapter 4 develops specific research questions, and a conceptual framework will be developed to guide to answer the research questions. Then the research strategy and methodology are introduced in Chapter 5 to fulfill the purpose of the study.

Chapter 6 will present the results and findings of survey study. These survey findings will be discussed in Chapter 7 with a supplement of qualitative data. Conclusion and recommendation based on empirical observation will be presented in Chapter 8 before the end of the thesis.

CHAPTER 2

WELFARE SUBVENTION REFORM IN HONG KONG: THE POLICY CONTEXT

Current welfare subvention system, Lump Sum Grant subvention system, was the result of the subvention review by Coopers & Lybrand during 1995 and 1997. This subvention review was initiated by the Colonial government in 1995, but its several recommendations were put into practice by the SAR government since 1999, two years after the 1997 handover. Because of socio-economic and political changes, and different governance philosophies and fiscal management principles before and after the handover, the intentions of subvention review and the emphases of actual policy may be changed slightly. It is necessary to review the policy context before studying its impact on welfare NGOs in Hong Kong.

2.1 STANDARD COST SUBVENTION PRIOR TO SUBVENTION REVIEW

Late 1940s, because of the World Anti-Fascist War and civil war in China, numerous refugees flooded into Hong Kong. Hence the city became the object of international humanitarian concern. Overseas donations flowed into Hong Kong and international charities launched activities (Jones 1990). The Social Welfare Office, the governmental department which was in charge of social welfare affairs at that time, greatly welcomed this assistance (Hong Kong

Government 1965) and was busy maximizing the flow of charity neglecting coordination and regulation (Jones 1990). With the great donation from abroad, the government determined to play the roles as help and leadership in social welfare service, providing some aids from public funds to voluntary agencies. Before the 1970s, public fund and donation were two main financial sources for social welfare services in Hong Kong (Ng 1991).

The overseas donations have been getting lower since mid-1960s because Hong Kong was considered to be economically able to solve its own problem and had less urgent demands than other developing countries (Tang 1998). According to a survey report of the Hong Kong Council of Social Service, overseas donation comprised 44.1% of the funds received by 32 voluntary welfare organizations in 1967/1968, but the amount dropped to 14.7% in 1973/1974 sharply (Hong Kong Council of Social Service 1975). With less funding from the overseas donations, to maintain the social welfare services provided by local voluntary sector, the government found itself being inexorably drawn into a commitment to assist them (Pearson 1997).

When the government provided the majority of the funds for social welfare in Hong Kong, it claimed in the 1973 White Paper on Social Welfare that the voluntary sector should ensure "the satisfaction of the government, as custodian of the public purse" and "the satisfaction of the public, as taxpayers"(Hong Kong Government 1973). Some kinds of quality control were put into the policy agenda.

Colonial government established a working party to review social service

delivery and subvention administration in July 1978. Meanwhile, the government published the 1979 White Paper on Social Welfare and stated to construct a new relationship and division of responsibility between the government and the voluntary sector, since "the present division is largely a historical one but with the planned expansion in various programmes, it is necessary to re-examine this division against the relative capabilities of the Government and the voluntary sector" (Hong Kong Government 1979). The working party proposed to classify the services into three categories: essential (largely statutory), necessary (not essential to the maintenance of life or health but required to alleviate manifest social problems), and desirable (the last a catch-all category for less pressing services) in the report released in 1980 (Jones 1981). Government provided different levels of subvention for social services according to its categorization. It was the first time that government and voluntary sector arrived at an acceptable formula for subsequent subvention policy (Jones 1990). It provided financial security to NGOs in the social service delivery. Accordingly, the government would gain a greater degree of financial and administrative control over the subvented NGOs, ensuring 'value for money' and achievement of policy objectives and targets set in the White Paper and planning documents (Hong Kong Government 1980).

Because of complete reimbursement of the recognized cost under the standard cost mode, this subvention system placed emphasis on input control to ensure that the entire public subsidy has been invested in service production. Government imposed tight administrative control on the number and

qualifications of subvented staff of the unit and salary scale. Overpayments were clawed back while deficits were not funded (Coopers & Lybrand 1995).

2.2 CONSIDERATIONS FOR SUBVENTION REVIEW

2.2.1 Concerns about Standardized Management

Under standard cost mode with tight government financial and administrative control, management in day-to-day work within NGOs was quite simple. Managers didn't need to consider and plan many things. Although 'value for money' and accountability had been repeatedly emphasized on the previous four Social Welfare White Papers, the performance assessment and quality management of social welfare service was thought to be loose before the mid 1990s (Leung, 1995). This management approach, however, was no longer in line with higher social expectation in accountability and quality after democratization. Chow (2013) commented:

> "*Frequently, many criticisms on social welfare are due to problems of administration and management, rather than welfare institution itself. Among all social services, administration system in welfare service is the most chaotic one. Besides the differences between the Social Welfare Department and NGOs, the administrative organizations of each NGO are also diverse without a standard.*"

At that time, although the standard cost mode provided stable and predictable financial support to NGOs, and government's staff qualification

requirement also advanced the development of professional social work, the problem of quality control still existed.

The rigid administrative rules of the subvention system were criticized for its inflexibility, complexity, and excessive bureaucracy (Coopers & Lybrand 1995). Subsidized NGOs expected that a more flexible subvention system would be introduced to enable them to become autonomous and independent (Ng 1992). On the other hand, in the 1991 White Paper on social welfare, *Social Welfare into the 1990s and Beyond*, the government also planned to "move towards a standard cost system which will offer the providers greater flexibility in the use of resources and reduce administrative costs, provided that a value for money evaluation process can be developed" (Hong Kong Government 1991).

Since the Sino-British Joint Declaration was signed in 1984, 'maintaining and preserving the economic prosperity and social stability of Hong Kong' became a crucial objective of the colonial government. However, many people raised doubts about the government's willingness and ability to do that. Before the transfer of sovereignty on July 1st, most of Hong Kong people felt uncertain about their future life. Many of them chose to emigrate. The "1997 effect" was inducing social instability and eroding colonial state's legitimacy. By the late 1980s to early 1990s colonial government had launched various policy initiatives on different areas to enhance its authority and legitimacy.

In the 1980s, the then Finance Branch proposed some public sector reform initiatives, including "Value for Money Studies", "Top Down Reviews" to

stimulate changes in financial and management practices of government in an effort to improve both productivity and accountability (Sankey 1995). These pilot exercises didn't receive wide endorsement from civil servants as they considered these measures imposing tight cash limit on their budget.

The new wave of public sector reform was conducted when the new governor, Mr. Chris Patten, came to Hong Kong. In his first policy address to the Legislative Council, Patten (1992) stressed to reinforce 'certainty about Hong Kong's future' through 'widest democratic participation by the people of Hong Kong in the running of their own affairs'. As an important aspect of democracy, the government's transparency and accountability to taxpayers was emphasized in the policy address. To enhance transparency and accountability, 'performance pledges' would be introduced to all government departments gradually. The performance pledges would set out the expected standards, monitoring methods and appeal and complain approaches of public services precisely (Patten 1992). Similar to the then British minister John Major's Citizen's Charter in 1991, Patten brought the idea of social audit in public sector management, intending to integrate economic efficiency and social benefits in early 1995. It meant that objectives and priorities of each programme should be reviewed rigorously and regularly. Managers should provide some evidences to justify the resource allocation. Some failure and not needed programmes will be cut to reallocate resources to meet new needs (Leung 1995; Ngan 1997). As annually substantial public investment in social

welfare, it became one of the task areas in this wave of public sector reform (Lui 2010, p. 167).

2.2.2 Concerns about Increasing Welfare Expenditure

As a colonial-developmental state, the colonial government's legitimacy mainly relies on its economic performance. Economic growth is the first priority of colonial government. To maintain a competitive economy, the government insists on the slogan of "small state, big market" and fiscal principles of low and simple taxation, a surplus budget approach and adequate reserves. Meanwhile, there are artificial constraints that government expenditure must not increase faster than economic growth, and public spending should keep below 20% of GDP.

Therefore, the development of Hong Kong social welfare depended to a high degree on annual economic development. The colonial government believes "only economic growth creates the resources to pay for adequate facilities for the needy" (Patten 1994). Fortunately, Hong Kong had enjoyed continuous economic growth from the 1960s to 1980s.

However, because of the major infrastructural and social projects, colonial government maintained a tight control of public expenditure on social welfare or even cut some subsidized posts (Chan 1993; Ng 1992). These aroused the anxiety and uncertainty of welfare commitment proposed in the 1991 White Paper on Social Welfare.

In the light of political considerations, Patten ended this uncertainty of

commitment. He decided to increase recurrent spending on social welfare by 26% in real terms to secure funding of improvement and development before 1997 (Patten 1992).

From Figure 2.1, it can be seen that there was a sharp increase of welfare spending before 2000 after Patten's 1992 Policy Address. In parallel with social welfare development, Hong Kong's economy didn't achieve the same growth rate as before. The annual fiscal reserve slightly decreased between 1991-92 and 1994-95. What was worse, a financial deficit was in 1995-96. It was the third time that Hong Kong had a financial deficit since 1975. More than ten years that Hong Kong had not had any deficit (Tsang 1995).

In the Memorandum of Understanding on Hong Kong's new airport, Britain promised to reserve not less than HK$25 billion for the future SAR government. The rapid growth in welfare expenditure provoked criticism from the Chinese government at the end of 1995 that Hong Kong was getting killed in a car crash (*South China Morning Post*, 29 November 1995).

Meanwhile, while the state couldn't maintain a prosperous economy, the business sector would intend to persuade the government to favor their interests first. Both internal and external politico-economic pressure pushed colonial government reexamine its welfare subvention system.

The total expenditure of Social Welfare Department consists of three parts:

1) Financial assistance: social security for people in need;

2) Recurrent subvention for NGOs;

3) Administrative expense.

Figure 2.1 Social Welfare Department's expenditure 1983/84-2010/11 (HK$ billion)
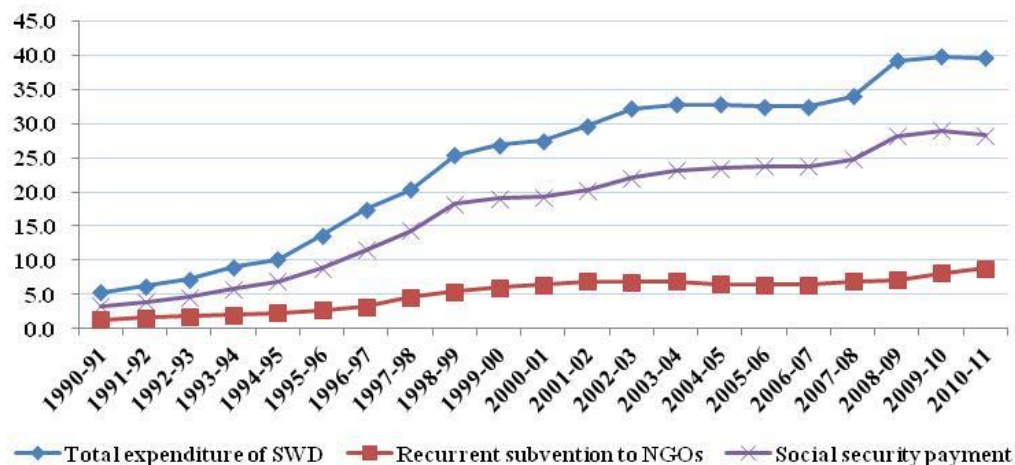
(Sources: *Social Welfare Department's departmental report [various years].*)

Financial assistance and recurrent subvention are the main expenses of Social Welfare Department annual expenditure. It can be seen that the vast majority of total expenditure is the social security payment (Figure 2.1). Most of the growth of total welfare expenditure is from the increase of social security payment. On the other hand, compared to the growth rate of total welfare spending, the rise of recurrent subvention to NGOs is modest. It's because there is no spending limit on CSSA. Every qualified person can apply for the financial assistance. In economic downturn era, higher unemployment rate resulted in the rapid growth of welfare expenditure.

To deal with the fiscal deficit problem, in the 1998 Policy Address, the Chief Executive announced to initiate an Enhanced Productivity Programme (EPP) between 2000-2001 and 2002-2003. All of the government departments

and public subvented agencies had to permanently cut 5% of recurrent expenditure. After that, Financial Secretary in his 2002-2003 Budget Speech set the target of achieving balance budget in 2006-2007. Thus, public sector implemented Efficiency Savings (ES) between 2003-2004 and 2006-2007 to save 4.8% of recurrent expenditure.

Prior to 1995, Hong Kong had developed with virtually unbroken full employment which made welfare costs manageable for nearly three decades (Patten 1994). In 1995, however, the unemployment rate hit a record high in the past ten years. Besides, more and more new social risks, such as ageing population, family dysfunction, social inclusion of new immigrants, emerged and became severe. All of these social problems had led to more social service needs and posed challenges to the existing financing and service delivery model in Hong Kong at that time. A more comprehensive and effective social service system was expected to deal with social ills.

In this context, social spending cut was inevitable. Especially government possessed little control of financial assistance payment, the only option for the government was to slow down the increase of recurrent subvention to NGO.

When talking about the fast increase of welfare expenditure from 1992-93 to 2001-02, the then Director of Social Welfare, Mrs. Carrie Lam pointed out,

> "*From my previous job in the Treasury, I am acutely aware that the spending cake is finite. It is therefore my duty to ensure the efficiency, economy and effectiveness of the welfare expenditure*" (Lam 2001; quoted by Ngan & Li 2005).

In 2000, the then Chief Secretary for Administration, Mrs. Anson Chan commented,

> *"The key challenges for us here in Hong Kong are addressing the growing needs of the population and the rising expectations of the community and meeting these expectations from limited resources….We cannot go on injecting more money into the welfare sector without satisfying ourselves that we are obtaining value for money and addressing the real needs of the community. Within the Civil Service, we are looking critically at the way in which we manage and deliver services and I urge the subvented welfare sector to do the same"* (Chan 2000).

2.3 LUMP SUM GRANT SUBVENTION SYSTEM

When encountered both financial and governance crisis, the government initiated public sector reform for strengthening the government's capacity to satisfy public needs and challenges and hence, retaining its legitimacy in response. As the largest funder for social service, Hong Kong government launched a subvention review with the aims of altering high resource dependency of subvented NGOs on government grant and enhancing NGOs management and service quality.

2.3.1 Managerialism as the Guiding Principle

As mentioned before, Governor Chris Patten clearly elaborated his emphasis on administrative efficiency and accountability of the government and proposed a series of policy initiatives like contracting out and performance pledge to reform the executive-led administration state of Hong Kong. According to this reform thought, Social Welfare Department commissioned a business consultancy firm to review the subvention system in March 1995.

The consultant explained the objectives and principles of the 1995's subvention review in its first report, with the findings of their initial consultation with the NGO sector. For the disadvantages of the subvention system under review, besides the widely accepted drawbacks of inflexibility, administrative complexity and rigid rules, the consultant also considered its lack of sufficient emphasis on performance assessment and accountability, and enough incentives to NGOs to improve performances (Coopers & Lybrand 1995, p. 11-12). Thus, the objective of the subvention review, as the consultant announced, was to rationally design a simple subvention system with performance measurement standards and performance-based contracts that imposing appropriate incentives and sanctions for providing better services. In addition, the consultant particularly stressed that the recommendations of subvention review were expected to be cost neutral rather than to generate savings (Coopers & Lybrand 1995, p. 1).

To achieve these objectives, nine principles were developed to guide the subvention review after consultation with both Social Welfare Department and

the NGO sector (Coopers & Lybrand 1995, p. 18-19). They were:

1) Recognition that the achievement of better client outcomes must underpin the reform process;

2) Clear definition of the respective roles of the department and NGOs;

3) Maintenance of effective overall financial control and clear accountability for expenditure;

4) Preservation of the strengths of the subvented sector;

5) Achievement of consistency in quality and availability throughout Hong Kong;

6) Maximization of resources devoted to direct service provision rather than administration;

7) Provision of an accepted, objective system for monitoring and evaluating performance;

8) Recognition that the delivery of social service is dynamic and should continue to evolve as society and people's needs develop;

9) A philosophy of striving to achieve continuous improvement in service quality.

Actually, the commissioned reviewer, a business management consultant, identified the problems service subvention from a managerialist perspective, summarized the major weaknesses of the system as "excessive bureaucracy and administrative complexity; inflexibility and restrictive rules; insufficient emphasis on performance and accountability; and lack of incentives and

sanctions" (Coopers & Lybrand 1995, p. 9-13). Likewise, emphasizing flexibility, clear objectives, performance measurement and indicators, and the evaluation of output and outcome, the proposed solutions also mirrored the major tenets of managerialism (Chau & Wong 2002; Leung 2002). Moreover, the 3Es (efficiency, economy and effectiveness) encouraged by Mrs. Lam as stated in the last section are also exactly the essence of managerialism.

From the principles of the reform, it can be seen that formulation of the new subvention system follows the logic of marketization in the mixed economy of welfare. Government grant would be allocated in the form of purchase of service. The managerialist ideas for designing a new subvention system which elaborated in detail at the beginning of this chapter can be simply summarized as follows:

1) Introduction of quasi-market of social service. NGOs are under the pressure of survival and have to compete resources with other NGOs and commercial firms and.

2) Contract management and budget control. With a purchaser/ provider split, government as a purchaser is able to assess NGOs' performance objectively and chose the most value for money one. The total funding and specific service standard are clarified in the service contract.

3) Emphasis on commitment, accountability, and customer focus. NGOs commit service performance in the agreement. During and after the service period, they should explain their actions and

provide sufficient information for stakeholder, especially for service users, to make judgments.

4) Management delegation. Based on accountability and customer focus, government deregulates from input control to output control. NGO managers obtain a greater degree of flexibility to handle problems emerging in service delivery and fulfill service commitment.

It is not to say all the reform initiatives proposed in 1995's subvention review had a managerialism character. The next section will describe specific initiatives to carry out managerialist ideas.

2.3.2 Lump Sum Grant: Subvention Calculation and Payment

According to the principles, the consultant set six criteria to evaluate the options of subvention arrangement. After comparing different subvention modes, the consultant proposed 'fixed funding grant' as a preferred approach for its funder/provider split, flexibility and administrative efficient, incentives for innovation and improvement, and implementation timescale. Additionally, another reason for the choice of 'fixed funding grant', as the consultant explained, was its ability to establish a 'more robust financial control framework' with 'a cash limit on expenditure provided to the sector' (Coopers & Lybrand 1995, p. 27-28).

On the one hand, individual NGOs should exercise more self-control over

their own recruitment and promotions to 'control their future PE costs' (Coopers & Lybrand 1996b, p. 6). The fixed funding system injected incentives for NGOs to make more efficient use of resources so that NGOs should be pushed to enhance their management. On the other hand, there would be a ceiling on recurrent subvention to the welfare sector.

What is more important, the fixed funding grant, coupled with the pause of making Five Year Plan and Social Welfare White Paper, has expanded government's political and economic powers over the direction of future welfare development. In future, the recurrent subvention to NGOs would be constrained in a certain scale while additional resources for welfare service development would heavily depend on government's will. NGOs might have to please the government, the largest welfare funder in Hong Kong, to achieve survival and development.

The Unit Grant mode, the first version of 'fixed funding grant', was proposed in April 1996. Under this subvention mode, the subvention would be calculated on the basis of staff standard and actual average Personal Emolument (PE) cost for each rank. From the consultant's point of view, given the relative 'maturity' of each rank, calculating the Unit Grant based on average PE was able to 'get as close as possible to the existing cost structure of NGOs'. The use of average PE costs for each rank rather than mid-point or the maximum of each scale, would only affect the way the benchmark level of funding is distributed rather than the overall level of funding available for distribution (Coopers & Lybrand 1996b, pp. 15-16)

However, this initial proposal received little support from the NGO sector. In consultation with the sector, no respondent NGO accepted the proposed subvention mode. The major concerns were on lower job security and morale of staff, lower service quality and professional standards, but greater managerial accountability of agency managers (Coopers & Lybrand 1996c, pp. 25-27). The heated objection of the NGO sector indicated that the Unit Grant mode lacks political feasibility to carry out.

Having considered the views of the sector, Social Welfare Department raised an improved fixed funding mode after the end of the subvention review in August 1997. Under the proposed fixed funding formula, subvention for each subvented service unit was calculated at Mid-Point PE of the recognized staffing structure (with a 2% deduction of natural wastage and turnover) plus additional 6.1% for sector average provident fund contribution. A maximum of 20% of unspent annual subvention allocation could be accumulated as financial reserves of agencies (Social Welfare Department, October 1997). The rationale for pitching the benchmark at Mid-point PE was that the staff costs of NGOs as a whole had never reached this pay scale in the past (Legislative Council Panel on Welfare Services, 26 November 1997; Lump Sum Grant Independent Review Committee 2008). The improved proposal still failed to obtain support from most of subvented NGOs. Among the 179 consulted NGOs, only six agencies were willing to join the scheme (HKCSS, 26 September 1997). Sector's major concerns were on the insufficient resource allocation and the heavy burden in administrative work.

The implementation of the new subvention arrangement had been suspended until 2000. After revising the fixed funding formula for the third time, Social Welfare Department proposed the Lump Sum Grant in February 2000. The benchmark for Lump Sum Grant was fixed on mid-point salaries of as at 31 March 2000 of the recognized staff of the subvented unit (Snapshot staff) as at 1 April 2000. And the provident fund contribution was also increased to 6.8% of the mid-point of MPS for the new staff, while the provision for the Snapshot staff was on the actual basis. According to the original proposal, the NGOs whose Lump Sum Grant was above the benchmark would be reduced by 2% per annum starting from 2003-2004 to reach the benchmark. But for the economic downturn, the implementation of the annual adjustment was deferred twice and actually commenced in 2008-09.

Meanwhile, the government provided a Tide-Over Grant (TOG) for five years between 2001-02 and 2005-06 and a Special One-off Grant (SOG) in 2006-2007 to assist NGOs to address any financial problems in transition. As the Social Welfare Department estimated in 2000, 111 of 186 subvented NGOs would receive higher subvention allocations in 2000-01 (Health and Welfare Bureau/Social Welfare Department, February 2000). Ultimately, according to official statistics, government provided a total TOG of HK$1,473 million to 125 NGOs and SOG of HK$912.4 million to 124 NGOs during the transitional period (Labour and Welfare Bureau/Social Welfare Department 2007). With the financial support, NGOs would not be confronted with financial problems immediately after the adoption of Lump Sum Grant.

The repeated revisions of funding formula and inviting transitional arrangement showed government's determination to replace the actual repayment system with fixed funding model. The subvention reform is irrevocable, and NGOs may possibly negotiate on minor technical modifications only. Finally, the Lump Sum Grant was put into effect in January 2001.

2.3.3 Service Performance Monitoring System: Quality Management

Before subvention review, most of the subvented service units were under input control as the approach of performance monitoring. Meanwhile, Social Welfare Department also adopted output control to monitor service providers' performance in pilot projects of purchasing services from NGOs, such as 'subsidy scheme' and 'bought place scheme'. Based on these experiences, Social Welfare Department planned to establish a "comprehensive and robust framework for the management and the delivery of social welfare services" in subvention reform (Social Welfare Department 1999b, p. 2). It meant that service monitoring was also a part of the new subvention system. The proposed Service Performance Monitoring System was to deal with the issues of performance monitoring: what to monitor and how?

The Service Performance Monitoring System consists of Funding and Service Agreements, Service Quality Standards and a Service Quality Assessment Process (Social Welfare Department 1999a, p. 3). Funding and Service Agreements establish a contractual relationship between Social Welfare

Department as funder and subvented NGO service unit as a provider. All of the subvented service units are included in respective agreement. The agreement covers specific service definition, the required performance standards in terms of quality, outputs as well as essential service requirements.

Different from the specific performance standards for respective subvented service unit in Funding and Service Agreement, Service Quality Standards define the general level of management and service provision that subvented service unit are expected to attain. The 16 Service Quality Standards (initially were 19) were designed according to four principles which could be summarized as information disclosure, effective management, responsiveness to users' needs, and respect for service users' rights (Coopers & Lybrand 1996a).

As a whole, there were three aspects grouped in two dimensions of the proposed monitoring framework. On the basis the funder and provider split, the consultant suggested the approach to monitoring focus on finance, value for money, and quality (Coopers & Lybrand 1995, p. 29). Among them, financial and value for money would be assessed by financial audit and statistical returns, while service quality assessments consisted of internal and external assessments would be closely related with service deliver process.

The belief of process related quality assessment is that the welfare service quality can only be guaranteed through a delivery mechanism complying with the established standards (Chan 2008). In this model, the focus of assessment should be the delivery mechanism, operational efficiency and effectiveness. As the Social Welfare Department explicitly stated, assessment "should focus on

the process by which services are delivered by the service unit to its service users rather than inputs or outcomes for its service users" (Social Welfare Department 1999b, p. 41). Therefore, the compliance of established quality standards is the key point of the system. For example, in the self-assessment, the contents reporting to the Social Welfare Department is whether the subvented agencies "meet the requirement" or not. If not, the agencies should specify the 'unmet area of SQS/ESR and Output/Outcome Standards' with an action plan. If the service unit still fails to meet the standards, Social Welfare Department may withdraw the subvention as sanction according to the Funding and Service Agreements (Social Welfare Department 2003).

NGOs' opinions on the proposed SPMS were more positive than their attitudes towards the fixed funding mode. With the raising social expectation on accountability and participation, NGOs' expressed general support to the service monitoring system (Coopers & Lybrand 1996c). Based on the recommendations of the subvention review with some adaptations, Social Welfare Department launched the Service Performance Monitoring System in April 1999 to monitor the performance of subvented NGOs.

In a nutshell, for most of subvented service units, there are three steps of subvention allocation. Firstly, Social Welfare Department and service unit negotiate the service standards and sign the Funding and Service Agreements. In accordance with the FSA, Social Welfare Department provides funding in the lump sum mode to subvented unit. Finally, internal and external assessment will be conducted based on the specified service performance standards. The

components of Lump Sum Grant Subvention System, including Lump Sum Grant and Service Performance Monitoring System, are mutually supporting to achieve several desired outcomes, including flexibility, value for money, accountability and customer-focused quality management. The monitoring emphasis on output and outcome rather than input and process release more strategic space for organization managers to use agency resource flexibly to meet changing needs. Meanwhile, the fixed funding formula makes annual public subvention predictable and stable for subvented NGOs. On the other hand, this formula helps government to control a part of rising welfare expenditure. In addition, it also provides flexibility for government to adjust policy orientation by additional funding whenever necessary. Moreover, as a managerial auditing tool, performance assessments ensure NGOs' compliances with established service standards in the mechanism and process of service delivery and management with financial flexibility and autonomy (Leung 2005).

2.3.4 Competitive Bidding: New Approach for Subvention Allocation

While discussing different subvention modes, the consultant had briefly mentioned more market-driven options including vouchers schemes and brokerage schemes for existing service units. And for the new ones, the consultant proposed competitive tendering may be worth considering (Coopers & Lybrand 1995, p. F9-F11).

In March 1999, the Financial Secretary announced the new service units of meal delivery service and home care service for the weak and disabled in the

community would be awarded through competitive bidding. The assessment criteria for the bidding are based on the quality and quantity of the services. In this way to allocate new subvented service, competition and comparison amongst individual NGOs are inevitable, which is the exact intention of Social Welfare Department. With competition and comparison, Social Welfare Department can either reduce the service costs or enhance service quality and quantity. As a result, a better value for money of usage of public subvention will be gained.

2.4 DEBATES AND ADJUSTMENTS OF LUMP SUM GRANT

As indicated earlier, 1995's subvention review reflected government's concerns about soaring social expenditure and NGOs management. Lump Sum Grant, calculated on a fixed formula, has set an expenditure ceiling for recurrent subvention. The ceiling created a crisis awareness that public subsidy is not unlimited among subvented NGOs. NGOs must manage their own finance in accordance with the principles of prudent management and explore alternative sources. As a result, the financial responsibility will not only shouldered by the state, but also individual, family, community, societal sector and even business sector. This section will review some changes in the NGOs management system and overall subvention expenditure.

2.4.1 Changes in NGOs Management

The government has delegated daily management responsibility to NGOs under Lump Sum Grant. The managers of NGOs have to conduct many complex management activities. Hence, a senior official of Social Welfare Department stressed the board of director and management to enhance their governance capacity, especially in human resource management and financial management, for achieving value for money and accountability of NGOs (Lau 2010).

In 2005, Hong Kong Council of Social Service conducted a survey (the "HKCSS survey" hereafter) on human resources practices of its agency members. Among the 70 responding NGOs, 87% of them stated they established a formal performance management system to monitor staff's performance (Hong Kong Council of Social Service 2005). And the government also stated, after the implementation of the Lump Sum Grant, human resources management and financial management, as well as other organizational administration of subvented NGOs were improved (Health, Welfare and Food Bureau/Social Welfare Department, 2006). Therefore, from the government's point of view, Lump Sum Grant "is a catalyst for the enhancement of corporate governance in the welfare sector" (Labour and Welfare Bureau/Social Welfare Department 2007).

However, practitioners in the field are against this view. Human resources expenses generally account for over 70% of the total expenses of NGOs as welfare service delivery is a labour intensive work. NGOs are afraid of their

Lump Sum Grant based on mid-point salary may not be enough to cover the human resource cost in the long run. In the face of the potential shortage of financial resources, NGOs tend to make use of their flexibility to adjust their human resources practices to contain the cost under Lump Sum Grant. In the HKCSS Survey, 48% of the responding NGOs indicated that, they would recruit low cost staff to replace senior staff at a high salary level to cope with financial uncertainty. 27% would freeze recruitment except for selective key posts, 9% would freeze recruitment of all posts and 7% would offer contract terms in recruitment. Indeed, according to the statistics of Social Welfare Department, there has been a considerable reduction in the number of Snapshot staff since 2000: from 21455 in April 2000 to 12413 in September 2007 (Legislative Council Secretariat 2008). The HKCSS Survey also indicated that 35% and 27% of the responding NGOs had fully or partially de-linked their salary structure with MPS respectively.

And the HKCSS Survey showed that 37% of the responding NGOs had revamped their salary pay scale in the past two years and one common revamping measure was to decrease the salary ranges and/or decrease the entry points for job positions still linked to MPS. 52% of the responding NGOs stated that they would revamp their salary structure in the next two years and one common revamping measure would be to cap staff salaries at the mid-point salaries of MPS.

Besides of the lower salary, staff's sense of job security and long-term career development were also weakened in the trend of contract employment

which managerialism advocates. The Hong Kong Social Workers' General Union conducted a survey in August 2006 to study how the contract employment influences the professional development of social worker (the "HKSWGU Survey" hereafter). It revealed that 60.6% of respondents who were employed on contract terms claimed that their salary payments were lower than their counterparts working in the Civil Service. In the HKCSS Survey, 52% of the responding NGOs employed more than 40% of their staff on contract terms. 47% offered six months or less as the shortest period of contract and 73% offered 24 months or less as the longest period of the contract. The HKSWGU Survey got a similar finding. 61.6% of the respondents were employed on a contract term of 12 months or below, and 22.8% were employed on a contract term of 13 to 24 months. Based on the survey result, the HKSWGU Survey concluded that contract employment affects the staff's sense of belonging towards their serving agency, commitment towards their work.

Personnel policy changes have aroused repeated labor dispute between staff and their employing NGOs since 2001. The changes also resulted in higher staff wastage and turnover rates in NGOs. According to the Social Work Manpower Requirements System Annual Report 2006, the wastage rate and the turnover rate in NGOs have been higher than those in SWD since 1998-1999 but the gaps grew wider in 2005-2006 (Joint Committee on Social Work Manpower Requirements 2006). Given labor-intensive and personal-care character of welfare service, the high wastage rate in the subvented welfare sector would affect the transfer of experience among the social welfare

professionals and the development of the profession as a whole. The high turnover rate would also affect the stability, continuity and quality of social welfare services.

On the other hand, because of the TOG and SOG and postponement of annual reduction to reach benchmark, some NGOs have accumulated large financial reserves during the transitional period. According to Social Welfare Department, 139 out of 164 NGOs operating under Lump Sum Grant accumulated reserves of HK$ 1.86 billion as at 31 March 2006. But the distribution of Lump Sum Grant reserves is uneven among NGOs. Over 40% of the total cumulative Lump Sum Grant reserves are in the possession of the top ten NGOs among 139 NGOs. These reserves, as NGOs managers stated, are to ensure financial viability of agencies in the long run (Legislative Council Secretariat 2008).

Besides of the saving from Lump Sum Grant subvention, NGOs also broadened funding sources with keen determination through competitive bidding, social welfare funding application, collaboration with the business sector, running a social enterprise, and fee increase.

But these complementary measures are still limited. For example, social enterprises in Hong Kong remain in the early stage of development. A report by the Hong Kong General Chamber of Social Enterprises revealed, in the past three years, among 236 interviewed social enterprise units, less than one third of them had generated profits, and even 16% of the interviewed units closed down while the survey was in progress (*Ming Pao*, 2 March 2010). Additionally,

as mentioned, funding is always with output, outcome and accountability requirement after managerial reform. The development of new services may result in additional workloads of staff.

2.4.2 Changes in Amounts of Subvention and Subvented Unit

This section set out to provide a overview of welfare subvention in Hong Kong before and after the implementation of Lump Sum Grant.

Figure 2.2 illustrates the share of total welfare expenditure. As can be seen from the figure, the percentage of recurrent service subvention for NGOs dropped in the first few years when Lump Sum Grant was put into effect. After it hit the bottom at 18.2% in 2008-2009, the share of recurrent subvention has climbed in recent years.

Figure 2.3 compares the growth trend of service subvention and GDP in Hong Kong. Before Lump Sum Grant came into effect in 2001, the total amount of service subvention grew faster than GDP over the same period. This trend was much more clearly shown in Figure 2.4 as the proportion of service subvention as a share of annual GDP has been increasing before 2001. The ascendant trend was changed by the implementations of Lump Sum Grant, EPP and ES. After Social Welfare Department made some policy adjustments in 2008, the total amount of subvention rose again and hit the record high in 2011, but in terms of percentage of GDP, the level of service subvention was still lower than that of 2001.

Figure 2.2 Share of total welfare expenditure by recurrent subvention to NGOs, and financial assistance payment 2001/02-2010/11
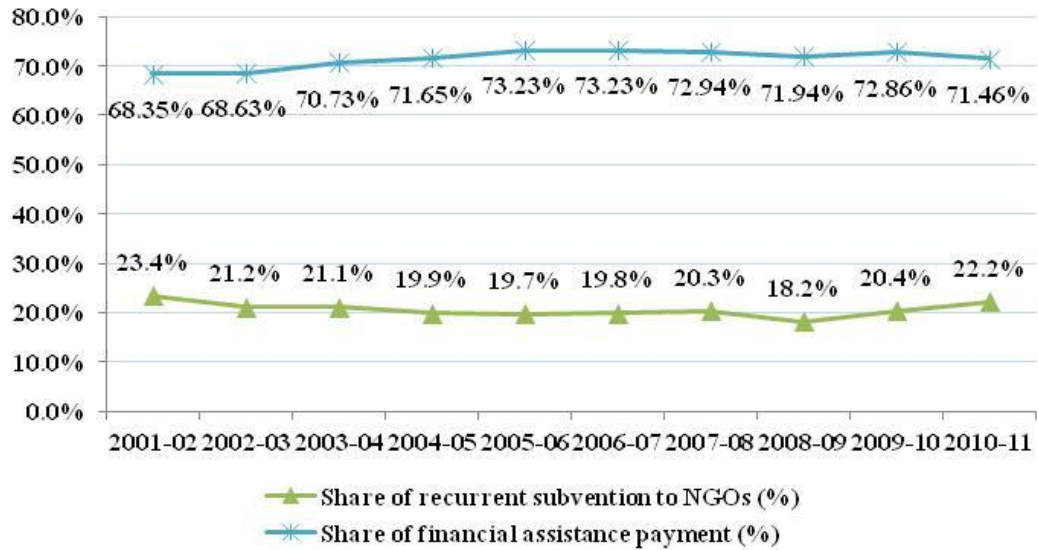
(Sources: *Financial Services and the Treasury Bureau, Government Secretariat. Census and Statistics Department website (20 July, 2010). Social Welfare Department's departmental report [various years].*)

Figure 2.3 Amount of annual GDP and subvention for social welfare service
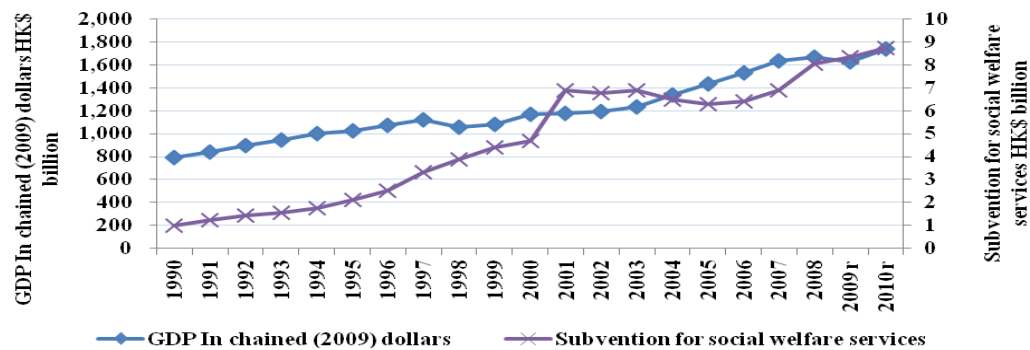
(Sources: *Census and Statistics Department website and Social Welfare Department website.*)

Figure 2.4 Subvention for social welfare service as a percentage of GDP (1990-2011)
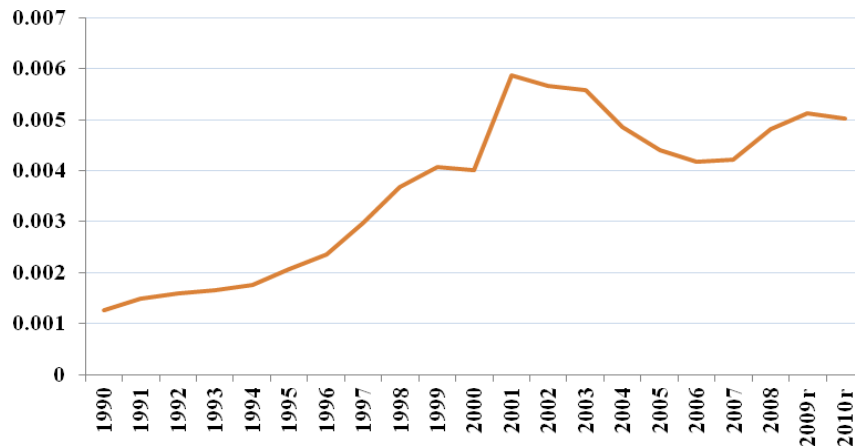
(Sources: *Census and Statistics Department website and Social Welfare Department website*.)

In 1995's subvention review, the consultant found that the expansion of social welfare services had been achieved by increasing the size of existing NGOs rather than by increasing the number of subvented agencies (Coopers & Lybrand 1995). This development pattern of subvented unit seems to be different nowadays (see Table 2.1). In the past 15 years, while total subvention has tripled, the numbers of subvented agency and units were rather stable. In other words, the scope of recurrent subvention from Social Welfare Department is limited in a certain range of NGOs. New established NGOs can only apply for fixed term funding to provide services. The data suggests Hong Kong's social policy has passed its "big bang" phase and would develop incrementally.

Table 2.1 Subvention changes between 1986-87 and 2013-14

Year	Subvention expenditure (HK$m)	No. of subvented agencies	No. of subvented service units
1986-87	505	150	1093
1993-94	2217	162	1933
1995-96	3260	168	2560
2006-07	6394.9	175	-
2007-08	6824.1	-	2530
2008-09	7128.5	173	-
2009-10	8077	171	-
2010-11	8771	171	2625
2011-12	9075	171	2584
2012-13	10050	171	2791
2013-14	10973	171	2622

Notes: 1. Sources: Coopers & Lybrand 1995; Social Welfare Department website.

2.4.3 Policy Adjustments of Lump Sum Grant Subvention System

As mentioned in Chapter 1, there was widespread disaffection and conflicts between social work professional and their NGO employers in Hong Kong welfare sector under Lump Sum Grant. Apart from the example of Fang's losing in 2004 Legco election, disputes and cumulative dissatisfaction on Lump Sum Grant among practitioners in the social welfare sector have resulted in two strikes in 2007. In response to these criticisms on Lump Sum Grant, the government conducted a policy evaluation through an independent committee to review the Lump Sum Grant (LSGIRC 2008). The committee endorsed the

Lump Sum Grant as an appropriate funding system for NGOs, while 36 recommendations were made to improve it.

According to these recommendations, government adjusted a range of adjustments on subvention calculation, such as exempting the effect of EPP and ES to all new services to be implemented from 1st January 2008, and adjusting upward to the mid-point salaries for new services below the mid-point. In addition, Social Welfare Department launched a $1 billion Social Welfare Development Fund for subvented NGOs to enhance their professional capacity, and set up a Help Desk to provide management advice to small NGOs. More importantly, Social Welfare Department is drawing up a Best Practice Manual for NGOs on various management issues such as human resource policies, the level of reserves, corporate governance and accountability in collaboration with NGOs. As the committee recommended, the manual consists of two levels of guidelines. At one level are guidelines that NGOs are expected to follow unless there are strong justifications not to do so; at the other level are guidelines that NGOs are encouraged to adopt (LSGIRC 2008, p. 21). It represents a re-regulation on NGOs management.

From the agenda setting in the early 1990s to policy evaluation in 2008, Lump Sum Grant, a managerialist social policy, has gone through a complete policy process. It has been accompanied with debates and disputes from the very beginning. When confronted the problems in service funding and quality management, government tends to blame on NGOs' lack of management capacity. For instance, some financial austerity strategy like salary scale

restructure adopted by some NGOs to cope with funding uncertainty is criticized as unnecessary conservative financial management (LSGIRC 2008). The policy adjustments also imply Social Welfare Department remains addressing controversies over cost containment, public responsibility, direction of policy and service development, and so on, from a perspective of management which is considered to be unable to solve the problems under managerialism by some scholars.

CHAPTER 3

MANAGERIALISM: IDEOLOGY, THEORY AND PRACTICE

This chapter will first introduce the definition of managerialism, which is followed by corresponding policy initiatives in advanced welfare states, such as the United Kingdom and the United State. The impacts of welfare reform informed by managerialism on NGOs and explanations provided in existing research will be reviewed thoroughly later. Finally, missing links and puzzles in current explanations will be presented, and lead to specific research questions for the present study.

3.1 DEFINITION OF MANAGERIALISM

Managerialism is "the imperialism of management" (Parker 2002). It assumes all organizations share more similarities than differences. Thus, performance of all organizations can be optimized by the application of generic management theory and techniques (Klikauer 2013). At first, the ideology of managerialism was carried out by business executives in companies, firms and corporations. But nowadays, 'managerialism' is the widely used term employed to describe most of the organizational changes in the public sector since late 1970s (Considine & Painter 1997). Many equivalent terms with respective focuses are used to describe its ideas, such as 'new managerialism' (Hood, 1991), 'entrepreneurial government' (Osborne & Gaebler, 1992) and 'new

public management' (Gruening 2001).

One of the frequently cited definitions was provided by Pollitt (1993). In his frequently cited book, *Managerialism and the public services: cuts or cultural change in the 1990s?*, managerialism refers to "a set of beliefs and practices, at the core of which burns the seldom-tested assumption that better management will prove an effective solvent for a wide range of economic and social ills" (Pollitt, 1993, p. 1). Thus, according to the ideology of managerialism, most of social and organizational problems are due to poor management, and good management is a holistic solution for these problems.

According to managerialism, good management techniques required to run a college, a hospital, or NGO are little differences. The good and generic management models are business management, because business corporations need to strive to survive in fierce market competition. On the other hand, traditional public administration is considered to be lack of efficiency, productivity and managerial accountability. Thus, the solution is to bring business management into public sector. As Hernes (2005) specifically pointed out, assumed to be good public management, managerialism is "a set of ideas and methods that aim to combine accountability and efficiency in public administration."

Managerialism is not a totally new idea. There were several theoretical sources including monetarism, Austrian school economics, public choice theory and liberation philosophy (Gruening, 2001; Pollitt, 1993, p. 43). As a mixture of traditional public administration, business management and other politico-

economic theories, managerialism has a variety of theories and models.

Hood (1991) provided an early version of managerialism. According to his analysis, there are seven doctrines of managerialism:

1. "Hands-on professional management" in the public sector;

2. Explicit standards and measures of performance;

3. Greater emphasis on output control;

4. Shift to disaggregation of units in the public sector;

5. Shift to greater competition in public sector;

6. Stress on private sector styles of management practice;

7. Stress on greater discipline and parsimony in resource use.

Pollitt's (2003, p. 27-28) also concluded at least eight core elements of managerialism:

1. A shift in the focus of management systems and efforts from inputs and process towards outputs and outcomes;

2. A shift towards more measurement and quantification, especially in the form of systems of "performance indicators" and/or explicit "standards";

3. A preference for more specialized, "lean", "flat" and autonomous organizational forms rather than large, multi-purpose, hierarchical ministries or department;

4. A widespread substitution of contracts (or contract-like relationships) for what were previously formal, hierarchical

relationships;

5. A much wider-than-hitherto deployment of market mechanisms for the delivery of public services;

6. Alongside the favouring of market mechanisms, an emphasis on service quality and a consumer orientation;

7. A broadening and blurring of the frontiers between the public sector, the market sector and the voluntary sector;

8. A shift in value priorities away from universalism, equity, security and resilience, and towards efficiency and individualism.

3.2 MANAGERIAL REFORM IN ADVANCED WELFARE STATE

The rise of managerialism is a strategic response of western welfare state to the changes of politico-economic circumstance in the 1980s. Before the managerial reform, the post-war welfare state, accompanying with the fast development of capitalism, has enjoyed its heyday in the western world. At this golden age of capitalism, most western people believed that, enjoying social welfare services was a social right as they were citizens of the nation-state (Marshall, 1950). This welfare consensus has underpinned the traditional welfare state for nearly two decades.

Things changed when the 1970's Energy Crisis happened. It triggered a severe economic downturn in the world. Most of the western capitalist countries were suffering from stagflation and had fiscal crisis. The state-led welfare administrative mechanism was too bureaucratic but not efficient and

responsive enough. Under the protection of bureau-professionalism, public service employees like social workers, doctors, nurses and teachers, are predominantly self-interested and less efficient than employees in the business sector (Pollitt, 1993, p. 194). The expansion of welfare services benefited the better off rather than the people in need, the so called deserving poor (Taylor-Gooby, 1985, p. 15). These mismatches severely reduce people's incentive to work and induce welfare dependency culture. The scarce resource of productive economy was consumed too much by welfare provision. Overall, the problems owed to the lack of accountability and scientific management in the public sector (Mooney, 1997, p. 241).

The corresponding reform was to reduce the size and scope of the public sector. Public welfare should be only constrained in certain core services and serve the deserving poor. Others' needs should be satisfied by family, community, business sector, especially NGOs (Anheier, 2009). With regard to those core welfare services provided or subsidized by government, in order to meet increasing needs without substantial growth of government scale, the only feasible approach was to reform the previous inefficient and bureaucratic administrative institutions drawing on the experiences of business management.

Besides the apparent considerations of economic cost and political legitimacy, Flynn (2000) pointed out that power struggles within government also contributed to the rise of managerialism. Though state and society might have a general target of ongoing reform, the specific outputs were decided and chosen by different particular departments. They would try to promote their

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own interests gaining more decisive power and resources during the reform. Therefore, Flynn (2000) concluded "the form of management changes and restructuring are likely to be influenced by the existing power relationship and the resources available".

Besides its prevalence in some advanced capitalist countries, managerialism has also been promoted by management consultancy firms and by influential international organizations such as the OECD, the IMF and the World Bank. Therefore, managerialism has sometimes appeared to be the only option for conducting administrative reform. Not only the New Right politicians, but also the center-left governments with social democratic tradition accepted the idea of managerialism (Pollitt, 2003, p. 37). The collapsed national trust in the bureaucracy and increasing public expectation on quality and responsiveness of welfare service make the adoption of managerialism has become a global fashion (Lynos, 1998).

There are various components of managerialism applied in different countries' welfare reforms as mentioned. Pollitt (1993) argues, all of these components of managerialism between 1980s and 1990s could be classified into two varieties: neo-Taylorism at the early stage of reform; and new managerialism as a new wave of reform.

3.2.1 Neo-Taylorism

Neo-Taylorism set creation of efficiency and increased productivity as the over-riding objectives of organizational management. Based on the rational

decision making model, it clearly defines the organizational objectives, scientifically determines the standard effort levels and operation procedures. Then managers exercise strict control, regulation and supervision of the work process in accordance with the series of guidelines.

Rational choice theory is the theoretical base of neo-Taylorism which propose by rationally analyzing organizational inputs and output, organizations would gain in 'three Es' (economy, efficiency and effectiveness) and deliver value for money services (Newman & Clarke, 1994). It is in relation to the great concern with the financial burden of public expenditure during the 1980s. The concerns of economy and efficiency seemed to obtain higher political priority as they tended to reduce public sector spending but increase in production and the accumulation of capital.

According to Audit Commission (1983), efficiency refers to deliver a specific quality and volume of service in the lowest cost of resource, while effectiveness means to achieve defined desirable outcomes by providing the right services to users. The relationships among inputs, outputs, and outcomes are illustrated in Figure 3.1. Finally, taking the service process as a whole, economy emphasizes the services purchased should be procured at the lowest possible cost consistent with a specified quality and quantity.

Figure 3.1 Illustration of input, output, and outcomes
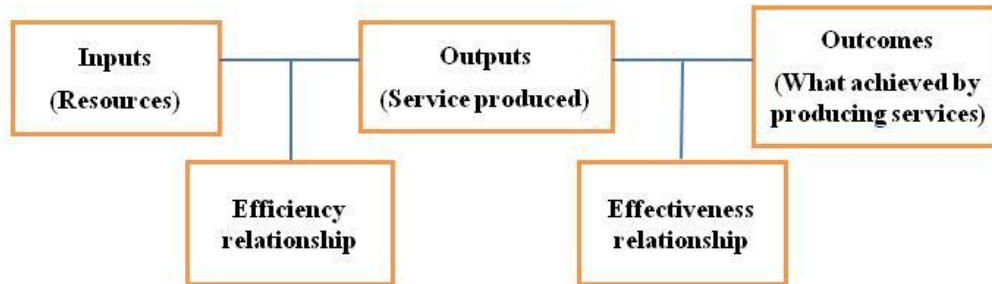
3.2.2 New Managerialism

There are several criticisms of Taylorist managerialism. One of the fiercest criticisms is on its extreme economic rationalism which neglects the human facet of the organization and welfare services. The Conservative policies towards the public services have to be more positive and appealing to achieve the popularity of voter/users. Hood (1991) and Pollitt (1993) term the new policy package as 'new managerialism', which is also known as 'new managerialism' of Clarke and Newman (1994), 'entrepreneurial government' OF Osborne and Gaebler (1992), a new brand of managerialism with the emphasis and character of quality and quasi-market.

The first element of new wave managerial reform is the greater application of market mechanism. Before the 1990s, marketization and privatization merely mean state sold off some state run services to the private sector. For those within the remaining state sector, the only option of government is to improve their productivity by emphasizing three Es of organizational management

(Dean, 2006; Pollitt, 1993, p. 48). The NHS and Community Care Act 1990 is the mark of new quasi-market. Government and NGOs are defined as service purchaser and provider respectively. In the quasi-market of social welfare sector, various NGOs as a service provider have to compete for purchasers' contracts to sell their services and products. Hence, government as the largest and most often welfare service purchaser is able to buy the best "value for money" services between the competing providers (Pollitt, 1993, p. 181). Market competition in the forms of voucher and competitive tendering drives NGOs to improve productivity.

The substantial financial and operational flexibility for individual NGO is the second element of the new managerialism (Flynn, 1997; Pollitt, 1993). This new wave of management has a more optimistic view of people's motivation. Thus, it takes intensive administrative control of resources and effort as unwieldy, and has tended to emphasize the importance of managers 'enabling' role as there may be some unexpected out of control factors influencing service outcomes (Newman & Clarke, 1994). Flexibility in resource use is needed for service providers to cope with changes in the market and fulfill the service commitments.

The third element in the reforms of the late 1980s and early 1990s was the emphasis on quality which was linked to the introduction of quasi-market (Pollitt, 1993). Service providers have to continuously improve their services by assessing customer requirements, establishing an array of standard in producing and monitoring the services.

The quality management implies customer orientation as the fourth element in new managerialism (Pollitt, 1993). Given more powers to customers to decide what the right service ought to be. Users' satisfaction and feedback become one of the most important standards to evaluate service performance. And they are also encouraged to participate in service design.

All of the above elements will impose the requirement of accountability and transparency on service providers so that both service purchasers and users can assess the individual organization performance and make a choice among different service providers.

Between neo-Taylorism and new managerialism, there are differences in views of organizations, management roles and employee motivation, and so on. It doesn't mean that the new version of managerialism would replace the old one. Instead, new managerialism imposes higher and broader requirements on service providers. NGOs may have to simultaneously carry out neo-Taylorist model of productivity improvement through resources and effort control and new managerialist model of corporate culture transformation, quality commitment (Newman & Clarke, 1994). It seems that service quality in new managerialism will have to be won through gains in efficiency rather than increase in spending (Pollitt, 1993). Government may pragmatically select, adapt and implement some elements of managerialism in ways which it regards as most suitable for local political and economic conditions (Gregory, 2003; Scott, 2010).

Table 3.1 Comparison of Neo-Taylorism and New managerialism

	Neo-Taylorism	New managerialism
Problem to solve	• Financial burden of welfare expenditure	• Supply-led and bureau-professional dominated service provision
Theoretical background	• Scientific management	• Austrian school economics • Public choice theory

Principles	• Productivity increase
	• Value for money
	  ➢ Efficiency
	  ➢ Effectiveness
	  ➢ Economy
		• Accountability for performance
		• Customer oriented
		• Quality and value added service

Means	1. Budget cut 2. Non-core services cut 3. Input control	1. Contractual relationship to separate the purchasers from the providers 2. Financial allocations based on performance 3. Performance monitoring: explicit measurable standard and indicators that enable comparison between providers (output and outcome control), mechanism of inspection, monitoring and auditing 4. Customer oriented approaches: decentralizing service delivery system, satisfaction survey, complaint procedures, integrated services and case management

3.3 ANALYZING MANAGERIALISM AND WELFARE NGOS

When governments adopted more and more managerial initiatives in welfare sector, welfare state has been transformed into managerial state (Clarke & Newman 1997). The managerial reform happens at the state level, and consequently brings about diverse changes in other actors in the welfare sector, including welfare practitioners and their NGO employers, and service users. How are the changes in resources, power status and relations of these actors in welfare sector? Are these changes in line with managerialist promises, such as better welfare service with less cost?

Given the political importance of social welfare services and annually substantial social expenditure, managerialism, the ideology and theory managing these services, is not only a set of technical prescriptions about how to run a service organization but is also a broader set of assumptions about the relationship between state and citizen, the respective roles of public, private and business sectors (Evans 2009).

Existing studies tend to take two different approaches for answering these questions: changes at organizational level with organization theories, focusing on financing issues with resource dependency theory (Pfeffer & Salancik 2003), and on institutional pressures imposed by government's funding management for isomorphism and legitimacy with neo-institutional theory (Ferlie & Fitzgerald 2002; March & Olsen 1989; Scott 2014); and changes at personal level, including studies on individual professional with professionalism

(Exworthy & Halford 1999; Kirkpatrick, Ackroyd & Walker 2005; Harris & White 2009) and street-level bureaucracy (Evans 2010; Hill 1982; Riccucci 2005), and studies on employment relation with humanitarian perspective (Rees 1999) and psychological contract (Cunningham 2008).

3.3.1 NGOs in Welfare State

In line with managerialist concerns with social expenditure and organizational management and, the impacts on NGOs can be organized in accordance with three dimensions of welfare mix, namely service financing, provision and regulation (Johnson 1999; Powell 2007).

3.3.1.1 Service financing

The first change is in the aspect of welfare service financing. The dramatic growth of NGOs all over the world was facilitated by the expansion of government support, for instance, the American Great Society of the 1960s. When welfare retrenchment happened in 1980s, the immediate consequence of budget cut was a fiscal crisis of publicly subsidized NGOs (Salamon 1999). In the Fiscal Year 1998, the value of federal support to NGOs in the fields of welfare services, education, and employment and training, was below its level in 1980 (Salamon & Abramson 1998). The common revamping measures of NGOs in the face of financial pressure were to operate more efficiently and restructure staff salary to a far smaller scale.

Meanwhile, the new emerging welfare service market also attracted

investment from the business sector. Commercial firms' edges of cost control and efficient brought intense competition in the domains that were once exclusive preserve of NGOs (Salamon 1999). This reform carried out the idea of "money follows the person". As a result, NGOs received smaller or even no subsidy from government and had to compete with for-profit providers in child care.

3.3.1.2 Service provision

NGOs another response to financial pressure was to reduce service provision despite expanding demands and find alternative resources.

In the fiscal austerity era, government's policy development tended to be myopic and incremental. The major concern of the new initiative was to control expansion of a range of services and reduce welfare expenditure. Thus, Lynos (1998) illustrated that few large-scale new initiatives to address emerging needs was the impact of managerialism in Australia.

In the meantime, NGOs were also allowed to charge more fees to cover the service costs and operate for-profit services. In Australia, with government's fee subsidy to low-income users, there was a rapid expansion of child care. The massive expansion in the so called "middle class welfare" (Brennan 1994, p. 189), like child care, was because of its promoting effects on participation in labor market and electoral success (Lynos 1998).

Moreover, Lynos (1998) also highlighted that many nursing homes offered specialized facilities (such as dementia care) in order to attract residents and get

government financial support. But these value-added services may create new capital expenditure.

Overall, regarding service provision, while subsidy for low-income users with eligibility restriction and need assessment was dramatically expanded, profitable service serving well off person is rapid growth. This contrast in service provision may deviate from the original values and beliefs of welfare services.

3.3.1.3 Status and legitimacy

NGOs need to compete with business sector for government's subsidy implies NGOs have partly lost previous advantageous position in service provision. It suggests a doubt of effectiveness in welfare NGOs as they didn't meet a 'market test' in the traditional welfare state. More and more welfare services were over professionalization, but without an adequate demonstration of the effectiveness (Salamon 1995). And evidences showed many welfare service programs didn't reach the objectives. There were even suspicious that NGOs preferring not to solve the problems for maintaining resources. Moreover, NGOs' active involvement in advocacy had been called into question that they were fighting for budgets, programs for their own survival rather than the rights of service users and community (Salamon 1999; Smith 1989).

Under prevailing managerialism, service standards and performance indicators became a major source of evidence about individual NGO's performance. Funding and subvention for service programs will be attached

with corresponding output and outcome requirements. Individual NGO will have to subject to public accountability once it receives public money. Therefore, a study on the USA Next Steps project indicated, NGOs no longer tries to maximize program budget as it has to provide corresponding value for money services which sometimes may exceed its organizational capacity (James 1995).

Doubts over NGOs' status and values in society were increasing when more and more marketization of welfare service emerged. In America, NGOs' marketization of welfare services was so successful that their revenue between 1977 and 1996 actually grew faster than the US economy as a whole. Besides the government support, the main source of NGOs growth was fee and service-charge revenue: 55% of the growth came from fees and charges (Salamon 1999). But this aroused complaints about "unfair competition" by small enterprises as NGOs enjoy tax advantages and many other favorable policies.

In response to these doubts, government and NGOs have adopted a variety of management initiatives to demonstrate greater accountability and effectiveness. Service audit was one of these initiatives. By investigating social work practice in the United Kingdom, Munro (2004) found poor performance would result in a more critical response from a wider audience with a bad reputation of the NGO. And these would be further translated into economic impacts of donation decrease and loss of government funding. The political and economic impacts reveal that, in order to survive and develop, individual NGOs must comply with the government's regulation and service direction. It was a

paradoxical development that after government's deregulation, previous rigid administrative control was replaced by tighter political control based on financial powers (Reinders 2008). Scholars who worry about the decline in NGOs' autonomy and diversity raise a question of "whose voluntary sector?" in current welfare state (Baldock, Manning & Vickerstaff 2007, p. 330-332).

3.3.2 Managerialism and Social Work Professionals

The other approach analyzing the impacts of managerialism focuses on changes in individual social workers' professionalism and work life. At least two positions can be found in current literature: domination strand and discursive strand (Evans 2009, 2010).

One position has been labeled the "domination strand" that presents managers and professionals as a distinct occupational group: professional practitioner like social workers are workers within the organization, which is run by managers whose primary commitment is to the organization's goals (Evans 2009). This literature emphasizes these two groups of people possess two different sets of values and beliefs that inducing endless ideological debates over welfare services within NGOs.

As discussed previously, the rise of managerialism is to transform the character of welfare NGOs from a welfare agency run by professionals, allegedly too much in their own interests, to a customer-centered network of facilities and services run by managers (Langan & Clarke 1994). Social work professionals' power has been taken away and was passed to managers at

higher hierarchical position, in the applications of a range of management techniques, such as performance monitoring, budget, procedures and eligibility criteria (Boston et al. 1996).

In the face of higher social expectation of handling risk, along with greater political and economic pressures, NGOs try to take steps to protect themselves from criticisms. They tend to avoid blame when failed in their duty by introducing more and more formal procedures and guidelines, creating a 'correct' way to deal with a case (Hood et al. 2001). Then, if a tragedy occurs, correct procedures and guidelines will become successful defensive strategies. Even there are substantive operational mistakes, the fierce criticisms and blames tend to be assigned to the individual social worker rather than to the agency (Munro 2004). Many studies confirm a significant increase in the proceduralism of practice and support the idea that social workers are now subject to increasing and intensive scrutiny (Harris 1998).

When social work professionals who commit to 'human rights and social justice' (International Federation of Social Work, n.d.) are dominated by managerialism, a slump in morale was found among social workers in Australia (Munro 2004). In the United Kingdom, a survey on staff left the welfare sector also indicated the reasons for leaving the post were linked, to some degree, to the managerialist practice in welfare services:

1. The sense of being overwhelmed by bureaucracy, paperwork and targets;

2. Insufficient resources, leading to unmanageable workloads;

3. A lack of autonomy;

4. Feeling undervalued by government, managers and the public;

5. Pay that is not "felt fair";

6. A change agenda that feels imposed and irrelevant (Audit Commission 2002; Cited in Munro 2004).

All of these suggested, from the perspective of domination strand, under managerialist practices in welfare service, both social workers' professional status and work life are not in good conditions.

However, the other position named "discursive strand" provides a more optimistic explanation. Discursive strand takes managerialist practice as a continuation of bureau-professional rather than a clean break (Evans 2009, 2010). Some elements of management may retain professional concerns. It is skeptical of the rhetoric of management power and critical of approaches that "treat such strategies of control as though they worked rather than as attempts to achieve their desired results" (Clarke & Newman 1997, p. 31). From this perspective, managers are not inevitably engaged with and committed to the managerial discourse. As Pollitt (1993) correctly pointed out, people who implement managerialist reform may not believe it completely. Managers and social workers are not two distinct and homogeneous groups. Accordingly, managerialism has not replaced bureau-professionalism in welfare services, but is professional concerns and strategies alongside increased powerful

managerialist ideas and concerns, to "produce new focal points of resistance, compromise and accommodation" (Clarke & Newman 1997, p. 76).

Empirical studies showed business principles of control or professional assessment tools ensuring good practice in service provision (Baldwin 2000; Kirkpatrick 2002; Lewis & Glennerster 1996; Robinson 2003). For instance, Robinson (2003) studied the application of a risk assessment instrument in a probation service and found that, many social workers and their managers welcomed the instrument for helping them assess and manage complex situations and increase consistency, transparency and equity in assessment practice.

Further, even if procedures are purely designed for management control, the idea that they constitute an iron cage which severely limiting social workers practice is also problematic (Evans 2010). Rules and procedures need interpretation and require the application of professional knowledge to make it sensible and usable (Munro 1998). In other words, social workers who are subject to procedures entailing elements of managerialism and professionalism have some discretion in understanding and applying them. For example, Evans (2010) found both compromise and resistance of social workers in the face of management techniques. And sometimes when there are open opportunities to challenge government's policy, social workers can conduct overt resistance with managers' support.

Apart from changes in professionalism, similar results could be found in the aspect of work life. A survey on managerialist practices and social workers'

work stress conducted in Australia indicated, overall, key managerialist practices increase work stress. But some aspects of these practices, including "key performance indicators and quality assurance mechanisms", "more emphasis on monitoring and electronic data analysis", "practitioner involvement in strategic planning", "computerization of records" and "client appeal processes and procedures", are indicated as reducing stress (Lonne, Burton & Gillespie 2009).

Thus, the issue about the impacts of managerialism on social workers' professionalism and work life is not a black-or-white debate. It may depend on the context and interactions between managers and social workers within welfare NGOs.

3.3.3 Studies on Hong Kong's Managerialist Practices

In the case of Hong Kong, after the government carried out Lump Sum Grant in 2000, a growing body of literature addresses the issues of the new subvention system. Most of them adopted managerialism (or equivalent terms, like New Public Management) to understand the Lump Sum Grant subvention system and debated over its impacts on welfare services, social work professionals, service users, subvented welfare NGOs and civil society in Hong Kong (Chau & Wong 2002; Lee 2012; Leung T. 2002; Leung C. 2006, 2008; Tian 2009, 2013; Wong 2007, 2008). But as suggested at the early stage of the implementation, the most significant changes under Lump Sum Grant shaped by managerialism should be possible tenses and conflicts in the relationship

between the government and NGOs, and between NGO managers and social workers, especially the erosion of traditional mutual trust between social workers and their employers (Leung 2002).

3.3.3.1 Relations with the government

The main body of these studies concentrates on the relationship between the government and NGOs with a focus on the role of NGOs under managerialist practices. Employing social origin theory and typology of NGOs' roles, Tian (2009, 2013) investigated the organizational development and role transformation of medium-large subvented NGOs in Hong Kong from mid-1990s to 2009.

Tian (2009) classified three roles of NGOs, namely operator, pioneer, and potential advocate, according to their funding source and activities. She further illustrated the responses of these NGOs to marketization like developing new service programs by welfare funding application or operating self-financing services to generate fee income in the welfare service market. Based on these strategic responses, she went on studying the impacts of marketization on these three types of NGOs in terms of clients, operations, resources, participants and services.

Moreover, according to the social origin theory, Tian (2009) labeled NGOs as traditional Chinese charitable organizations, professional initiated voluntary agencies with religious background, and government-initiated agencies in the light of organizational initiation. She found, the original relationship with

government was the most crucial factor affecting NGOs' roles. Besides, leadership and CEO's powerful status, partnership with business sector are other contributory factors for NGOs to be a pioneer, while financial independence is important for NGOs acting as an advocate (Tian 2009, 2013).

While Tian summarized a variety of factors affecting changes in NGOs' service provision and roles in the welfare sector, Lee (2005, 2012) and her colleague (Liu & Lee 2011), studied the NGO regime transformation in Hong Kong on the basis of social origin theory (Salamon, Sokowsk and Anheier 2000), governance modes in the form of hierarchy, network and market (Powell 1991), and path dependence of neo-institutionalism (North 1990). Lee (2005) proposed a statist-corporatist hybrid NGO regime exists in Hong Kong as many NGOs have close relations with the government. Later, Lee (2012) provided a systemic explanation by linking up marketization and relationship with government, and understanding the impact of managerialist practices on welfare service in terms of mode of governance of the NGO regime.

Because of path dependent of statist-corporatist regime and undeveloped private philanthropy under current Hong Kong tax system, the marketization of welfare services in line with new managerialism has made governance regime shift from hierarchical-network to hierarchical-market (Lee 2012). These subvented NGOs are still the preferred partners of the government in the marketization of welfare services. Based on a survey on 381 welfare NGOs regarding their supplementary, complementary and adversarial relations with governments, Liu and Lee (2011) found, compared with newly established

NGOs, the traditional NGOs receiving government's subvention play an important complementary role in service provision. And they also have a higher inclination to be adversarial, though involvement in advocacy activities of both types of NGOs is not deep.

These subvented NGOs remain heavily rely on government's subsidy. But they became the government's privatized agent without sufficient accountability for the use of public money, de-politicized agents as loss of status in policy making, and weakened societal agents as the erosion of networking in civil society (Lee 2012). It appears to be the new politics of welfare in Hong Kong that the government utilized managerialist practices to take back the power previously shared to the NGOs on one hand (Lee 2012; Lui 2010), and to extend financial responsibility to NGOs and service users on the other hand (Chan 2010, 2011).

3.3.3.2 Social workers' service provision

Based on observations on Hong Kong's managerialist practices, Tsui and Cheung (2004) described the direction of changes which are:

1. The client is a customer (not service consumer);

2. The manager (not the front line staff) as the key;

3. The staff are employees (not professionals);

4. Management knowledge (not common sense or professional knowledge) as the dominant model of knowledge;

5. The market (not society or the community) as the environment;

6. Efficiency (not effectiveness) as the yardstick;

7. Cash and contracts (not care and concern) as the foundation of relationships;

8. Quality is equated with standardization and documentation;

9. Examine the outcomes.

These eight static changes are similar to Pollitt's (2003) conclusion of elements of managerialism. All the roles and status of frontline social workers, first line managers, senior managers and service users, as well as relationships among them have been changed.

From the domination perspective, management was given too comprehensive power under government's strong support to managerialism that was beyond its appropriate function to assist and facilitate the service provision. The order of priority between the process of direct service delivery and the process of management facilitating the delivery in a social welfare NGOs have been reversed (Power 1997). The original values of welfare services have 'gone with the wind' (Tsui & Cheung 2004).

Apart from these ideological debates, several studies looked into the specific values and initiatives of new managerialism, including accountability and customer service, in the Hong Kong welfare sector to examine the actual policy outcomes. The research findings were diverse.

Leung (2005) investigated the relation between user involvement and accountability. She concluded that the strength of service users in service

planning and evaluation was still rather limited. For most of the service unit, the concept of 'quality' proposed by SQS was still being built. Wong (2007, 2008) arrived at a similar conclusion after conducting a series of studies on consumerism and quality management specified in Service Performance Monitoring System. He drew a conclusion that service users still lack power or authority to monitor the services. And he thought that the quality management was just a complementary measure to facilitate the implementation of the Lump Sum Grant (Wong, 2007).

Meanwhile, much discretion of professional staff remains in service delivery and management process under the compliance with Service Quality Standards. For example, in enhancing organizational accountability through user involvement, first line managers feel discomfort with the accountability discourse as it's a necessary compliance with Service Quality Standards rather than a self-motivated action in pursuit of accountability. In practice, they manipulated it as a provider-initiated process of information flow and shift the definition of roles in an accountability relationship (Leung, 2005).

Regarding Hong Kong social workers' professionalism and work life under managerialist practices, the research findings were also controversial. Vyas and Luk (2010) analyzed job stress of social workers in a selected Hong Kong NGO providing children and youth services. Among six sources of stress (i.e. excessive workload, relations between supervisors and subordinates, organizational culture, organizational policy, and work complexity), workload and organizational policy were identified as the main stressors. And junior

social workers were suffering more stresses than their senior colleagues (Vyas & Luk, 2010).

But Tam and Mong's (2005) conclusion was in contrast with this study. They examined the effects of job stress and perceived inequity on burnout with the instruments of a modified version of Job Stress Index (House and McMichael, 1979), three items of perceived inequity measure developed by Bakker et al. (2000), and a modified version of MBI (Maslach, 1996). Although the results of a multiple regression show only job stress and perceived inequity explained the variations significantly of burnout, the findings do not seem to support the assumption that burnout is a common phenomenon among school social workers as a result of the fundamental change in the social welfare subvention system. Furthermore, the respondents were not experiencing a high level of job stress and inequity as well (Tam & Mong, 2005).

Moreover, in a survey study (Lee 2008), more than 50% of 1077 frontline social workers and first line managers surveyed were satisfied (48.87%) or highly satisfied (3.88%) with their job. Only 7.97% and 1.31% of respondent were unsatisfied or highly unsatisfied with current job. And 38.46% of respondents expressed average satisfaction.

A more recent survey also showed that, social workers in Hong Kong are satisfied with their work in general. The respondents pride themselves on offering a high level of professionalism and committing to social work core values, even though they cast gloom over their career prospects that promotional opportunities are infrequent in reality and they are not satisfied

with the pay on present job (The 2013 Social Work Day (Hong Kong) Organizing Committee 2013).

3.4 EXISTING KNOWLEDGE GAPS

3.4.1 Lack of a Consistent Explanation

Most of existing studies on the impacts of managerialism in the welfare sector suggested fewer government subsidies, higher service demands and more management requirements on NGOs resulting in decline in status. NGOs were said to be confronting systemic crisis in fiscal, effectiveness and legitimacy (Estes, Alford & Egan 2001; Hall 1987; Salamon 1999). These phenomena were explained with NGOs' resource dependence, aspirations for legitimacy, social origin and role divisions, respectively.

Similar changes can be observed in the professional status and work life of social work professionals in these NGOs. But these changes at the personal level are explained from theoretical perspectives different from those for changes at the organizational level.

Both of the changes at the organizational level and personal level shared a same institutional factor of managerialist practices. And more essentially, studies in different countries (Lynos 2000; Munro 2004; Salamon 2000) have illustrated interrelated and chain effects on welfare NGOs and social workers. But existing explanations for them are diverse and segmented.

The lack of a holistic explanation also reflects a missing link between micro foundation and macro structure. This missing link leads to the lack of

micro behavioral foundation for macro transformations such as role transition and NGO regime change. It may easily become a kind of institutional determinism for understandings of the changes but without sufficient interpretive capacity for the possible friction emerging in the process of change. Similarly, the understanding of day-to-day service provision within NGOs may tend to overlook the macro context in which the agency survives and develops. For example, the precise influences of audit have not been clearly understood as their nature was multi-dimensions reflecting a mixture of political and socio-economic factors that drove its expansion (Munro 2004). The reason for adoption may be the institutional pressure of fashionable implementation in other countries rather than its effectiveness (Lynos 1998).

There should be a consistent framework and integrative understandings for the changes at both organizational and personal levels.

3.4.2 Missing of Holistic View on Managerialism

Do managerialist practices consequently result in lower status for both NGOs and social work professionals? A few studies argued the consequences depend on the context and interactions between government and NGOs, and between social workers and managers (Lonne, Burton & Gillespie 2009; Leung 2005). It remains unclear that how the managerialist practices as a whole affect social relations in the welfare sector.

The reason for this puzzle is that, most existing studies tend to investigate the impacts on a single issue of one specific element of managerialism, such as

service audit (Munro 2004), accountability relationship and user involvement (Leung 2005), quality standards (Wong 2007), and workload and work stress (Lonne, Burton & Gillespie 2009).

Given the logic of managerialism, different practices may exert both positive and negative impacts on different aspects of NGOs and social work professionals. To clarify the overall impacts on social relations in the welfare sector, a holistic view on managerialism is needed.

3.4.3 Differences due to Organizational and Personal Factors

It is believed that there are differentiation along organizational (e.g. agency size) and personal factors (e.g. job post and employment status) among NGOs and social workers respectively. For example, small NGOs may have rather limited resources to deal with the new changes induced by managerialist practices (Chang, 2002). Their difficulties have been recognized by LSGIRC (2008) and government in Hong Kong. Additional support including funding and management advice are provided to small NGOs. It's worth noting that there's any inequality and difficulty created by managerialism in the welfare sector for certain NGOs and social work professionals.

3.4.4 Summary

Lump Sum Grant has introduced management control approaches like budget sum control, performance monitoring and service audit in Hong Kong social welfare sector after handover. Studies have revealed a range of changes

of NGOs in terms of organizational clients, resources, operation, participants and services of day-to-day work, and partner relationship between NGOs and government in service development and policy formulation (Lee 2010; Leung 2005; Tian 2009; Wong 2007, 2008).

Some social workers and managers thought these changes had affected the quality of service and social policy development. Their dissatisfactions resulted in two protests against Lump Sum Grant and its managerialism base in 2007. In response to social welfare sector's demands, the government proposed some new policy initiatives like exemption from EPP and ES for new services, management and financial support for small NGOs and Best Practice Manual after 2008's independent review. Actually, these initiatives didn't alter the core elements representing the tenets of managerialism but provided much support for implementation.

Under Lump Sum Grant, NGOs adopt a variety of strategies in response to changes. As Lonne, Burton and Gillespie (2009) indicated, how to shape management strategies are crucial for the best use of managerialism. Practically, the shaping processes occur not only at micro level within every NGO, but also at the macro level between NGOs and government in the social policy arena.

To sum up, there are two streams to examine the effectiveness of managerialism in welfare services. One is to describe and explain its impacts on service delivery and management at the frontline. Social workers and first line managers' understanding of managerialism is the crucial factor influencing the final result. And the other stream focuses on changes in the interaction between

NGOs and government in terms of role change of NGOs and welfare governance mode in a given institutional framework. These two streams of studies have provided an insightful analysis of how managerialism affects NGOs to accomplish their social mission in the welfare sector, as its advocates proposed. However, the interrelationships between these two streams are missing. The present study attempts to adopt a political economic framework to link them up.

CHAPTER 4

CONCEPTUAL FRAMEWORK

This chapter firstly intends to clarify what managerialist values are currently reflected in Hong Kong's Lump Sum Grant subvention system, based on literatures on managerialism. The second section in this chapter presents an integrative analytic framework that incorporates managerialism and political economy perspective to guide the study. Specific research questions for the study are specified in the third section which is followed by the summary of the whole chapter.

4.1 MANAGERIALISM IN LUMP SUM GRANT

Components of Lump Sum Grant subvention system after 1995's subvention review have been introduced in Chapter Two. The policy initiatives include Lump Sum Grant for subvention calculation and payment, Service Performance Monitoring System for quality management, and competitive mechanisms for resource allocation. All of these initiatives are carried out to push NGOs to get better use of their resources and to improve their corporate governance.

In subvention review and latter Lump Sum Grant, both problem definition and problem solution are in line with the notions of managerialism. Subvention allocated in a lump sum is de-regulation and de-bureaucracy on NGO administration. As a result, NGO managers are free from government's

previous rigid administrative control. As neo-Taylorist managerialism suggests, manager should be able to flexibly handle unexpected problems in service provision and manage to achieve good value for public money. Fair competition and objective comparison under funder/provider split also help government pick out the most efficient, effective and economic service providers.

Funding and service agreements establish accountability relation between the government and subvented service units in the contractual form. NGOs need to be accountable to stakeholders for in the aspects of political, managerial, and professional, and so on. They should provide comprehensive information on service performance according to quality standards to stakeholders. Customers and funders will then evaluate NGOs' performance in service provision. The overall managerial logic of Lump Sum Grant has been summarized in Figure 4.1.

4.2 THEORIZING MANAGERIALISM AND THE IMPACTS ON WELFARE NGOS: POLITICAL ECONOMY PERSPECTIVE

In Chapter Three, literature review shows that there are two major approaches for studying the impacts of managerialism on welfare NGOs: changes in resources, powers, chances, and status at NGOs organizational level and at social workers' personal level. Although the two approaches were initially developed largely separated from each other, the studies have much in common: conflicting and collaborative relationships between social worker, their NGO employers, and the government under managerialism. For example, Hong Kong

social workers' collective expressions of their concerns about salary and professional autonomy between 2007 and 2009 are reflecting the tenses after Lump Sum Grant has intended to redefine the relationships (Leung 2002).

The debate over manageirlism for intended desirable outcomes remains prevailing. The influences on life chances and social relations of individual social work professionals and their NGO employers are also far from clear. This section aims to present a conceptual framework that is able to bring diverse claims into a consistent theoretical explanation.

Figure 4.1 Managerial Logic of Lump Sum Grant
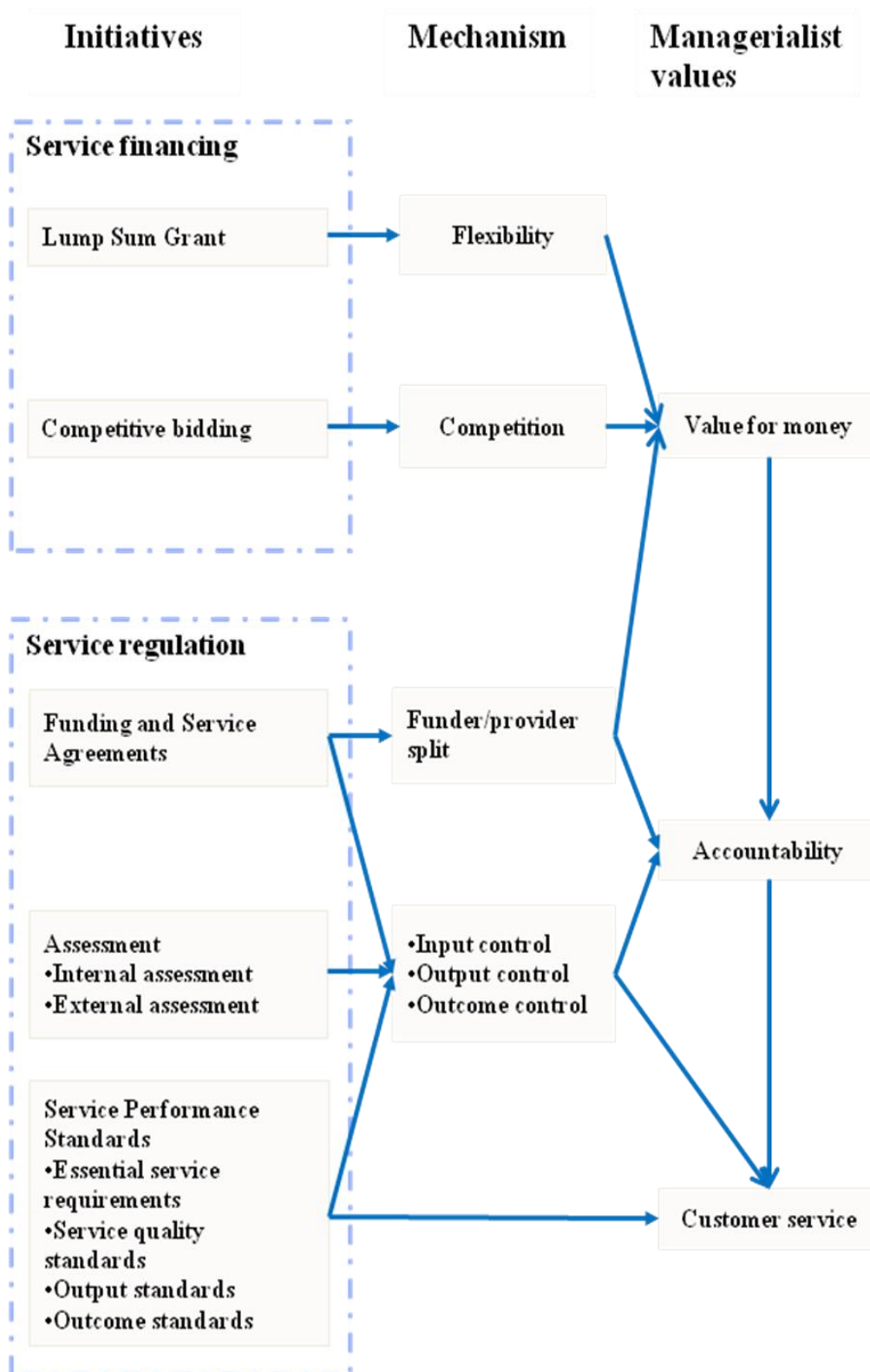
4.2.1 Theoretical Background

Present study adopts managerialism to understand 1995's subvention reform and current Lump Sum Grant subvention system in Hong Kong welfare sector. This ideology and theory shaping of the welfare reform is intended to change the relationship among power, culture, control and accountability in the welfare sector (Clarke 1994). The present study will investigate these diverse changing relationships between social workers and NGO employers, and between NGOs and the government, through the lens of political economy with a special focus on the social construction by the significant power, and by the political and economic dynamics within the total society (Berger & Luckmann 1966; Jun 2006).

The constructionist perspective posits that 'reality' and 'facts' are highly contested (Estes, Biggs & Phillipson 2003). Social problems and their solutions are constructed by political, economic and social powers through the process of interpretation and construction on the data (Minkler 1984; Estes, Swan & Gerard 1984). The powerful interpreters' constructions influence perceivers' perceptions of the reality and facts, which will successfully maintain old social orders or form new social institutions serving interpreters' interests.

The use of political economy perspective to examine the impacts of managerialism on welfare NGOs is particularly relevant, given the significance of welfare services and welfare NGOs, as well as the social work, in contemporary political and economic system (Estes, Alford & Egan 2001;

Salamon 1995, 1999; Van Til 1987).

First of all, political economic analysis gives a sufficient account of political power and economic resource which are implicit in management techniques of Lump Sum Grant. The theoretical perspective views welfare NGOs occupying center stage in modern society. NGOs' performance is viewed as being shaped by the political and economic structures of the society in which they are embedded (Austin 1988). Two scarce resources, money (e.g. government's funding) and authority (e.g. legitimation to carry out social programs), are essential for the survival and development of NGOs (Austin 2002; Benson 1975). In order to ensure an adequate supply of resources, welfare NGOs also aim to exercise their own power to affect the flow of resources. Thus, in turn, it is assumed that the performance of welfare NGOs can have impacts on other institutions within the society and on the structure of the society as a whole (Austin 1988; Minkler & Estes 1984). Thus, NGOs are highly interrelated with all of the other institutions of the larger society, especially funding bodies such as the government.

Lump Sum Grant, a new subvention system informed by managerialism, is exactly the new social institutions to shape "the flow of power, resources, organizational attention and rewards" (Flynn 1994, p. 229). Annual subvention in the form of block grant is based on rational calculation with fixed amount, and its allocation is assumed to be a merit system which is based on NGOs' performance and conformity with quality standards. The political economy analysis of managerialism will highlight the social construction of these

relationships in the welfare sector by the application of management concepts and techniques.

Secondly, political economy perspective offers the integrated analysis of the process of social construction occurring at the individual level as well as organizational level. While the state and NGOs (organizational level) influence the experience and condition of social work professionals, individual social workers and managers also actively construct their world through personal interactions (individual level) that constitute their daily work life (Estes, Biggs & Phillipson 2003). These competing social constructions reflect the current struggle over defining the outcomes of Lump Sum Grant.

Under managerialism, NGO managers who currently control the financial resources of welfare NGOs, are likely to be more concerned with managerialist values, such as efficiency, productivity and managerial accountability, than with goals reflecting professional concerns for a high quality of service provision and professional accountability.

On the other hand, because of the dual origins of social work profession, adjusting service users to circumstances or engaging in social change, social work professionals are facing the twin pressures of containment and change (Abramovitz 1999).

With block grant and more control on resource use, NGO managers and social work professionals with respective concerns about management and service need to debate over which goals, interests, and groups their social programs should serve. This has made welfare NGOs and social work arenas of

political struggle and formed the internal political economy of welfare NGOs (Austin 2002; Blau & Abramovitz 2010; Gummer 1990). By application of the management concepts, both parties interact to construct what services should be delivered to whom and what work condition they are in, as well as their divergent personal meaning of work life. These impacts may be uneven and create inequality in the welfare sector.

Overall, viewing the impacts of managerialism on welfare NGOs through the lens of political economy will arrive at a solid and integrated theoretical explanation with considerations of NGOs' status in the wider political and economic spheres, and a continual interaction between NGO managers and social work professionals at the level of the workplace. Moreover, different versions of managerialism will take shape in different localities (Langan & Clarke 1994, p. 91). With a focus on the interactions between political and economic forces in society in which the welfare NGOs are embedded, political economy perspective is sensitive to the significance of historical and cultural context, such as the characteristics of the political system and the preexisting relationships in the welfare sector (Lee 2012). Thus, the political economy perspective offers historical insights and implications for international comparison.

4.2.2 Conceptual Framework

Based on theoretical base, the conceptual framework for the present study is illustrated in this section. The present study focuses upon the impacts of

managerialism on welfare NGOs, especially on the intended policy outcomes (i.e. resource use and management enhancement), and on the social relations in welfare sector (i.e. trust between social workers and managers, and trust between NGOs and government).

With reference to existing research, the study will conduct analyses at organizational and personal levels. Organizational analysis focuses on NGOs' management initiatives to elaborate how these subvented agencies operationalize the managerialist values (i.e. value for money, accountability and customer service) in Lump Sum Grant. According to political economy perspective, these management initiatives will exert influences on social work professionals' work life and professionalism in terms of resource, power, and so on. The organizational management initiatives together with the individual social work professionals' work life and professionalism will finally result in the achievement of intended policy outcomes. More importantly, while examining the effects of these factors on trust relations between social workers and managers, and between NGOs and the government, the two levels of analysis concerning managerialism can be linked by similar indicators of management initiatives and social relations.

4.2.2.1 Management initiatives at organizational level

At the organizational level, the study will place emphasis on NGOs' initiatives in line with managerialist values in Lump Sum Grant subvention system.

Theoretically, NGOs are established on the basis of voluntarism, charity, philanthropy and altruism to deliver social welfare services to target groups (Bush 1992; Taylor, 1996), which should be mission driven activities. However, in order to survive and develop, NGOs have to strike a balance between organizational missions and funder's expectations, and to adapt to specific politico-economic circumstance (Smith 1989). These changes may not be directly reflected in the organizational mission statement, but can be found in NGOs' management and service activities.

Lonne, Burton and Gillespie's (2009) studied institutionalization of managerialist practices in terms of changes in managerial control and direction. The dimension of managerial control and direction refers to the management procedures in each subvented NGOs which frontline social workers and first line managers implement for conducting appropriate behavior in both service delivery and organizational management. These management procedures, which aim to achieve value for money, accountability and customer service in both service and management, include organizational institutions of need assessment, information recording and disclosure, supervision and guideline, capacity building, strategic planning and so on.

Welfare mix in social service has been in Hong Kong since 1970s. The enforcement of Lump Sum Grant made this division of welfare into a formal right and obligation relationship between the government and subvented NGOs based on the FSA. To maintain legitimacy, NGOs have to comply with the resource allocation rules and management requirements. Some NGOs need to

trade off for financial reasons in order to survive.

Value for money

As noted in Chapter Two and Three, value for money in terms of efficiency, economy and effectiveness is a main managerialist value specified in the Lump Sum Grant. It is a resource-related value originated from neo-Taylorism. All of the NGOs' activities consume resources. Thus, in general, resources are always scarce in welfare services. NGOs adopt value for money initiative to manage organizational income and spending.

On one hand, NGOs may try to diversify their sources of income and obtain revenues through fee charging, social enterprise, donation and fund raising activities. On the other hand, NGOs may adopt financial austerity to promote efficiency and productivity by reducing input and/or increasing output.

Accountability

Accountability is an inquiry mechanism based on information exchange between account -supplier and receiver. To different objects and for different matters, there are divergent accountability relationships, such as social workers' professional accountability to service users for the professional ethic, and managers' managerial accountability to government, social workers and service users for corporate governance.

A comprehensive accountable mechanism consists of procedures and contents for reporting. Given the research objectives to observe changes in

social relations based on social workers' experience, the study mainly focuses on managers' managerial accountability to social workers, a downward accountability (Ebrahim 2003).

Customer service

Regardless of the differences in the concepts of customer, client and citizen, customer service is an important element of managerialism that translates business management practices to welfare services (Wong 2007). Professional ethics of social work emphasize client orientation and serving the interest of the service users before that of the service providers. These professional values and beliefs are compatible with managerialist customer service very well. To respond and respect service users' needs and rights are two of the four principles of Service Quality Standards. In this sense, high quality service has a deep-seated appeal to social work professionals (Wong 2007).

The achievement of customer service can be examined from user involvement (Leung 2006, 2008) and client-centred service arrangement. The former focuses on service users' inputs and influences on NGOs daily operation, while the latter emphasizes on the extent of responsive outputs and the outcomes of these influences.

4.2.2.2 Personal level: Social workers' work life and professionalism

From the political economy perspective, within welfare NGOs, direct

service delivery, without question, is the essential task taken by both frontline social workers and first line managers. Meanwhile, management for facilitating effective and efficient service delivery and for developing organization as an essential instrument for service provision, is important as well (Austin 1983; Power 1997). These organizational management initiatives may change the nature of social workers' daily work (Lonne, Burton & Gillespie 2009) and affect their experiences of service delivery and management in terms of work life and professional autonomy.

Work life

Social work is a helping profession through human interactions. Thus, service delivery is a labour intensive work. Social work professionals' substantial labor inputs also require continual organizational supports, such as financial resource and professional supervision. Good work condition and job security can offer a stable work environment for social workers to work hard. Strong agency support can provide professional support for social workers to cope with increasing work challenges and advance their knowledge and skills (Lonne, Burton & Gillespie 2009). Overall, quality of service has been linked to the level of work conditions, work challenges, agency support and social workers' job security (Packard, 1989; Shulman 1993).

However, organizational management initiatives mentioned above may impose strict managerial control over the work life. Higher value for money may refer to tight budget for social workers' work condition and agency support.

Their access to job security may also be suffered from the flexible employment by NGOs. Moreover, accountability and customer service initiatives have raised the benchmark of quality services. Social work professionals may have to run after these advanced performance standards. Customer service also provides an opportunity for promoting service users' power and status in service delivery. Meanwhile, not only government and NGOs' requirements, but also the public's expectations and service needs are rising. All of these would further intensify the labour and result in work challenges in daily work.

Professionalism

Social workers are professional employees with professional authority and power based on expertise. They commit to "human right and social justice" and make their own decisions based on professional ethics and knowledge.

According to the subjects of decisions, Elston (1991) put forward three stages of professional autonomy. They are technical autonomy (in determining professional standards and monitor performance for the profession), economic autonomy (in determining remuneration) and political autonomy (in recommending policy decisions) (Brunnetto 2002; Elston 1991). In the present study, this category corresponds to social workers' professionalism in service delivery (to determine service needs and procedures), agency management (to involve in management decision-making) and policy advocacy (to organize collective actions) under managerialism.

Witkin (1999) points out three classic contradictions in profession of social

work including social control versus social change, bureaucratization versus professionalization, and the individual versus the collective good. The impacts of managerialism on social workers' professional autonomy discussed in Chapter 3 may actually intensify these contradictions. For example, to diversify revenue sources, frontline social workers may need to draft funding proposals one after another but reduce direct service hours. It reflects conflict between bureaucratization and professionalization. Moreover, social workers also need to meet funders' performance standards. To avoid mistakes and blames, social workers may not adopt necessary but risky procedures (Harris 2003). Sometimes funders' expectations may create social work professionals as the agent of social control other than that of social change and care.

4.2.2.3 Impacts: resource use, management enhancement and trust relations

It is widely accepted that social welfare programs do not work if they are poorly managed. Without doubting the crucial importance of good management, it seems that managerialism is able to offer 'a kind of universal solvent expected to unravel all mysteries and explain all problems' (Salamon 1995, p.17-18) for welfare service in any societies. From the political economy perspective (Jones 1990; Walker 1984), the universal solutions of managerialism should change the existing social relations specifically in an individual society. Thus, achievement of intended policy outcomes and changes in social relations are two dimensions of impacts in the present study.

Social workers not only passively accept the management initiatives constructed by the state and NGOs, but also actively develop their own interpretations and strategies based on daily work experiences and professional powers (Estes, Biggs & Phillipson 2003; Evans, 2009). These interpretations can be reflected in their perceptions of success or failure in achieving intended policy outcomes and social relations in terms of mutual trust in the welfare sector.

Intended outcomes: Resource use and management enhancement

As mentioned, former conventional and rigid welfare subvention system was based on actual costs. It not only created subvented welfare NGOs' dependence upon government's funding, but also shaped the poor management system in these NGOs as they only need to follow government's administrative procedures in the past. Lump Sum Grant intends to change these situations.

The policy objectives of Lump Sum Grant, as the successive Secretary for Labour and Welfare clarifies repeatedly, is to "provide NGOs with greater autonomy and flexibility in delivering quality welfare services to better meet the ever-changing needs of our society. Enhanced corporate governance is also a key feature of the lump sum grant system" (e.g. Cheung 2009). These policy objectives correspond to government's accountability and responsibility for managing financial resources to provide better welfare services to citizens. For NGOs, Lump Sum Grant subvention system pushed them to reduce resource dependence on government, and to enhance corporate governance. Thus, these

objectives can be conceptualized as intended outcomes concerning better resource use in sufficiency, flexibility and innovation, as well as higher level of accountability and customer service.

Mutual trust: Social relations in welfare sector

The present study investigates social relations in the welfare sector with a special emphasis on trust relations: trust between social workers and managers, and trust between NGOs and the government.

As mentioned, the fundamental problem stemmed not from whether welfare services were organized on a for-profit, public, or NGO basis, but from the relation between the social welfare delivery agency and the society of which it was a part (Hall 1987). Trust is a belief in and attitude towards the benevolence of the (potential) interaction partners in the social exchange process (Yamagishi & Yamagishi, 1994). These interaction partners can be a human being as well as organizations such as government and NGOs.

In welfare sector, the contents of social exchange are service, money and authority, among the state, welfare NGOs, social work professionals and the service users. The exchange is voluntary with powers based on norms and rewards, rather than physical coercion (Blau 1964; Chadwick-Jones 1976). Trust is integral to the relationship between them built up in the exchange process (Taylor-Gooby 2000; Gilbert 2005a).

Thus, managerialism, which changes conventional norms and reward method in the welfare sector, is in close association with trust. In fact, as

government's regulatory strategy, "trust in management" (Newman & Clarke 1994) was the ideological response to the undermined trust in social work professionals in advanced welfare state (Aghion, Algan, Cahuc & Shleifer 2010; Gilbert 2001; Langan 2000; Rose 1996), as discussed in Chapter Two.

It remains a question whether managerialism can restore trust (Langan 2000). Competition for resources in service market and within welfare NGOs would erode trust among agencies and social work professionals (Central Policy Unit 2004, Ch. 4; Leung, Mok & Wong 2005). Moreover, Power (1997, p. 135) has warned the self-fulfilling of less trustworthy with government's regulation in an audit society.

Even worse, there could be a vicious trust-managerialism circle. On one hand, managerialist practices based on distrust in social work professionals have colonized the professional activities. Social work professionals have to take managerialist norms and follow the logics defined by managerialism (Clarke, Gewirtz & McLaughlin 2000; Power 1997; Thorne 2002). On the other hand, social work professionals, who want to protect their own interests, may take advantage of social construction of managerialism, such as needs assessment, to exercise professional power (Chevannes 2002) but provoke new distrust from managers and governments.

4.2.2.4 Organizational and personal attributes

Diverse social workers and NGOs constitute welfare sector. The managerialism does not necessarily affect all social groups similarly. Thus, the

managerialist practices may create serious differences within the NGO sector (i.e. small NGOs and large NGOs, professional and management), which can be considered as a 'crisis within the sector' when compared with 'crisis of the sector' together with government and business sector (Hall 1987).

Several factors affect the differences mentioned above. At the organizational level, agency size is a crucial factor, given the emphasis of managerialism on value for money of resources. At the personal level, to analyze differences in social workers' work life and professional autonomy, factors of seniority, job post as frontline worker or manager, employment status in a permanent position or contract basis, and the nature of service, should be taken into account. In fact, most of these organizational and personal factors are structural and institutional factors which are not easy to change.

All of the factors of the conceptual framework are presented in Figure 4.2. They are NGOs' management initiatives for institutionalization of managerialism within agencies, social work professionals' work life and professional autonomy, and the intended policy outcomes and trust relations are the main focus of the present study. The individual and organizational factors are included in the framework as control variables.

Figure 4.2 Conceptual Framework
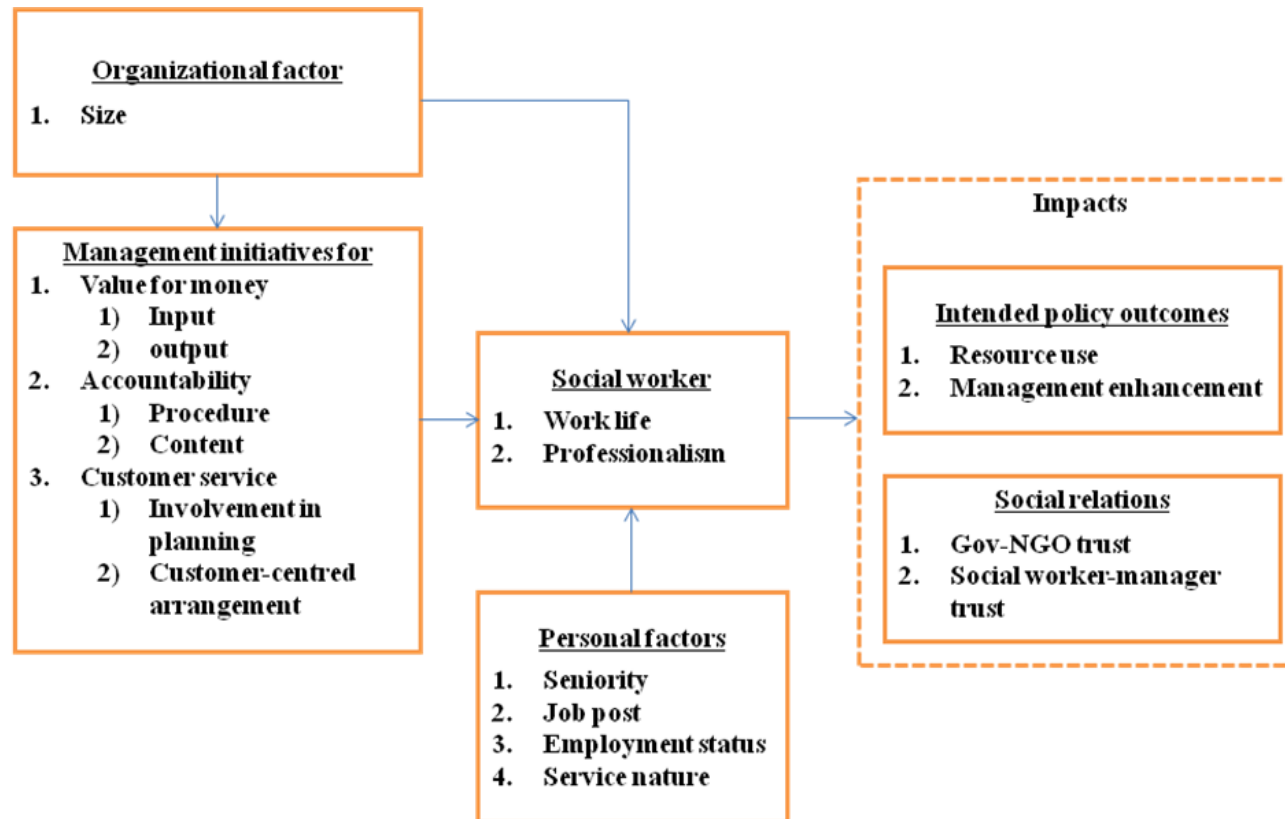
4.3 RESEARCH QUESTIONS

Poor management is highly associated with poor performance, but the converse is not necessarily true (Salamon 1995, p. 17-18). The promises for universal solutions of managerialism should be tested in the present study. More importantly, even though the intended outcomes are achieved with increasingly institutionalized managerialist practices, trust relations may still be risky as Power (1997) suggested. The possible reasons for this situation, which will also be examined in the present study, may not be only government's and NGOs' managerialist practices, but also social work professionals' perception of work life and professional autonomy based on daily experience. To address these two dimensions of impacts, specific research questions are raised in this section.

Before the introduction of managerialism in Hong Kong welfare sector, Chan (1996) found that four strategies were adopted by NGOs in Hong Kong to cope with environmental changes. They were enlargement, enhancement, restructure and reduction in service and management activities. The adoption of specific coping strategies was closely related to organizational scale, level of subvention, and complexity of the organization in terms of the service delivery types.

On the Lump Sum Grant, subvented welfare NGOs are being required to get better value for money and to be accountable for government's fixed subvention. Thus, NGOs may try to enlarge their market share, enhance service quality and organizational image for fund raising and donation campaign, restructure and even reduce staffing and salary (Chan 2010, 2011; Lee 2012;

Tian 2009, 2013). Thus, **to what extent do NGOs' management initiatives of value for money, accountability and customer service achieve better resource use and agency management?** *(Research question 1)*

According to Clarke, Cochrane and McLaughlin's (1994) analysis, two varieties of managerialism, neo-Taylorism focusing on resource use and new managerialism focusing on accountability and customer service, are either co-existing in "an uncomfortable combination", or are directing "different groupings" (i.e. social workers and managers) to "different orientations" (Clarke, Cochrane and McLaughlin 1994). Thus, concerning on resource use and management enhancement, two sets of hypotheses will be tested:

Resource use:

Hypothesis 4-1: Value for money initiative is positively associated with resource use;

Hypothesis 4-2: Accountability initiative is positively associated with resource use;

Hypothesis 4-3: Customer service initiative is positively associated with resource use.

Management enhancement:

Hypothesis 4-4: Value for money initiative is negatively associated with management enhancement;

Hypothesis 4-5: Accountability initiative is positively associated with management enhancement;

Hypothesis 4-6: Customer service initiative is positively associated with management enhancement.

Moreover, given the importance of agency size for resource, one more hypothesis will be tested:

Hypothesis 4-7: Agency size is positively associated with resource use.

Compared to the intended policy outcomes, trust relations in Hong Kong welfare sector are more complicated. Social work professionals and welfare NGOs, especially the subvented ones, have long been trusted service providers to Hong Kong people (Serizawa 2004). Without a formalized performance monitoring framework before 1990s, the sources of this trust were NGOs' quality service and self-conscious accountability to the public (Lui 2010).

Accompanied by the public's increasing accountability demand on NGOs and the rise of managerialism with the new political culture and discourse of commitment to the citizens, cost-effectiveness and so on, the conventional and informal basis of trust relation has been shaken since early 1990s. In the mid-1990s, distrust seemed to be pervading in the welfare sector, between government and NGOs, between social workers and managers, and between NGOs and the public (Chow 1996).

After more than a decade of implementation of managerialism, **how do NGOs managerialist initiatives affect trust relations between social workers and managers, and between NGOs and government in Hong Kong?**

Managerialism is said to be a new mode of control in the welfare sector (Hoggett, 1996). With a set of management techniques such as market competition, decentralization and centralization, and performance management, government and managers within NGOs can control service delivery and social work practices through resources and procedures at a distance. These service delivery and social work practices shall respond to government's political and economic needs.

Because of the three classic contradictions of the profession of social work between social control versus social change, bureaucratization versus professionalization, and the individual versus the collective good (Witkin 1999), there may be tensions between social workers' needs in work life and professional autonomy. Examination of these possible tensions in social workers' needs will provide the answer for the question: **how management initiatives affect social workers' needs?** (*Research question 3*)

With the answers to research questions 2 and 3, the present study will be able to show **the most powerful predicting factors, managerialist initiative at organizational level or work life and professional autonomy at the individual level, for the achievement of intended outcomes and trust relations in Hong Kong welfare sector.** (*Research question 4*)

CHAPTER 5

RESEARCH DESIGN

The main objective of this study is to provide the answers for the questions of "how the policy outcomes come out" and "how practitioners construct trust relations based on their experience in daily work under managerialism". Thus, individual registered social worker is the primary unit of analysis. Survey method is an appropriate strategy for empirical work.

There are few survey studies examining the political and economic significance of managerialism on welfare NGOs. Most of the existing studies tend to employ case study and content analysis based on in-depth interviews with frontline social workers and managers at different levels on this research topic. Survey method is largely used in investigating relationship between managerialism and practitioners' mental state. A few survey studies report general statistics on organizational management practices by interviewing senior and first line managers. The use of survey method in the present study could be a methodological innovation.

Survey method will be supplemented by qualitative research method.

5.1 SURVEY STUDY

5.1.1 Measurement

A self-administered questionnaire was developed by the researcher for interview with registered social workers employed by welfare NGOs receiving

government's Lump Sum Grant subvention (see Appendix 1). Most of the question items were of close-end nature except the last item was an open question inviting respondents' any comments on Lump Sum Grant subvention system.

Scales were specially constructed to measure the respondents' perception of the frequencies of management initiatives related to managerialist values (i.e. value for money, accountability and customer service), social workers' work life and professionalism, achievement of intended policy outcomes and trust relations. The survey used a four-point response format scoring as 1 for "never", 2 for "occasionally", 3 for "often" and 4 for "always". The items drew on review of the literature (Beattie 2000; Berg, Barry & Chandler 2008; Brunnetto 2002; CCSG 2010; Chiu & Ho 2009; Lonne, Burton & Gillespie 2009; Thomas & Davies 2005; Smeenk, Teelken, Eisinga & Doorewaard 2009) and three in-depth interviews with two frontline social workers and a first line manager prior to the survey.

A pilot test was conducted in April 2012 with 19 second year students who were practicing registered social workers in their day job and who were studying in the Master of Social Sciences in Social Work programme at the City University of Hong Kong. Based on the data, the reliability tests showed the satisfactory scores ranging from 0.726-0.915. Content validity was also examined in the pilot test. The question items of the scales were revised and fine-tuned accordingly.

5.1.2 Sampling, Data Collection and Analysis

The period of data collection was from October 2012 to March 2013. Registered social workers who were working for Lump Sum Grant subvented welfare NGOs were the research population of present study. At the time of conducting the survey, according to the statistics of Hong Kong Social Workers Registration Board, there were totally 17565 registered social workers in Hong Kong. Among them, 9442 social workers were being employed by NGOs. Though these NGO social workers' employers were not all Lump Sum Grant subvented welfare NGOs, they formed the general population of the study. The appropriate sample size for the survey was 384 with the assumption of confidence level at 95%, estimated prevalence at 50%, margin of error at 5%.

In order to contact these NGO social workers as many as possible, the finalized questionnaire was distributed through the mass email system of the Hong Kong Social Worker General Union. At that time, this email system could have a contact with 8382 social workers hired by NGOs and other employers, such as government. But only NGO social workers were invited to answer the questionnaire as specified in the questionnaire instruction. Each completed questionnaire would receive HK $50 coupon as a reward.

The questionnaire has been distributed twice through the email system. A total of 257 respondents have answered (first attempt at October 11, 2012, 151 respondents; and second attempt at October 24, 2012, 105 respondents). The response rate is 3.1%. This low response rate would be acknowledged as a limitation of the present study.

A total of 62 more respondents was obtained from part-time students who were practicing social workers and who were undertaking the BA Social Work (the part-time programmes) and Master of Social Sciences in Social Work at City University of Hong Kong, as well as from their colleagues using snowball sampling. Finally, a total of 319 valid respondents was obtained.

The quantitative data collected from the survey was analyzed by using SPSS. Apart from descriptive statistics, association among variables was also analyzed. To look deeper into the predicting effects among main variables, regression analysis is conducted to achieve research objectives.

5.2 QUALITATIVE RESEARCH

Qualitative research method was employed prior to and after survey study. There were two sources of qualitative data: in-depth interview and survey respondents' written answers for open question. Informants in in-depth interview were contacted by convenience sampling and snowball sampling. 6 registered social workers providing different services for youth, offenders, and disable people in subvented NGOs were interviewed. Frontline social workers and first line managers were equally represented.

Apart from in-depth interviews, a total of 153 respondents provided their comments on Lump Sum Grant in the open question of the survey questionnaire. The length of these comments varies from a simple sentence of "knock down the Lump Sum Grant" to several paragraphs.

All of the qualitative data were managed and processed with NVivo, a computer-assisted qualitative data analysis software. The coding method followed the paradigm suggested by Strauss and Corbin (1990) to label the recurrent themes and concepts and their related casual condition and context. After coding, the qualitative data analysis was guided by the principles of grounded theory. The focus of analysis was the repeated themes and wordings in the interviews, and their relationships with context, intention and specific management initiatives of Lump Sum Grant.

Finally, in both quantitative and qualitative studies, two sets of comparison were conducted. The first comparative study was on different sizes of NGOs. The second comparative study was to compare perceptions of different job post as frontline workers and managers.

CHAPTER 6

FINDINGS

6.1 SAMPLE DESCRIPTION

A total of 319 valid respondents was obtained. Among them, 257 were collected from Hong Kong Social Worker General Union email system. 62 were obtained from students of BA Social Work and Master of Social Sciences in Social Work programmes at City University of Hong Kong, and their colleagues using snowball sampling. All of the respondents were registered social worker in Hong Kong.

Nearly three quarters of respondents (69.9%) were female. The educational background distributed evenly: post secondary (32%), undergraduate 38.6% and postgraduate 29.2%. Nearly one third of them worked in the elderly services (27%) and youth services (27.9%). Age ranged from 30-39 (43.6%). The average length of working in Hong Kong social welfare field was 9.54 years (SD=6.29). A large proportion of them were less than 12 years. It meant they entered into the social welfare field after the implementation of Lump Sum Grant subvention system. Most of them (81.8%) have served for 1-3 NGOs since 2001. The average length of serving at current NGO was 5.6 years (SD=5.27). Most of them were contract-based (70.8%). Among these non-permanent employees, the duration of contract of nearly half of them (44.2%) was 12 months. More than three quarters of them (78.4%) served for only one

service unit. More than two third of them (69.9%) were frontline social workers.

Direct service was the main work content

Table 6.1 Profile of sample

Background variables	Percentage	Mean (SD)
A2. Gender		
Male	30.1%	
Female	69.9%	
A3. Education		
Post secondary	32%	
Undergraduate	38.6%	
Postgraduate	29.2%	
A4. Service		
Family:	12.5%	
Rehabilitation:	14.4%	
Elderly:	27.0%	
Child:	5.3%	
Youth:	27.9%	
Community:	5.0%	
Other:	6.6%	
A5. Age		
Below 30:	37.0%	
30-39	43.6%	
40-49:	16.6%	
50-59	2.5%	
60 and above	0.3%	
A6. Work in Hong Kong social welfare sector for		9.54 (6.29)
Less than 12 (after 2001):	65.2%	
12 and above:	34.8%	
A7. No. of NGO served since 2001		

1-3:	81.8%
4-11:	17.9%

A8. Serve current agency for		5.60 (5.27)

A9. Employment status

Contract:	70.8%
Permanent position:	27.0%
Part-time:	1.6%

Duration of contract among contract based employee

12m or less:	66.1%
13-24m:	24.8%
More than 24m:	9.1%

A10. No. of serving unit at the same time

1:	78.4%
2:	13.8

A11. Job post

Frontline worker:	69.9%
First line manager:	21.9%
Middle supervisor:	6.3%

A12. Main responsibility

Supervision	123
Administration	163
Direct service	280
Training	76
Others	9

A13.Salary

HK$ 10000 or below:	0.9%
HK$ 10001-30000:	74.6%
HK$ 30001-50000:	21.6%
HK$ 50001-70000:	2.85%

A14. No. of service units of the agency

1-10:	23.5%

11-40:	39.8%	
41 and above:	35.7%	

Notes: N=319

(280), which was followed by administration (163) and supervision (123). Most of them (74.6%) received a salary ranged from 10001-30000 HKD. 23.5% of respondents were working for small NGOs (1-10 units), which was less than medium (11-40 units) (39.8%) and large (more than 40 units) (35.7%).

As shown in Table 6.2, 36.7% or 117 of the respondents did not change job after the Lump Sum Grant came into effect in 2001. For the respondents who changed jobs after 2001, the most common reason was 'to get better pay' (33.5% or 107), followed by 'discontent with atmosphere' (29.5% or 94), lack of sense of gratification (26.6% or 85), and 'to do other jobs' (22.9% or 73).

Table 6.2 The reason for changing jobs after the year 2001

	Frequency	Percentage (%)
No change	117	36.7
Bad relation with manager	61	19.1
Bad relation with colleagues	19	6
Lack of sense of gratification	85	26.6
Discontent with workplace atmosphere	94	29.5
To do other jobs	73	22.9
Get promotion	59	18.5
To get better pay	107	33.5
Family reason	12	3.8
Personal reason	29	9.1

Further study	28	8.8
End of contract	36	11.3
Other	15	4.7

Notes: N=319

6.2 RELIABILITY AND VALIDITY AND FACTOR ANALYSIS

6.2.1 Management Initiative Scale

This part is to investigate how social welfare NGOs in Hong Kong carried out managerialism reform. The Cronbach's alpha of overall scale was 0.692. If item C8 'Professional welfare services provided by staff who are not registered social workers' was deleted, the Cronbach's alpha could be 0.723. But given that it was an important measurement of NGOs' human resource management strategy, the item was kept for factor analysis.

In exploratory factor analysis, all 20 items fell into five factors. It was slightly different from the original design of this section with three dimensions of agency management strategy, namely value for money, accountability, and customer service. After confirmatory factor analysis, all of the items collapsed into four factors (Table 6.3). All of the factor loadings were above 0.4.

Based on the result of factor loading, there are four dimensions of these agency management initiatives, naming value for money (items: C1, C2, C3, C4, C8, C11, C12, C13), accountability (items: C5, C14, C15, C17, C18), customer service (items: C6, C7, C9, C16) and branding (items: C10, C19, C20).

Table 6.3 Factor analysis of agency management strategy

Rotated Component Matrix[a]

	Component			
	1	2	3	4
C13	.674	.092	.023	-.193
C2	.659	.106	.052	-.057
C1	.631	.013	.137	.072
C12	.626	-.165	-.068	.298
C3	.611	-.198	-.150	.330
C4	.558	.058	-.177	.307
C11	.541	-.073	.015	.357
C8	-.478	-.042	.208	.053
C15	-.122	.737	.058	.038
C17	-.121	.692	.089	.041
C18	.056	.631	.134	-.089
C14	.092	.628	.180	.102
C5	.166	.532	.140	.179
C6	.043	.170	.799	-.038
C7	-.015	.114	.779	.077
C9	-.076	.335	.550	.069
C16	-.133	.101	.526	.239
C19	.054	.014	.046	.785
C20	.030	.133	.097	.724
C10	.122	.076	.128	.405

Notes: a. Rotation converged in 5 iterations

6.2.2 Work Life Scale

The first part is about social worker's work life and work content under managerial Lump Sum Grant. The whole scale possessed Cronbach's alpha of 0.671. If item B4 'Increasing service needs' was deleted, the value of Cronbach's alpha increased to 0.716. It was a satisfactory value. Then, if item B17 'Worry of losing current job' was deleted, there was a very slight improvement of 0.001 (from 0.716 to 0.717).

In the original design, the scale composed of three factors, namely work content (B2-B9), work condition (B10-B16) and job security (B17). In the exploratory factor analysis, all 15 items (B4 deleted) fell under four factors. All of these factor loadings were above 0.4. However, given some items not directly related to managerialism, items B2 'Need to undertake tasks not relevant to direct services', and B14 'Compensation for overtime work' were deleted. Then, the remaining 13 items were collapsed into four factors (see Table 6.4). All of the factor loadings were above 0.4. These new factors were labeled as follows:

1. Work challenge: B3, B6, B7, B8, B9, B12,

2. Work condition: B10, B11, B13

3. Agency support: B5, B15, B16

4. Job security: B17

Table 6.4 Factor analysis of social workers' work life

Rotated Component Matrix[a]

	Component			
	1	2	3	4
B12	.694	.073	.147	-.050
B3	.686	-.009	.233	-.199
B7	.674	-.060	.004	.132
B9	.631	-.017	-.016	.077
B6	.581	.068	-.272	.305
B8	.425	.412	-.100	-.074
B10	-.042	.831	.075	-.109
B13	.114	.735	.111	.154
B11	-.062	.715	.251	.071
B5	.094	.163	.768	-.076
B15	.081	.022	.734	.129
B16	-.107	.419	.595	.117
B17	.068	.062	.133	.899

Notes: a. Rotation converged in 5 iterations

6.2.3 Professionalism Scale

This scale was developed to measure professionalism of social workers under managerial reform. Reliability analysis showed satisfactory internal consistency with Cronbach's alpha of 0.768. If the item E2 'need to consult the

opinions of agency managers, funding bodies and community organizations when making service plans' and item E5 'organizing activities which were not accounted in FSA' were deleted, the value of Cronbach's alpha would increase to 0.785 and 0.783 respectively. Given that management strategy was not the only factor affecting these two dimensions, these two items were deleted. The overall internal reliability increased to 0.8.

In the exploratory factor analysis, the remaining 15 items fell into four factors, which was different from the original design with three dimensions, namely autonomy, professional and managerialism, and role of social worker. Confirmatory factor analysis was conducted to examine further. In the confirmatory factor analysis, items collapsed into three factors (Table 6.5). All of the factor loadings were above 0.4.

These three dimensions of social worker's professionalism are ordered as three stages ranging from social worker's own job in service delivery to conducting negotiation with managers and policy advocacy inside and outside the agencies (Brunnetto 2002; Doel 2012; Elston 1991).

To describe social workers' negotiations with managers on agency operation, the concept of "voice" was borrowed from Hirschman's (1970) analysis in "*Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States*". In fact, for social workers, "exit" refers to leaving the agency or welfare job, while "loyalty" means their commitments to the agency or profession of social work.

Thus, these three factors concerned with social workers' professionalism in

Hong Kong subvented social welfare NGOs were named as:

1. Social worker's autonomy: E1, E3 (recode), E4 (recode), E6 (recode), E7 (recode), E11 (recode), E12 (recode), E16 (recode)

2. Social worker's voice within NGOs: E10, E14, E15, E17

3. Social worker's role as advocate: E8, E9, E13

Table 6.5 Factor analysis of professionalism

Rotated Component Matrix[a]

	Component		
	1	2	3
E6	.790	.023	.293
E11	.745	.108	.191
E12	.615	-.059	.266
E7	.615	-.079	.407
E4	.604	.022	-.128
E3	.544	.322	-.335
E1	.540	.015	.114
E16	.512	-.097	.234
E9	.069	.853	.084
E8	.037	.822	.100
E13	-.173	.602	.246
E15	.070	.205	.769
E14	.135	.355	.628
E17	.300	.354	.577
E10	.227	-.026	.467

Notes: a. Rotation converged in 7 iterations

6.2.4 Intended Outcomes Scale

There were 5 items to measure the achievement of two dimensions of intended outcomes based on a thorough review of policy documents. Reliability analysis showed acceptable internal consistency with Cronbach's alpha of 0.673. Exploratory factor analysis indicated that the 5 items fell into two factors. All of the factor loadings were above 0.4. The result was consistent with the original design.

Thus, these two factors concerned with intended outcome in Hong Kong subvented social welfare NGOs were named as:

1. Resource use: F1, F2, F3

2. Management enhancement: F4, F5

Table 6.6 Factor analysis of intended policy outcomes

Rotated Component Matrix[a]

	Component	
	1	2
F1	.804	.181
F2	.866	.022
F3	.484	.450
F4	.108	.795
F5	.106	.843

Notes: a. Rotation converged in 3 iterations

The overall reliability of these scales was listed in Table 6.7. And based on the results of factor analysis, a revised conceptual framework was presented in Figure 6.1.

Table 6.7 Reliability of scales

Scale	Cronbach's Alphas	No. of items
Management initiative	0.692	20
Social workers' work life	0.671	16
Professionalism	0.768	17
Intended outcomes	0.673	5

Figure 6.1 Revised conceptual framework
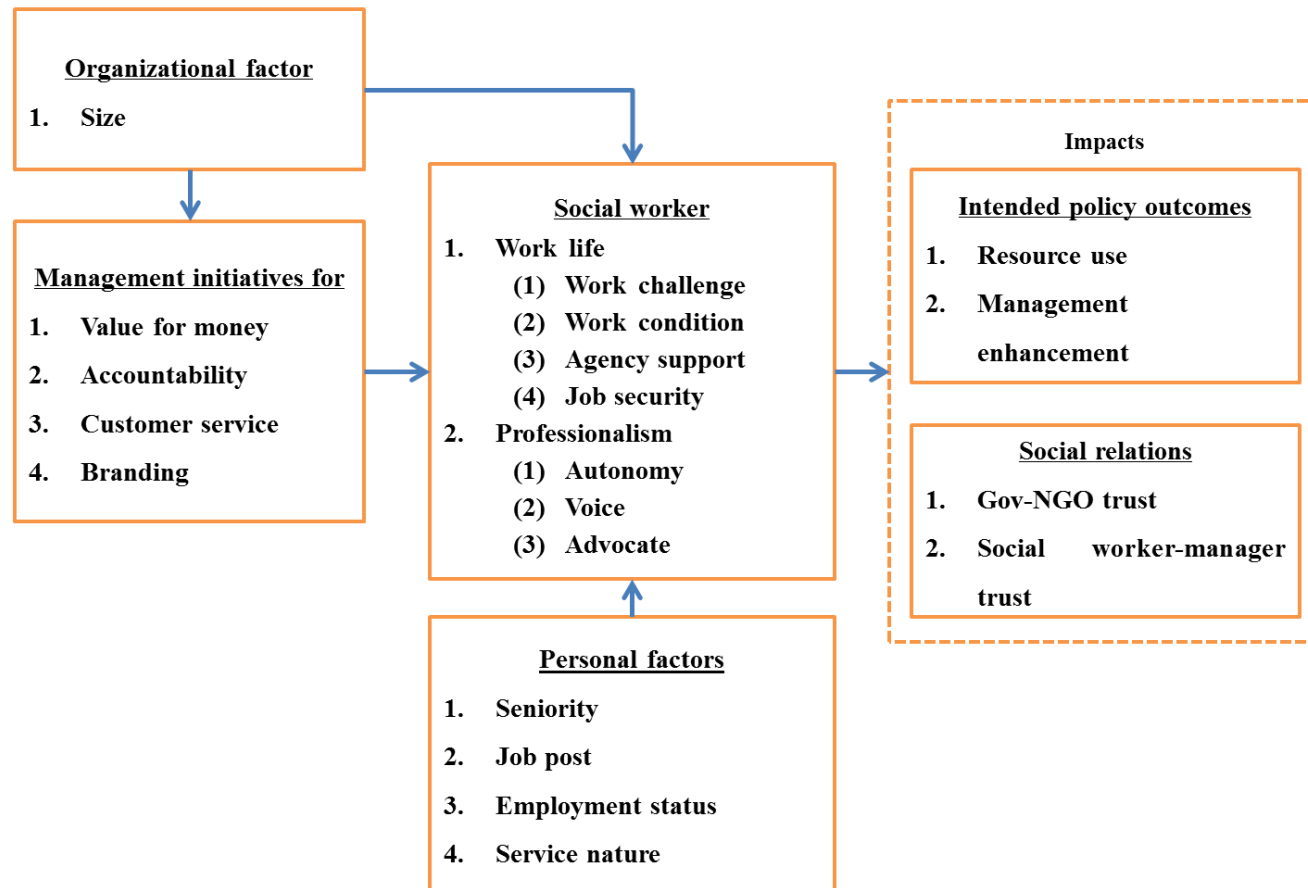
6.3 DESCRIPTIVE ANALYSIS OF MAIN VARIABLES

6.3.1 Impacts

6.3.1.1 Policy outcomes

As shown in Table 6.7, among five policy goals of the Lump Sum Grant, 'Agency achieves customer-centred services' was the most common goal to be achieved (M=2.49, SD=.709), coming close to the mid-point, followed by 'Agency has sufficient resources for achieving missions' (M=2.34, SD=.714). 'SQS holds agency transparent and accountable' was the dimension with the least progress (M=2.3, SD=.755). 13.5% of respondents considered Servie Quality Standards 'never' enhance organizational accountability and transparency. On average, on a scale of 1 to 4 with 1 indicating "never happen" and 4 indicating "always", the average scores ranged from 2.30 (transparency and accountability) to 2.49 (customer-centred services). All of the scores were lower than the mid-point of the scale (2.5), and therefore indicating a general low achievement of the reform goals.

Table 6.8 Achievement of Policy Outcomes

	Never %	Occasionally %	Often %	Always %	Mean (SD)
Sufficient resources to fulfill missions	8.8	53.3	32.3	5.3	2.34 (.714)
Use resources flexibly	11.6	50.8	31	6.3	2.32 (.76)
Make service innovation	9.7	54.9	30.1	5	2.31 (.714)
Hold transparent and accountable	13.5	47.3	34.2	4.4	2.3 (.755)
Achieve customer-centred services	7.5	40.4	46.7	5	2.49 (.709)

6.3.1.2 Mutual trust

This section highlighted the descriptive findings of the mutual trust under Lump Sum Grant. As seen from the Table 6.9, the patterns of mutual trust between social worker and management (M=2.15, SD=.719), and between government and NGO (M=2.15, SD=.714) were similar and close to 'occasionally'. Between social worker and manager, 53.5% of respondents thought the trust 'occasionally' exists. It was much higher than 'often' (26.3%). And even 16.9% of respondents said this trust never exists. Between government and NGO, the ratio of 'occasionally' was 53.9%, while the cases of

'never' and 'often' were 16.3% and 26.3% respectively. Overall, two sets of trust relations were on the mid-and-low side.

Table 6.9 Means and standard deviation of mutual trust

	Never %	Occasionally %	Often %	Always %	Mean (SD)
You and agency managers trust each other	16.9	53.6	26.3	2.5	2.15 (.719)
Agency and government trust each other	16.3	53.9	26.3	2.5	2.15 (.714)

6.3.2 Work Life

This section highlights assessed the frequency of work challenge, work condition, agency support and job security in social workers' work life under Lump Sum Grant.

6.3.2.1 Work challenge

As presented in Table 6.10, "a large amount of paperwork" (M=3.24, SD=.705) and "widen scope of service" (M=2.96, SD=.7) were two major sources of work challenge. Challenges due to service users' complain was the least (M=2.05, SD=.692). More than two-thirds of respondents expressed that they only "occasionally" encountered this situation, although service users' power was empowered by the Service Quality Standards. Overall, the level of

work challenge (M=2.70, SD=.46) was above the median of 2.5. It was on the

mid-and-high side.

Table 6.10 Mean and Standard Deviation of "work challenge"

	Never %	Occasionally %	Often %	Always %	Mean (SD)
Overtime work	2.5	37.9	38.2	21.3	2.78 (.805)
Service users with complex needs	1.3	38.6	48.9	11.3	2.7 (.679)
A large amount of paperwork	0.3	14.7	45.5	38.9	3.24 (.705)
Service users' complaints	16.9	66.1	12.2	4.7	2.05 (.692)
Widen scope of service	1.3	22.9	54.5	21	2.96 (.7)
Physical and mental strains caused by work	9.4	44.5	32.3	13.8	2.5 (.846)
Item means					2.70 (.46)

6.3.2.2 Work condition

Work condition (M=2.42, SD=.81) was modest. The values of standard

deviation of all three items ranged from 0.925 to 1.107. These indicated the

data widely spread. The work condition varied across the sector.

Table 6.11 Mean and standard deviation of "work condition"

	Never %	Occasionally %	Often %	Always %	Mean (SD)
Salary linked with the Master Pay Scale	27.9	24.5	26.3	21	2.41 (1.107)
Regular pay rise and promotion	10.7	37.9	31.3	20.1	2.61 (.925)
Pay and post match with seniority and education background	27.9	33.5	25.4	12.9	2.23 (1)
Item means					2.42 (.81)

6.3.2.3 Agency support

Nearly half of the respondents expressed they "occasionally" get the agency support in three different forms. Professional support in the forms of supervision and professional development were more common than performance incentive. "Bonus for outstanding performance" was in particularly rare (M=1.84, SD=.772).

Table 6.12 Mean and Standard Deviation of "agency support"

	Never %	Occasionally %	Often %	Always %	Mean (SD)
Agency provides support (eg. supervision) when you are facing difficulities	5	49.2	41.1	4.7	2.45 (.666)
Bonus for outsanding performance	35.7	47.3	13.5	3.1	1.84 (.772)
Agency offers opportunities for professional skill enhancement	3.8	46.1	39.5	10.3	2.57 (.728)
Item means					2.28 (.54)

6.3.2.4 Job security

The present study found social workers' sense of job security is not so nervous as expectation. The average level of frequency of worry losing current job was 1.84 (SD=.823) on a 1-4 scale. After recoding, the mean score of job security was 3.16. However, when respondents "never" worry about unemployment was excluded, 61.7% of respondents still mentioned they have worried about 'losing current job' in the past two years to different degree.

Table 6.13 Mean and Standard Deviation of "job security"

	Never %	Occasionally %	Often %	Always %	Mean (SD) after Recode
Worry of losing current job	38.2	44.8	11.9	5	
Item mean					3.16(.823)

6.3.3 Management Initiative

6.3.3.1 Value for money

More than 60% of respondents in the survey expressed that professional welfare services were delivered by non-registered social workers. Though most of this happened 'occasionally' (41.1%), it suggests the shortage of professional manpower.

'Do more with less' is the exact meaning of value for money. The overwhelming majority of respondents has experienced this management initiative. Moreover, the mean of the frequency (M=3.01, SD=0.86) was high since 'often' (38.6%) and 'always' (33.2%). It showed it's a common phenomenon in Hong Kong welfare sector.

Regarding the term of the employment contract, the data suggested most of the contract duration is as long as the duration of a project at least. It might explain why social workers feel a higher level of job security as they know when the end of the current employment is.

The values of standard deviation of "bidding for government's contract" (M=2.25, SD=.961) and "agency encourages or requires social workers to produce more service output than that specified in FSA" (M=2.52, SD=1.024) were higher than other items in this scale. The data reflected a large variation across the sector.

Table 6.14 Means and standard deviations of value for money initiative

	Never %	Occasionally %	Often %	Always %	Mean (SD)
Bidding for government's contracts	24.8	37.6	25.4	11.9	2.25 (.961)
Application to various foundations for project fundings	6.9	29.8	42.9	20.1	2.76 (.851)
Put more emphasis on management goals than social work's professionl values in service delivery	3.4	30.4	43.3	22.6	2.85 (.806)
Invest more resources into profitable projects	21.9	42.3	27	8.8	2.23 (.89)
Professional welfare services provided by staff who are not registered social workers	36.1	41.1	18.2	4.7	1.92 (0.852)
Agency encourages or requires social workers to produce more service output than that specified in FSA	18.8	31.3	28.8	21	2.52 (1.024)
Agency requires to do more with less	4.1	24.1	38.6	33.2	3.01 (0.86)
Duration of employment contrat is less than the duration of project	53	29.5	9.4	7.8	1.72 (0.93)
Overall					2.41 (.55)

6.3.3.2 Accountability

Here examines the frequency of accountability initiatives in NGOs. The initiatives were mainly about managerial accountability to both service users and NGO employees.

Though, to a different degree, NGOs have taken initiative to enhance accountability, all the mean scores of five items were below 2.5. The overall mean was only 1.9. The level of accountability was low.

Table 6.15 Means and standard deviations of accountability initiatives

	Never %	Occasionally %	Often %	Always %	Mean (SD)
Announce future service development plan to service users	21.9	49.8	24.5	3.4	2.09 (.772)
Staff engages in the formulation of agency development strategies	22.3	49.2	24.5	4.1	2.1 (.788)
Staff has a say on the affairs related to themselves	36.1	49.8	12.2	1.9	1.8 (.721)
Agency consults staff before submission of comments to government	40.4	43.9	13.2	1.9	1.76 (.749)
Service users involve in agency management	46.1	38.6	12.5	2.8	1.72 (.789)
Overall					1.90 (.51)

6.3.3.3 Customer service

Regarding customer service, among four items, except "everything follows existing procedures" (Mean=2.47, SD=.69), other three scored slightly higher than the median of 2.5. The results revealed NGOs have taken great effort to serve their users in line with customer service which match the values of social work.

Table 6.16 Means and standard deviations of strategy for customer service

	Never %	Occasionally %	Often %	Always %	Mean (SD)
Convenient service arrangement for users	2.8	21.9	58.9	16.3	2.89 (.696)
Users' needs can be satisfied within a proper time	2.5	30.1	59.6	7.5	2.72 (.635)
Consult and adopt users' opinions on services	4.4	44.2	42	9.4	2.56 (.723)
Everything follows existing procedures	6.3	45.8	42.9	5	2.47 (.69)
Overall					2.66 (.49)

6.3.3.4 Branding

Table 6.17 shows NGOs in Hong Kong welfare sector pay a great deal of emphasis on "brand building and professional image" (M=2.95 SD=.847). Evaluation (M=2.71, SD=.818) was often conducted to show outcomes and to provide information for improvement. However, adoption of fashion skills

could be another approach to build a professional image in Hong Kong. But it was not as common as evaluation (M=2.42, SD=.804).

Table 6.17 Means and standard deviations of strategy for branding

	Never %	Occasionally %	Often %	Always %	Mean (SD)
Encourage and require social workers to adopt fashion skills	11	45.5	34.5	9.1	2.42 (.804)
Emphasis on brand building and professional image	4.1	26	40.4	29.5	2.95 (.847)
Evaluation of service and management	5.3	35.7	41.1	17.9	2.71 (.818)
Overall					2.69 (.58)

6.3.4 Relations with Stakeholders

This part sets out to examine NGOs' relations with multiple stakeholders, including government, other NGOs in developing new service programs and meet emerging needs. The first section is about the actions of agencies.

More than half of respondents (51.4%) said their service units 'never' neglect the emerging service needs. More or less, they tried to generate resources to develop some services to meet the new needs. Pioneering project supported by trust funds (M=2.39, SD=.871), fund raising (M=2.21, SD=.937) and application for regional bodies' funding (M=2.09, SD=.794) were three main approaches for resource generation. Advocacy activities, such as policy

advice (M=1.84, SD=.0739) and mobilizing social movement (M=1.63, SD=.72) were seldom used. Their agencies rarely used surplus (M=1.72, SD=.694) to develop a new service program as well. To sum up, NGOs tended to seek external financial resources for service development.

Table 6.18 Means and standard deviations of strategy for service development

When facing new service needs in the community,	Never %	Occasionally %	Often %	Always %	Mean (SD)
Policy advocacy to make government accountable	34.2	47.3	15.7	1.6	1.84 (.0739)
Application for funding from regional bodies like district councils community	24.1	44.5	27.6	2.8	2.09 (.794)
Carry out pioneering project with support from trust funds	16.9	35.4	37.9	8.8	2.39 (.871)
Fundraising for service provision	26.6	33.2	30.7	8.5	2.21 (.937)
Using agency surplus	41.1	44.5	12.9	0.3	1.72 (.694)
Mobilizing people to fight for their own rights	49.2	38.2	10.3	1.3	1.63 (.72)
No new service	51.4	37.3	6.9	3.1	1.61 (.754)

These actions will impact on the relations with other stakeholders. The mean frequency of collaborative advocacy was 1.86 (SD=.839), much less than 2.5. The frequency of collaboration in service delivery and competition in resource was moderate, M=2.35 (SD=.795) and M=2.34 (SD=.927) respectively. 92.4% of respondents have the experience of successful application for project fund. The ratio of 'occasionally' (44.8%) was nearly equal to the sum of 'often' (35.1%) and 'always' (12.5%). The data suggests the opportunity for successful application is not equal distribution among social welfare sector.

Table 6.19 Means and standard deviations of relations with stakeholders

When facing new service needs in the community,	Never %	Occasionally %	Often %	Always %	Mean (SD)
Collaborate with other NGOs for policy advocacy	38.6	40.8	15.7	4.4	1.86 (.839)
Collaboration with other NGOs in service delivery	11.9	49.2	30.1	8.2	2.35 (.795)
Compete financial or human resources with other NGOs	20.4	35.4	32.6	11	2.34 (.927)
Successful application for project fundings	6.9	44.8	35.1	12.5	2.54 (.801)
The new project increases resources of service units	11.6	48.6	29.5	9.1	2.37 (.808)
The new project increases my workload	5.6	21.9	42.3	29.2	2.96 (.863)

From the respondents' view, the new resources brought by new project fundings were rather limited (M=2.37, SD=.808). However, increasing workload (M=2.96, SD=.863) follows. 71.55 of respondents said the new project 'often' (42.3%) or 'always' (29.2%) increases their workload.

6.3.5 Professionalism

6.3.5.1 Social worker's autonomy

Over half of respondents (54.5%) could 'often' decide service content and skills independently, while 45.5% thought 'occasionally' there was decrease of professional autonomy. "confronting conflicts between professional and managerial goals" was common in the field (occasionally 42% and often 36.4%, M=2.65, SD=.808). And the power of management without regulation was not a rare case in Hong Kong. Though 41.4% of respondents said it happens 'occasionally', 22.6% and 15% of respondents have experienced the situation 'often' and even 'always' respectively.

Under this circumstance, the frequency of 'doesn't adopt high risk skills to avoid accidents' (M=2.81, SD=.804) and 'worry about not reaching service output standard' (M=2.54, SD=.939) was higher than 2.5. Similarly, 54.2% of respondent "occasionally" compromised social work's professional spirits, while 23.3% said they never give up.

Table 6.20 Means and standard deviations of social workers' autonomy

	Never %	Occasionally %	Often %	Always %	Mean (SD)	Mean (SD) recode
Decide service content and skills independently	4.4	32	54.5	8.5	2.68 (.692)	
Don't adopt high risk skills to avoid accidents	4.4	29.8	45.1	20.1	2.81	2.19 (.804)
Worry about not reaching service output standard	13.5	36.7	31.3	17.9	2.54	2.46 (.939)
Decrease of social workers' professional autonomy	8.2	45.5	32.6	12.9	2.51	2.49 (.822)
Confronting conflicts between professional and managerial	4.7	42	36.4	16.3	2.65	2.35 (.808)
Compromise social work's professional spirits	23.2	54.2	16.6	5.6	2.05	2.95 (.791)
Services function as control rather than care	17.2	46.7	26.3	9.4	2.28	2.72 (.859)
No regulation on power of management	20.4	41.4	22.6	15	2.32	2.68 (.967)
Overall						2.56 (.53)

6.3.5.2 Social worker's voice in organizational issue

51.4% of respondents thought their daily work often is just about the duty of the social work profession. But there were 40.8% of respondents saying only "occasionally" about the duty of the social work profession.

The scores of the other three items were lower than 2.5. 54.2% of respondents occasionally have experienced frontline social workers inform changes in service needs to agency, while the 'often' ration was 30.4%. Similarly, regarding closer collaboration, the ratio of 'occasionally' was 57.1% higher than 25.7% of 'often'. With regards to free expressing different opinion in service units (E17), the ration of occasionally (46.1%) was close to the ratio of often (33.5%).

Table 6.21 Means and standard deviations of social workers' relation with managers

	Never %	Occasionally %	Often %	Always %	Mean (SD)
Daily work is just about duty of the social work profession	1.9	40.8	51.4	5.6	2.61 (.625)
Frontline can inform changes in service needs to the agency	13.2	54.2	30.4	1.9	2.21 (.685)
Closer collaboration between social worker and management	15.7	57.1	25.7	1.3	2.13 (.672)
Freely express different opinions on the affairs of the service unit	16.3	46.1	33.5	3.8	2.25 (.769)
Overall					2.3 (.49)

6.3.5.3 Social worker's role as advocate

According to survey data, the frequency of social worker serving as an advocate was extremely low. For service users' benefits, 50.2% of respondents occasionally organized advocacy activities, while 36.7% of respondents never did so. Participation in policy making process (M=1.61, SD=.724) and organizing social workers (M=1.46, SD=.667) were extremely low. 51.4% and 62.7% of respondents said they never participate in these activities respectively.

Table 6.22 Means and standard deviations of social workers' role as advocate

	Never %	Occasionally %	Often %	Always %	Mean (SD)
Advocacy for social problems related to service users	36.7	50.2	11.6	0.9	1.77 (.686)
Participation in policy making process	51.4	37	9.4	1.6	1.61 (.724)
Participation in organizing social workers (eg. staff union)	62.7	29.8	6	1.3	1.46 (.667)
Overall					1.61 (.56)

6.4 CORREALATION AMONG SOCIAL WORKERS' WORK LIFE, AGENCY MANAGEMENT STRATEGIES, PROFESSIONALISM AND POLICY OUTCOMES

A correlation analysis was conducted to examine the relations among main variables in this study. These variables include two dependent variables of intended policy outcomes and trust relations; one main predictor, agency management initiative; and two mediator social workers' work life and professionalism. And agency size was used as a control variable in this correlational analysis. The result of correlation analysis among main variables is presented in Table 6.23 and 6.24.

First, most of the correlations between social workers' work life and professionalism were significantly positive, except those of work challenge which are -.374 (p<0.001) to -.250 (p<0.001) (Table 6.23). The positive correlation coefficients ranged from .119 (p<0.05) to .423 (p<0.001). Moreover, the associations among agency management initiative and social workers' work life and professionalism were diverse. Strategies of value for money were the most significant variable associated with social workers' work life and professionalism. These strategies were negatively correlated with autonomy (r=-.619, p<0.001) and voice (r=-.250, p<0.001), as well as work condition (r=-.169, p<0.001), agency support (r=-.180, p<0.01) and job security (r=-.239, p<0.001). And it was also positively associated with work challenge (r=.391, p<0.001). Accountability strategies were positively associated with professionalism. The correlation coefficients were .242 (autonomy), .504

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(voice), and .416 (advocacy) (p<0.001). There were also significantly positive associations between accountability and two dimensions of social workers' work life, namely work condition (r=.244, p<0.001) and agency support (r=.397, p<0.001). Similarly, customer service strategies positively correlated with all dimensions of professionalism, as well as work condition and agency support of social workers' work life. Strategies of branding were less strong correlations with professionalism and social workers' work life. They were only negatively correlated with autonomy (r=-.165, p<0.01) but positively associated with agency support (r=.169, p<0.01).

Second, different dimensions of agency management strategies had different associations with policy outcomes (Table 6.24). The initiatives of value for money were negatively correlated with the degree of resource sufficiency (r=-.147, p<0.05), transparence and accountability (r=-.178, p<0.01) and customer-centred services (r=-.261, p<0.001). These strategies also had negative associations with trust between social worker and management (r=-.277, p<0.001), and trust between government and agency (r=-.175, p<0.01). The strategies of accountability were positively correlated with all policy outcomes and two types of trust, except in the dimension of sufficient resources to fulfill organizational missions. Similarly, strategies of customer service were positively associated with all policy outcomes. But these strategies merely had a positive association with trust between social work and management (r=.288, p<0.001). Moreover, strategies of branding were positively correlated with all policy outcomes except customer-centred services. And branding was not

significantly associated with any trust relations.

Third, except work challenge, the other three dimensions of social workers' work life had the positive associations with policy outcomes and two sets of trust to varying degrees (Table 6.24). The results suggested there is a struggle between social workers' work life and intended outcomes of managerial Lump Sum Grant. Comparatively, most of the correlations between social workers' professionalism and policy outcomes and two types of trust were significantly positive.

In a conclusion, except work challenge, most of the effects of social workers' work life and professionalism on intended policy outcomes and trust relations were in the same directions under managerial Lump Sum Grant subvention system in Hong Kong.

Table 6.23 Correlations among agency management initiatives, social workers' work life and professionalism

Control: agency size

	Professionalism			Social workers' work life			
	Autonomy	Voice	Advocacy	Work challenge	Work condition	Agency support	Job security
Work challenge	**-.374**[***]	**-.250**[***]	.019				
Work condition	**.254**[***]	**.285**[***]	**.119**[*]				
Agency support	**.310**[***]	**.423**[***]	**.139**[*]				
Job security	**.302**[***]	.053	-.046				
Value for money	**-.619**[***]	**-.250**[***]	.101	**.391**[***]	**-.169**[***]	**-.180**[**]	**-.239**[***]
Accountability	**.242**[***]	**.504**[***]	**.416**[***]	-.076	**.266**[***]	**.322**[***]	-.011
Customer service	**.248**[***]	**.432**[***]	**.136**[*]	-.1116	**.244**[***]	**.397**[***]	-.012
Branding	**-.165**[**]	-.023	-.026	.067	.056	**.169**[**]	-.014

Notes: N=319

*. Correlation is significant at the 0.05 level (2-tailed).
**. Correlation is significant at the 0.01 level (2-tailed).
***. Correlation is significant at the 0.001 level (2-tailed).

Table 6.24 Correlation among main variables

Control: agency size

	Policy outcomes						
	Sufficient resources for achieving missions	Use resources flexibly	Make service innovation	Hold transparent and accountable	Achieve customer-centred services	You and agency managers trust each other	Agency and government trust each other
Work challenge	-.150[*]	-.114[*]	-.018	-.153[**]	-.118[*]	-.183[**]	-.207[***]
Work condition	.099	.114[*]	.139[**]	.178[**]	.108	.295[***]	.201[***]
Agency support	.101[**]	.205[***]	.160[**]	.335[***]	.284[***]	.411[***]	.182[**]
Job security	.089	.120[*]	-.014	.082	.036	.109	.100
Value for money	-.147[*]	-.057	.079	-.178[**]	-.261[***]	-.277[***]	-.175[**]
Accountability	.037	.158[**]	.310[***]	.286[***]	.337[***]	.430[***]	.258[***]
Customer service	.128[*]	.154[**]	.219[***]	.315[***]	.377[***]	.288[***]	.092
Branding	.161[**]	.118[*]	.205[**]	.167[**]	-.066	-.007	-.048
Autonomy	.208[***]	.171[**]	.147[*]	.260[***]	.416[***]	.441[***]	.212[***]
Voice	.176[**]	.238[***]	.285[***]	.313[***]	.436[***]	.612[***]	.342[***]
Advocacy	.049	.112	.279[***]	.090	.146[*]	.268[***]	.172[**]

Notes: N=319

    *. Correlation is significant at the 0.05 level (2-tailed).

    **. Correlation is significant at the 0.01 level (2-tailed).

    ***. Correlation is significant at the 0.001 level (2-tailed).

6.5 DIFFERENCES DUE TO AGENCY SIZE

Agency size is a structural factor at the organizational level. It may affect NGOs' management initiatives and generate subsequent impacts on other factors. Thus, this section investigates the correlations between agency size and other main variables.

6.5.5.1 Correlation between agency size and management initiatives

Correlation analysis revealed that agency size was positively correlated with branding strategy significantly (r=.146, p<0.01) (see Table 6.25). Large NGOs could carry out more branding activities which may broaden revenue sources.

Besides, initiatives for value for money, accountability and customer service, were positively associated with branding as well. The correlation coefficients of these three were .271 (p<0.01), .179 (p<0.01) and .227 (p<0.01) respectively. Moreover, there was a significant association between accountability and customer service (r=.421, p<0.01).

Table 6.25 Correlation between agency size and management initiatives

		1	2	3	4
1	Agency size	-	-	-	-
2	Value for money	-.087			
3	Accountability	.078	.006		
4	Customer service	.044	-.098	.421[**]	
5	Branding	.146[**]	.271[**]	.179[**]	.227[**]

Notes: N=319
*. Correlation is significant at the 0.05 level (2-tailed).
**. Correlation is significant at the 0.01 level (2-tailed).

6.5.5.2 Correlation between agency size and work life

Agency size is positively correlated with all of four dimensions of work life: work challenge (r=.112, p<0.05), work condition (r=.287, p<0.01), agency support (r=.212, p<0.01), and job security (r=.205, p<0.01). These findings indicated that, despite more work challenge in large NGOs, they can provide more favorable work condition, better agency support and higher job security.

Among all the elements of social workers' work life, work challenge merely has a significant negative association with job security (r=-.117, p<0.05). Moreover, work condition, agency support and job security were positively correlated with each other (see Table 6.26). The correlation coefficient of work condition and agency support was .390 (p<0.01), which was stronger than the correlation coefficient of work condition and job security (r=.119, p<0.05).

Finally, agency support and job security were positively correlated. The correlation coefficient was .152 (p<0.01).

Table 6.26 Correlations between agency size and social workers' work life

		1	2	3	4
1	Agency size	-	-	-	-
2	Work challenge	**.112**[*]			
3	Work condition	**.287**[**]	-.108		
4	Agency support	**.212**[**]	-.085	**.390**[**]	
5	Job security	**.205**[**]	**-.117**[*]	**.119**[*]	**.152**[**]

Notes: N=319
*. Correlation is significant at the 0.05 level (2-tailed).
**. Correlation is significant at the 0.01 level (2-tailed).

6.5.5.3 Correlations between agency size and professionalism

Correlation analysis indicated that there was not significant associations between agency size and any aspects of social workers' professionalism. Moreover, autonomy and advocacy of social workers were significantly and positively associated with their relationship with the managers. The correlation coefficients were .419 (p<0.01) and .378 (p<0.01). The results indicated that social worker with higher frequency of professional practice also has more chance to voice out.

Table 6.27 Correlations between agency size and professionalism

		1	2	3
1	Agency size	-		
2	Autonomy	.027	-	
3	Voice	.052	**.419**[**]	-
4	Advocacy	.046	.066	**.378**[**]

Notes: N=319
  *. Correlation is significant at the 0.05 level (2-tailed).
  **. Correlation is significant at the 0.01 level (2-tailed).

6.5.5.4 Correlations between agency size and intended policy outcomes

There were significant correlations between NGO's size with respect to the frequencies of "be able to use resource flexibly" ($r=.221$, <0.01), followed by "sufficient resources for achieving missions" ($r=.184$, $p<0.01$), and "makes service innovation" ($r=.124$, <0.05).

On the other hand, agency size had no significant association with 'holds agency transparent and accountable' and 'achieve customer-centred services'. The correlation analysis revealed that policy outcomes concerned with resources were positively correlated with agency size, while policy outcomes concerned with management enhancement were independent of agency size.

The correlation analysis also revealed that there were positive associations among the five dimensions of policy outcomes ($p<0.01$). These significant associations suggested mutual reinforcement among the goals of subvention reform.

Table 6.28 Correlations between agency size and intended outcomes

		1	2	3	4	5
1	Agency size	-				
2	Sufficient resources for achieving missions	.184[**]				
3	Use resources flexibly	.221[**]	.494[**]			
4	Make service innovation	.124[*]	.302[**]	.302[**]		
5	Hold transparent and accountable	.061	.246[**]	.182[**]	.230[**]	
6	Achieve customer-centred services	.011	.250[**]	.150[**]	.337[**]	.435[**]

Notes: N=319
  *. Correlation is significant at the 0.05 level (2-tailed).
  **. Correlation is significant at the 0.01 level (2-tailed).

6.5.5.5 Correlations between agency size and trust relations

Agency size did not significantly associate with any set of trust relations. Though large NGOs scored highest in both two types of trust (2.23 for trust between social worker and manager, and 2.21 for trust between government and NGOs), the differences among different size of NGOs didn't reach a significant level.

Two sets of trust relations were highly associated with each other (r=.537, p<0.01). It suggested they might share some same predictors.

Table 6.29 Correlations between agency size and trust relations

		1	2
1	Agency size	-	
2	You and agency managers trust each other	.069	
3	Agency and government trust each other	.057	**.537**[**]

Notes: N=319
   *. Correlation is significant at the 0.05 level (2-tailed).
   **. Correlation is significant at the 0.01 level (2-tailed).

6.6 REGRESSION ANALYSIS

6.6.1 Predictors on Social Workers' Professionalism

This section conducted the regression analysis to verify the factors affecting the social workers' professionalism. Tables 6.30-6.32 shows the effects of background factors, social workers' work life and agency managerial initiatives on social worker professionalism. In Table 6.30, the R^2 statistic is 0.065 for the model of background factors, 0.306 for the model with background factors and social worker's work life factors, and 0.530 for the model with all variables. There were much of changes. Based on the small observed significance level of F value, the study drew a conclusion that adding social worker's work life and agency managerial initiatives change the population value for R^2. A total of six predictors was found. Apart from personal factors of service nature and seniority in terms of total years in Hong Kong welfare sector, another four predictors included positive predictors of job

security and accountability initiatives, and adverse predictors of work challenge and value for money initiatives.

In Table 6.31, R^2 statistic is 0.039 for the model with background variables, 0.295 for the model with all social workers' work life variables, and 0.467 after adding management initiatives factors. There was much improvement among model 1, model 2 and model 3. Both social workers' work life and management initiatives added much to the previous model. The predictors included work challenge and agency support of work life, and accountability, customer service and branding from management initiatives. Among these five predictors on social workers' voice, work challenge and branding were adverse predictors, while the other three factors were positive predictors.

In Table 6.32, R^2 statistic changes much from 0.082 (model 1), to 0.116 (model 2) and 0.261 (model 3). Meanwhile, changes of the F value between model 1 and model 2, and model 2 and model 3 were significant. Factors of accountability and branding were main predictors on social workers' advocate role. They predicted the advocate role from the opposite direction. While accountability rose with the frequency of advocate role, more branding initiative would result in a lower level of advocate role.

Table 6.30 Hierarchical multiple regression coefficients for social worker's professional autonomy

Predictor	Model 1 B	Model 1 t	Model 2 B	Model 2 t	Model 3 B	Model 3 t
Gender	.062	.873	.025	.395	.003	.052
Education	.002	.050	.017	.429	.000	-.003
Service nature	.106	1.543	.070	1.151	.106*	2.098
Age	-.174*	-2.111	-.148*	-2.050	-.112	-1.864
Length of service in HK welfare	.033**	2.797	.032**	3.101	.023**	2.664
Length of service in the current NGO	-.013	-1.332	-.012	-1.451	-.007	-.903
Employment status	.185*	1.968	.082	.969	.038	.543
Post	.002	.027	.018	.256	-.011	-.185
Size	.014	.315	-.031	-.774	-.038	-1.105
Work challenge			-.358***	-5.655	-.150**	-2.679
Work condition			.082*	2.097	.024	.710
Agency support			.147**	2.485	.054	1.019
Job security			.156***	4.365	.109***	3.616
Value for money					-.473***	-9.310
Accountability					.187***	3.432
Customer service					.079	1.331
Branding					-.051	-1.118
F Change	2.031*		22.644***		30.365***	
R^2	.065		.306		.530	
R^2 Change	.065		.242		.223	
N	314		314		314	

Notes: * $p<0.05$; ** $p<0.01$; *** $p<0.001$

Table 6.31 Hierarchical multiple regression coefficients for social worker's voice

Predictor	Model 1 B	Model 1 t	Model 2 B	Model 2 t	Model 3 B	Model 3 t
Gender	.004	.056	-.023	-.394	-.027	-.523
Education	.019	.476	.043	1.205	.025	.773
Service nature	.120	1.905	.055	1.005	.054	1.118
Age	-.069	-.904	-.031	-.471	-.044	-.758
Length of service in HK welfare	.016	1.476	.011	1.163	.012	1.459
Length of service in the current NGO	-.012	-1.351	-.009	-1.084	-.012	-1.672
Employment status	.113	1.306	.019	.247	.018	.260
Post	.039	.518	.034	.526	-.050	-.870
Size	.034	.848	-.019	-.508	.006	.194
Work challenge			-.250***	-4.318	-.160**	-2.955
Work condition			.091*	2.537	.038	1.174
Agency support			.335***	6.188	.220***	4.299
Job security			-.003	-.104	.003	.115
Value for money					-.081	-1.648
Accountability					.327***	6.242
Customer service					.199***	3.474
Branding					-.152***	-3.424
F Change	1.205		23.888***		20.824***	
R^2	.039		.295		.467	
R^2 Change	.039		.256		.172	
N	314		314		314	

Notes: * $p<0.05$; ** $p<0.01$; *** $p<0.001$

Table 6.32 Hierarchical multiple regression coefficients for social worker's role as advocate

Predictor	Model 1		Model 2		Model 3	
	B	t	B	t	B	t
Gender	-.272***	-3.703	-.278***	-3.751	-.259***	-3.771
Education	-.022	-.476	-.011	-.245	-.014	-.329
Service nature	.070	.994	.041	.574	.024	.365
Age	.029	.345	.044	.523	.024	.306
Length of service in HK welfare	-.006	-.499	-.009	-.732	-.005	-.434
Length of service in the current NGO	.007	.670	.009	.880	.004	.427
Employment status	.124	1.278	.098	.988	.091	.990
Post	.106	1.267	.097	1.170	-.010	-.129
Size	.019	.418	.002	.039	.034	.757
Work challenge			-.050	-.671	-.042	-.576
Work condition			.027	.595	-.009	-.203
Agency support			.166*	2.394	.102	1.480
Job security			-.055	-1.308	-.024	-.599
Value for money					.127	1.910
Accountability					.437***	6.185
Customer service					.014	.187
Branding					-.165**	-2.763
F Change	2.631**		2.554*		12.619***	
R^2	.082		.116		.261	
R^2 Change	.082		.034		.145	
N	314		314		314	

*Notes: * p<0.05; ** p<0.01; *** p<0.001*

6.6.2 Predictors on Intended Policy Outcomes

Table 6.33-6.34 presented the results of regression analysis on the achievement of intended outcomes, namely resource use and management enhancement.

In Table 6.33, R^2 statistic is .052 for the model with background variables (model 1), 0.176 for the model with all social workers' variables of work life and professionalism (model 2), and 0.226 after adding management initiatives (model3). There is a slight change between model 2 and model 3. Management initiatives added little to the previous model. Social workers' autonomy and voice were two main positive predictors. Branding was the only predictor from management initiative variables. Agency size, as expected, generated a positive effect on resource use.

Thus, the following three hypotheses were rejected:

Hypothesis 4-1: Value for money initiative is positively associated with resource use;

Hypothesis 4-2: Accountability initiative is positively associated with resource use;

Hypothesis 4-3: Customer service initiative is positively associated with resource use.

While, Hypothesis 4-7 "Agency size is positively associated with resource use" was proved. Overall, total 22.6% of the variance has been explained by model 3. Other more important predictors on resource use may not be included in the model.

In Table 6.34, R^2 statistic is .054 for the model with background variables (model 1), 0.312 for the model with all social workers' variables of work life and professionalism (model 2), and 0.348 after adding management initiatives (model3). There is a significant improvement between model 1 and model 2, but not much change between model 2 and model 3. Similar to the predicting result on resource use, management initiatives added little to the previous model. Among management initiatives, only customer service factor was responsible for the perceived management enhancement as expected. Hypothesis 4-6 "Customer service initiative is positively associated with management enhancement" was accepted, while Hypothesis 4-4 "Value for money initiative is negatively associated with management enhancement", and Hypothesis 4-5 "Accountability initiative is positively associated with management enhancement" were rejected.

Social workers' autonomy and voice, as well as job post, were three main positive predictors on management enhancement.

Table 6.33 Hierarchical multiple regression coefficients for resource use

Predictor	Model 1		Model 2		Model 3	
	B	*t*	*B*	*t*	*B*	*t*
Service nature	-.006	-.086	-.064	-.959	-.079	-1.198
Length of service in HK welfare	.008	1.221	.006	.931	.004	.692
Employment status	.015	.175	-.040	-.476	-.031	-.378
Post	-.141	-1.704	-.167*	-2.119	-.153	-1.953
Size	.141**	3.146	.119**	2.616	.116**	2.580
Work challenge			-.016	-.214	-.027	-.361
Work condition			.017	.380	.009	.218
Agency support			.052	.732	-.013	-.182
Job security			.014	.343	.015	.356
Autonomy			.093	1.280	.176*	2.093
Voice			.248**	2.899	.251**	2.802
Social worker advocacy			.104	1.670	.098	1.512
Value for money					.076	.971
Accountability					.013	.165
Customer service					.049	.612
Branding					.190**	3.071
F Chang	2.955*		5.626***		4.086**	
R^2	.052		.176		.226	
R^2 Change	.052		.124		.049	
N	314		314		314	

Notes: * $p<0.05$; ** $p<0.01$; *** $p<0.001$

Table 6.34 Hierarchical multiple regression coefficients for management enhancement

Predictor	Model 1		Model 2		Model 3	
	B	t	B	t	B	t
Service nature	.053	.686	-.037	-.544	-.025	-.376
Length of service in HK welfare	.007	.961	.004	.650	.004	.568
Employment status	-.026	-.278	-.118	-1.385	-.118	-1.407
Post	.282**	3.035	.244**	3.025	.220**	2.723
Size	.001	.030	-.013	-.278	-.011	-.243
Work challenge			-.070	-.894	-.057	-.735
Work condition			-.041	-.907	-.062	-1.398
Agency support			.206**	2.835	.141	1.892
Job security			-.018	-.413	-.011	-.263
Autonomy			.279***	3.753	.223**	2.588
Voice			.324***	3.719	.224**	2.448
Social worker advocacy			.003	.041	-.017	-.264
Value for money					-.093	-1.146
Accountability					.155	1.844
Customer service					.183*	2.244
Branding					.049	.770
F Chang	3.063**		13.903***		3.549**	
R^2	.054		.312		.348	
R^2 Change	.054		.258		.036	
N	314		314		314	

Notes: * $p<0.05$; ** $p<0.01$; *** $p<0.001$

6.6.3 Predictors on Trust Relations

Table 6.35-6.36 showed the results of regression analysis on the trust relations between social workers and managers, and between NGOs and the government.

In Table 6.35, R^2 statistic is .010 for the model with background variables (model 1), 0.459 for the model with all social workers' variables of work life and professionalism (model 2), and 0.474 after adding management initiatives (model3). The change between model 1 and model 2 is significant. 45.9% of variance of trust between social workers and managers could be explained by model 2. Adding management initiative factors only slightly improved the model. The change of F value was not significant.

In conclusion, there were four positive predicting factors on trust between social workers and managers. They were agency support, social workers' professional autonomy and voice, as well as accountability initiatives.

For the trust between NGOs and the government, social workers' voice was the only predicting. Some factors, such as work challenge and work condition, as well as accountability and customer service, were marginally significant. However, the model with all variables could only explain 20.4% of the variance.

To sum up, social workers' professionalism, voice in particular, were the main predictors on the trust relations in the welfare sector.

Table 6.35 Hierarchical multiple regression coefficients for trust between social worker and manager

Predictor	Model 1 B	Model 1 t	Model 2 B	Model 2 t	Model 3 B	Model 3 t
Service nature	.031	.340	-.118	-1.698	-.110	-1.578
Length of service in HK welfare	.002	.222	-.004	-.664	-.005	-.710
Employment status	.018	.157	-.085	-.965	-.091	-1.046
Post	.120	1.102	.054	.655	.025	.297
Size	.046	.780	-.018	-.378	-.018	-.389
Work challenge			.083	1.051	.090	1.120
Work condition			.057	1.260	.047	1.023
Agency support			.169*	2.288	.166*	2.168
Job security			-.005	-.113	.000	-.002
Autonomy			.262***	3.453	.240**	2.701
Voice			.692***	7.781	.654***	6.911
SW Advocacy			.080	1.225	.030	.446
Value for money					-.027	-.322
Accountability					.230**	2.650
Customer service					-.104	-1.237
Branding					.013	.200
F Chang	.563		30.756***		1.913	
R^2	.010		.459		.474	
R^2 Change	.010		.448		.016	
N	314		314		314	

Notes: * $p<0.05$; ** $p<0.01$; *** $p<0.001$

Table 6.36 Hierarchical multiple regression coefficients for trust between ngos and government

Predictor	Model 1		Model 2		Model 3	
	B	t	B	t	B	t
Service nature	-.038	-.419	-.121	-1.404	-.108	-1.246
Length of service in HK welfare	.001	.100	.000	-.015	.000	-.007
Employment status	-.078	-.688	-.139	-1.278	-.148	-1.364
Post	.150	1.375	.134	1.324	.114	1.112
Size	.036	.603	-.005	-.092	-.011	-.191
Work challenge			-.190	-1.934	-.175	-1.765
Work condition			.103	1.827	.098	1.739
Agency support			-.018	-.194	.006	.063
Job security			.052	.965	.053	.978
Autonomy			-.024	-.259	-.066	-.598
Voice			.411***	3.740	.409***	3.483
SW Advocacy			.128	1.593	.092	1.085
Value for money					-.065	-.628
Accountability					.193	1.787
Customer service					-.199	-1.903
Branding					.001	.010
F Chang	.712		7.913***		1.429	
R^2	.013		.186		.204	
R^2 Change	.013		.173		.018	
N	314		314		314	

Notes: * $p<0.05$; ** $p<0.01$; *** $p<0.001$

CHAPTER 7

DISCUSSION

The present research examines the impacts of managerialism in Hong Kong welfare sector. The impacts are defined as the intended policy outcomes and trust relations between social worker and manager as well as between NGOs and government. The ways in which managerialist initiatives of value for money, accountability and customer service at the organizational level, as well as social workers' work life and professionalism at the personal level, affecting the intended policy outcomes and trust relations are discussed in this chapter based on the integration of the quantitative and qualitative studies.

7.1 MANAGERIALISM AND INTENDED POLICY OUTCOMES

Based on a survey of 319 registered social workers in Hong Kong carried out during the period from October 2012 to March 2013, this study found, the overall achievement of intended policy outcomes (i.e. resource use and management enhancement) of Lump Sum Grant was moderate.

7.1.1 Resource Use

Factors predicting higher frequency of better resource use included more branding initiative, higher professional autonomy and voice of social worker,

and larger agency size. Among the hypotheses regarding to resource use (Hypothesis 4-1 to 4-3, and 4-7), only Hypothesis 4-7 on the positive effect of agency size was supported in regression analysis.

Branding is a marketing and communication technique employed by NGOs to manage external perceptions of an organization (Roberts, Jones III & Fröhling 2005). Increased visibility, favorable positioning in relation to competitors, and recognition among funding bodies would translate into success in tendering and fundraising (Kylander & Stone 2012). Thus, more branding initiative could lead to more resources, and promote the chances of flexible use and service innovation.

The positive predicting effects of professional autonomy and voice of social worker suggest the balance of decision-making power concerning resource use. When social workers have a say on resource use, they are able to construct the correct way of using limited resources based on their professional experiences as well as their views about efficiency, economy and effectiveness. This could lead to the higher perception of better resource use among the social workers.

The positive effect of agency size supported Hypothesis 4-7. This finding was consistent with the existing empirical observation that, larger NGOs have more avenue sources and room for resource mobilization because of economies of scale (Lee 2012). Meanwhile, correlation analysis indicated that large NGOs tend to adopt more branding initiative. Consequently, it is a virtuous cycle for larger NGOs. However, it also suggests that the merits of the Lump Sum Grant

subvention system are not equally shared by NGOs of different sizes. The system has created an inequality among NGOs in resource use in Hong Kong welfare sector.

7.1.2 Management Enhancement

Factors predicting higher frequency of management enhancement included more customer service initiative, higher professional autonomy and voice of social worker, as well as higher job position.

Customer service initiative is an 'in search of excellence' practice advocated by new managerialism to improve NGOs' service and management (Clarke & Newman 1994). Its positive effect was expected according to the new managerialism theory and is proposed in Hypothesis 4-6.

Similarly, positive effects of professional autonomy and voice of social workers on management enhancement are consistent with new managerialism's more optimistic assumptions on people's motivation. Managers play 'enabling' role, whereas social workers have more autonomy to get the job done (Clarke & Newman 1994).

Respondents with higher job position (i.e. managers and supervisors) perceived higher frequency of management enhancement. This effect tends to reflect the different perceptions between frontline social workers and managers based on the division of labour in welfare NGOs. Social work professionals are engaged in the 'primary' process of actual service delivery in the frontline. They tend to pay little attention to the business of managers in the 'secondary'

process, the process enabling a well-ordered primary process. Managers have more chances to get first-hand experience of changes in their own business under managerialism which appears to place first priority on secondary process (Power 1997; Reinders 2008),.

Overall, among the four types of management initiatives in the present study, only branding and customer service exerted direct positive effects on resource use and management enhancement, respectively. Agency size and job post also produced respective effects on these two intended outcomes. More importantly, social workers' professional autonomy and voice made significant influences on both intended outcomes.

The significant influences of professionalism, as well as the different perception between social work professionals and managers, suggest the crucial importance of trust relations in the managerialist era. Next section will turn to managerialism and trust relations in the welfare sector.

7.2 MANAGERIALISM AND TRUST RELATIONS

In the present study, trust relations between social workers and managers, and between NGOs and government were both on the mid and low side. To be specific, this mid and low level of trust between social workers and managers were predicted by deficient accountability, limited professional autonomy and voice, and insufficient agency support. Moreover, the similar low level of trust between NGOs and government appeared to be the outcome of voiceless of social work professionals. This is a common view shared by respondents,

independent of the organizational factor of agency size, and personal factors of seniority, job post (frontline social worker and manager), employment status, and service nature.

7.2.1 Redefining Social Relations in Welfare Sector

7.2.1.1 Accountability disparity

Statistical analysis in the present study indicated the positive effect of accountability on trust between social workers and managers. This finding suggests that more information and explanations on management decisions providing to social workers significantly improve the interpersonal trust between the two parties.

The accountability relationship is a power relationship – someone needs to explain its actions and answer the questions to the possession of power (Day & Klein 1987). It is an information exchange between account giver and receiver that can be understood as a cooperative process of inquiry which is related to the issue of trust between them (Leung 2006). Disclosing comprehensive information cumulates trust gradually. In return, based on the trust, account giver believes that disclosing comprehensive information on performance to account receiver will not damage its own interests.

However, because of 'pay for performance' and value for money of managerialism, accountability becomes more punitive as poor performance resulting in negative impacts, such as funding cut and damaged reputation (Munro 2004). It is particularly true for NGOs' upward accountability for use of

public money to government. NGOs and managers are extremely mindful of this upward accountability which has been specified in funding agreements.

Apart from this upward accountability, nevertheless, there are diverse accountability relationships between stakeholders in the welfare sector. The accountability in the present study is mainly about managers' accountability for agency operation to social work professionals. It is a downward managerial accountability different from the upward accountability to government, as the funder, for performance. It seems that this managerial accountability was overlooked by government and NGOs in Hong Kong welfare sector. The level of this accountability was extremely low in the present study.

Thus, some social work professionals in the present study complained that managers are merely accountable to the government. Some of them specifically pointed out that,

'Why do you (referring to the government) use the concept of monitoring? If we are partner, you don't monitor. When you want to know the outcomes of our joint business, we should work together to figure it out. But if you are a my steward, I should monitor and supervise you.' [Interview 20101217] (Frontline social worker, rehabilitation service)

'(The accountability requirements are) just accountable to him (government). He never keeps the same commitment to NGOs. It takes you as steward other than a partner. He is a boss'. [Interview 20101217] (Frontline social worker, rehabilitation service)

"It (Service Quality Standards) is only about administrative accountability. I prefer to take care of my client first." [Interview 20110212] (Frontline social worker, youth service)

This view on 'downgrade from partner to steward' from a frontline social worker seemed to be echoed both by top manager in Hong Kong welfare sector, such as the director of Hong Kong Council of Social Service (*Mingpao* 1 April 2013), and social welfare scholars (Lui 2010; Wong 2007).

In this respect, the actions of the government do not demonstrate a partnership between NGOs and itself. Instead, these performance monitoring actions show elements of the managerialism which are about the control and accountability of publicly funded welfare services. In this situation, with its power over subsidy, the government has successfully redefined its relation with welfare NGOs from the traditional partnership to formal funder-provider relationship which was proposed in subvention review report (Coopers & Lybrand 1995). With performance monitoring standards and evaluation mechanism of NGOs' accountability, the redefinition of the funder-provider relationship has simplified the government's welfare management responsibility and control the growth of social expenditure.

Social constructionist theory provides a possible explanation for this emphasis on NGOs' upward accountability after the redefinition of the funder-provider relationship. As mentioned in Chapter Two, since 1980s, Hong Kong's social policy has passed its "big bang" phase and developed incrementally.

While social welfare service growing bigger and bigger, the government thought itself couldn't make an unlimited investment in social welfare. Moreover, before the Lump Sum Grant, there was no consistency about welfare management in Hong Kong (Chow 2013). It was a common view shared in the welfare sector at that time that a modern service quality management system was needed (Hong Kong Government 1991; Ng 1992).

In the fiscal austerity era after 1997's Asian Financial Crisis, the government defined the soaring welfare expenditure as NGOs' inefficient and ineffective management problems (Lam 2001; quoted by Ngan & Li 2005) and would not 'go on injecting more money into the welfare sector without satisfying ourselves that we are obtaining value for money and addressing the real needs of the community' (Chan 2000). This expressed the government's distrust on welfare NGOs' management and service capacity.

Thus, in the government-led subvention reform (Leung 2002; Wong 2007), instead of improving the official department itself, an upward accountability emerged that pushed welfare NGOs to provide evidence to prove their performance. The unequal distribution of accountability in Lump Sum Grant subvention system made a shift in the balance of power between government and NGOs.

7.2.1.2 Responsibility shift and extension

Within this accountability framework, the complicated management responsibility was shifted from the government to the welfare NGOs. Moreover,

while the government caped the subvention calculation base at mid-point salary, NGOs need to make out their own ways to honor salary commitment to senior staff. Thus, a part of financial responsibility has been extended to NGOs as well (Chan 2010, 2011).

When government transformed previous informal partnership into a formal accountability relationship, controversial debates surrounding welfare management between NGOs-government in civil society have now been redefined as organizational issues between social worker-manager within individual welfare NGOs. As the Senior Social Work Officer (Subvention) of Social Welfare Department wrote in an article, 'under Lump Sum Grant, the board and management of NGOs must enhance management capacity, especially for both financial and management respects' (Lau 2011).

However, subvented NGOs' resource dependence and weak management capacity have long been the results of the conventional subvention system prior to Lump Sum Grant. The board and management of NGOs are lack of adequate governance capacity and have a sense of uncertainty about financing under Lump Sum Grant (Chan, Mak, Sze, Lam and Leung 2002; Chan 2010, 2011). The tighter money climate surrounding welfare services (both in terms of the fixed amount of resource available and efforts to control their use) has created a dominated environment which promotes centralized power structures within NGOs (Gummer 1990).

One respondent provided an example:

The reserve saved from Lump Sum Grant is not used for service. There is no track record at all. Only the headquarter knows. We can't even raise any questions about the reserve because it's secret. [Questionnaire No. 46] (First line manager in large agency, 12 years experience)

Management power without regulation is not a rare situation according to the survey result (Table 6.24). Thus, there is only a partial accountability mechanism in managerial Lump Sum Grant subvention system. As a result, people at the upper position of the hierarchy of power can control what social workers should do. Potential gains at a senior level may have significant losses at the other levels of the system (Clarke, Cochrane & McLaughlin 1994). One informant advised that:

We need to establish a social workers complaint mechanism to construct 360-degree monitoring other than merely making management accountable to the Social Welfare Department. [Questionnaire No. 73] (First line manager in medium agency, 17 years experience)

Social workers are demanding more effective communication channels and accountability framework to accommodate their views in service delivery and agency management.

7.2.2 Professionalism in-between Manageralism and Trust

Among the four kinds of management initiatives, only accountability initiatives were associated with trust in a statistically significant way in the present study. Apart from managerialist practices, respondents with a higher level of professional autonomy and voice would have more trust in managers. In a similar way, respondents with more chance to voice out perceived higher level of trust between NGOs and government. The predicting effects of professionalism on trust relations were even more significant than accountability initiative.

The explanation is clear that, when managerialism has shifted the power to managers, social workers' professional autonomy and voice could lead to a re-balance. It helps these professional employees to achieve professional and personal goals, rather than become a scapegoat, in the debates surrounding welfare management occurring between social work professionals and managers within welfare NGOs (Estes, Alford & Egan 2001).

Though management initiatives showed only small direct effects on trust relations as regression analysis revealed, management initiatives were proved to impose significant effects on three stages of professionalism: negative effect of value for money on professional autonomy; positive effects of accountability on autonomy, voice out and advocacy; positive effects of customer service on voice out and advocacy; and negative effects of branding on voice out and advocacy. Managerialism appeared to exert indirect effects on trust relations through social workers' professionalism.

To be specific, more frequent applications of value for money and branding measures would result in a lower level of professionalism. Respondents facing a higher level of challenges in work also reported a lower level of professionalism.

On the other hand, respondents under higher frequencies of the initiatives of accountability and customer service evidenced higher level of professionalism. And job security and agency support would also exercise positive influences on professionalism.

The results of managerial measures on professionalism are summarized in Table 7.2 which will be discussed in the following sections.

7.2.2.1 Colonization of professionalism by managerialism

NGOs' funding continuation depends on its organizational performance to provide 'value for money' service. Value for money initiative intensifies the system of control of resources and social workers' effort (Newman & Clarke 1994). In in-depth interviews, informants confirm that resource use is controlled by managers to meet or even outpace the output and outcome specified in the Funding and Service Agreement. Frequently these outputs and outcomes are considered suspiciously, based on a guiding principle that 'to do more with less is better' (because it saves money) rather than on professional considerations. Under pressure to ensure economy, efficiency and effectiveness, professional autonomy is largely bounded by the spread of managerial cost control.

The performance is defined by the government as funder and specified in the Funding and Service Agreement. As mentioned, it generally consists of output and outcome standards for the subvented service units.

'Huge sum of (output and outcome) required in Funding and Service Agreement. Focus on quantity other than quality. It just imposes hardship on ourselves if we try to focus on quality: it takes much more effort and time. Even if we do a good job in finishing our mission and get appreciated by service users, it is nothing like 'fail to reach the set standard' in the numeric form! Do a good job but fail to reach the standards, no one has pity on you!' [Questionnaire No. 295] (Frontline social worker, family service in large NGO, 14 years experience)

Thus, in order to reach the standards, it is understandable that both NGOs and social workers will select service users who have potential to finish the targets by taking advantage of flexibility under managerialism. One respondent pointed out the paradox of the standard and social need that:

'The service user with less potential for success is the one that needs social care most. But we can't help. If I take care of him, then I have no time to finish other cases with high hope of success. Then I will lose my job! So how can I take care of him?' [Interview 20101217] (Frontline social worker, rehabilitation service)

It is notable that as a marketing measure, branding strategy was a reverse factor on social workers' professionalism when they were interacting with managers and the government. In in-depth interviews, some respondents explained that marketing activities were totally not related to their professional activities. They considered this as credit claiming by managers rather than thinking about service users' benefits.

'Under the devolution of Lump Sum Grant, agency mainly makes use of the resources to promote organizational images and to expand market share, rather than to make responses to the real needs in society.' [Questionnaire No. 50] (First line manager in medium agency, rehabilitation service, 14 years experience)

It appears that, managerialist standards are, at least sometimes, not matched with the social needs in the real world. Hence, even if NGOs and social workers successfully reach the set standards, it does not necessarily mean needs of service users have been satisfied.

It is because the service demands and relevant standards are defined by government and agency managers (Clarke & Newman 1994). Very often, their top priority concern is to achieve the measurable value for money, or even value-added service other than professional consideration. A social work professional in a Centre for Drug Counselling provided an example to illustrate

unreasonable standards of Funding and Service Agreement:

'Standards of FSA are unreasonable. We serve the youth who voluntarily seek drug counselling service. However, we are required to provide outreaching service to hidden young drug abusers at the same time. These services are being well served by youth outreaching social workers. We have reported the situation to the Social Welfare Department. But it takes a long time to discuss. Thus, FSA never matches the real situation in society.' [Questionnaire no.28] (Frontline social worker, rehabilitation service, 18 years experience)

It can be seen that, when a social problem is considered to be serious, the government will be eager to solve it as soon as possible by mobilizing all resources it has. Service provision is ad hoc activities decided and guided by the government through managerialist standards. It is the reason for frequent friction between NGOs and government in the areas of setting standards, new projects and service methods, as well as monitoring and evaluation (Pearson 2005).

Social workers also need to demonstrate their excellence in performance by complying with standards. This 'internalisation of compliance' (Reinders 2008) is not only about value for money, but also accountability and customer service.

They need to match their performance against the standard, and

differentiate good and poor practitioners. The motivation for pursuing number is further intensified and justified by accountability and customer service. Social work professionals have been socially constructed as managers. They are expected to manage publicly subsidized welfare services well. Thus, they need to adopt the same set of managerialist discourse to demonstrate their good performance. As one social work professional said:

'Neither 'do the job' nor 'do a good job' is important. The most important thing is whether we have done all required in SQS, and reach (the standards) in the FSA. No need to bother about service quality, the key point is reaching the standard and being accountable for the public.' [Questionnaire No. 295] (Frontline social worker, family service in large NGO, 14 years experience)

Similarly, to show respect to service users' opinions and collect evidence to measure service performance, social work professionals may try to collect service users' response after service delivery. When this becomes a routine work, it loses its effect and even turns into an invidious task for service users. As a social work professional mentioned,

'Some service users even complain that, filling in the feedback form is the section which they dislike most. They have to fill in the form after each activity. It's the irony of the institution.' [Question no. 89]

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(Frongline social worker, youth service in medium-size agency, 6 years experience)

Social work professionals take on more and more managerial responsibilities. The identity of social work professionals as manager is constructed through the management process. It is the colonization of social work professionalism by managerialism by virtue of its value and mode of control (Clarke & Newman 1997; Gilbert 2005; Power 1997, pp. 97-98).

These findings empirically proved the existence of a vicious cycle of professional social work under managerialism (Chu, Tsui & Yan 2009): tightened resources lead to tremendous pressures on frontline social workers; value for money measures lead to doubts about social work profession's effectiveness and efficiency; frontline social workers need to provide evidence to prove their success and let the public know the success; failure of doing so leads to further cuts in resources, and in turn, decline in service quality and effectiveness.

Previously, plenty of literatures on social work profession highlight managerialism as opposed to the professionalism in every aspect as key features of policy transformation in welfare states (Chu, Tsui & Yan 2009; Exworthy 1998; Tsui & Cheung 2004). Studies, especially on various initiatives such as social audit and user involvement for accountability and customer service, concluded further weakening of professional power as a result of the shift to the new managerialist social work labour process and new forms of control as a

discipline on professional care givers (Harris 1998; Munro 2004). Social work profession's work becomes more routinized, fragmented and mechanized. Together with principles of value for money, state and managers devalue the skills and qualification of professional social work, and intensify and routinize the service delivery work (Knights & Willmott 1986, p. 97).

7.2.2.2 Voiceless: branding and "silence campaign"

Regression analysis revealed the negative effect of branding initiative on social workers' voice and advocacy. Meanwhile, there was positive effect of branding on NGOs' resource use. The differentiation of interests between social workers and their NGO employers was induced by branding.

It reflected intangible state's control over professional activities has gone beyond the boundary of publicly subsidized services. The control becomes intangible and subtle, making NGOs less likely to organize certain kinds of activities, such as policy advocacy. There was an example from a respondent:

'As soon as we organize some activities thought to be radical, agency will raise its concern that the relationship with government will go sour and we may lose the funding chances.' [Questionnaire No. 46] (First line manager, large agency, 12 years experience]

Thus, this study found a low frequency of social workers' voice out in this study since their different views on policy and management may be considered

as noise in decision making by the government and managers. For some of the decision makers, social workers' ability to follow rules and procedures competently may be more important than the ability to make individual professional judgments (Harris 2003). Without social workers' voice and government's explanation in detail, quality control procedure and measurable output and outcome standard are utilized to co-opt social work for the establishment in the name of good management. It is reproducing the process and social relation in the society (Lam & Blyth 2009). One of the informants commented:

'(Lump Sum Grant) has increased state's control on NGOs. NGOs have to be the tool for 'social control'. They are afraid of losing access to operate any new services if they stand up against the government!' [Questionnaire No. 295] (Frontline social worker, family service in large NGO, 14 years)

It appears that the government classified the subvented welfare NGOs into two groups or categories, i.e. those 'following directions' as distinct from those 'with a radical tradition'. The techniques used amount to an exercise of power by the government over resource allocation.

This is another example for managerialism of turning macro social policy debates in civil society into micro one within the NGO organization. It transited state's systemic political economic crisis to be organizational politics inside

NGOs (Austin 1988, 2002; Estes, Alford & Egan 2001; Gummer 1990; Hall 1987; Salamon 1999). When social workers and managers only focus on output and outcome standard, or salary and revenue, to carry out good management, as one informant pointed out in a disappointed manner that, they were 'without ground in the current partial accountability mechanism to fight back'. Policy success or failure becomes a managerial responsibility of social workers and their NGO employers rather than a political responsibility of government. It's the apolitical and de-political nature of managerialism (Langan & Clarke 1994, p. 91).

As a result, some social workers conducted "silence campaign" in their service delivery by empowering and mobilizing service users to fight against the stagnant social policy development. There are emergent new alliances of interest between social workers and service users in Hong Kong, which have existed in foreign countries for many years (Newman & Clarke 1994, p. 28).

Prior studies also suggest service users' complaints and requirement under managerialism would be a stressor. If managers push social workers to meet some unreasonable requirements of service users, the customer service initiative would exercise adverse effect on the trust relationship between social worker and manager. In the present study, stress due to service users' complain was at the low side (M=2.05, SD=.692). But social workers' difficulties in dealing with service users' unreasonable requirements have been observed in other local studies, such as review report on the Integrated Family Service Centre in Hong Kong (The Consultant Team, 2010). Thus, the role of service user in

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between trust between social worker and manager need to be further examined.

7.2.2.3 Synergy of new managerialism and professionalism

Besides of the adverse effects of scientific management, the present study also identified favorable effects of accountability and customer service, measures of new managerialism, on professionalism and trust. To be specific, accountability is a more powerful predictor of professionalism than customer service. It strongly and positively predicts in all three stages of professionalism when customer service only well predicts social workers' voice out.

In contrast to these studies, statistical results suggest a mutually advantageous relation between new managerialism and professionalism. Not all managerialism-related factors cause decline in professionalism. Accountability and customer service, in principle, are to make the welfare service more transparent and responsive. These values are consistent with global standard and code of conduct for social work profession resulting in a synergy effect.

Accountability is a power relation (Day & Klein 1987, Leung 2006). If accountability requirements focus on managers accountable to social workers and service users, as expressed in the current survey questionnaire, social workers would possess more power in both service delivery and organizational management resulting in favorable effects on professionalism.

These findings further substantiate the observation that recent growing body of studies doesn't take the impacts of managerialism on professionalism as uniform (Evans 2010; Lonne, Burton & Gillespie 2009). Managerialism and

professionalism are not merely two competing logics but are able to mutually reinforce under some circumstances, no matter how rare it is. And domination, and even discursive relations, is not enough to describe the whole story of professional relation between social workers and their managers as existing studies suggested (Evans 2010).

7.2.3 Agency Support

Agency support presented a small effect on interpersonal trust between social worker and manager.

Better agency support reflects welfare NGOs take care of their employees' work life. As mentioned, among different measures of agency support, performance reward was much lower than professional support. It appears that welfare NGOs tend to provide support for social workers to finish the jobs well but neglect their other needs. This might be due to the individual NGOs' sense of uncertainty in the managerialist subvention system, as perceived by some social workers.

> 'Even some conscientious NGOs don't dare to make specific commitments to social workers because of the operating mode of Lump Sum Grant. It's a pity. This makes social workers change their job once there are jobs with better pay in other agencies.' [Questionnaire no. 89] (Frontline social worker, youth service in medium-size agency, 6 years experience)

The present study found more than 60% of respondents have the experience of job change after the introduction of Lump Sum Grant subvention system. "To get better pay" was the first main reason for change of job. Thus, better agency support led to more harmonious employment relation in terms of interpersonal trust between social worker and manager.

More importantly, among the four factors of work life, agency support and work challenge were the factors related to NGOs' organizational missions, while work condition and job security were the factors totally related to personal benefits. The findings illustrated that, agency support appeared to be more important determinants of trust than social workers' personal work condition and job security.

These findings shed a new light on social work professional's work life and employment relation in managed social welfare services. Cunningham (2008) explored influences of NGOs' employment policy and subsequent pressure for the downward changes in pay and work condition, and worsen employment relation in the United Kingdom's voluntary sector. Some scholars further attributed these changes to government's managerialism social welfare reform (Lonne, Burton & Gillespie 2009; Lynos, 1998; Munro 2004). In Hong Kong, Chiu and Ho (2009) found long working hour and work stress adversely affect Hong Kong social workers' mental health. Moreover, social workers' morale is negatively affected as well (Lai & Chan 2009).

In addition, several previous studies in Hong Kong indicated that, although social workers in Hong Kong were encountering high pressure and a variety of challenges, and were particularly not satisfied with the promotional opportunity and pay, they were still satisfied with their job in general (Lee 2008; The Social Work Day Organizing Committee 2013). The importance of agency support and work challenge, and their relevant corresponding positive or negative effects identified in the present study may explain these paradoxical survey results.

7.3 SUMMARY

Based on empirical data, it is argued that social workers' professional autonomy and voice were much more important than managerialist initiatives for achieving both intended policy outcomes and good trust relations.

The positive effects of social workers' autonomy and voice were mutually reinforcing with customer service on management enhancement, and with accountability on trust between social workers and managers, respectively. However, while both social workers' autonomy and voice, and branding initiatives were in good relationships with the intended outcome of resource use, branding was harmful to social workers' voice. This interaction may create the counter balance effect rather than mutual reinforcemen on resource use.

The mutual reinforcing positive effects were not easy to achieve as well. This moderate to inferior levels in social workers' professionalism, in

conjunction with low frequency of accountability (M=1.9, SD=.51), exactly reflected a fairly low level of trust between social worker and manager.

Qualitative date provided further evidence to show government's dominance in setting service standards, evaluating performance and managing NGOs' advocacy. This showed the reality that, regarding management issues, the 'good' and 'correct' ways are essentially defined by managers and governments (Clarke, Cochrane & McLaughlin 1994). In in-depth interviews and questionnaire, most of respondents tended to challenge the rationality of specific measures such as output and outcome standards, and plenty of work record requirements as process control. But they seldom contested the abstract principles of managerialism behind the Service Quality Standard. It presented the power relations between professional and management within the social construction of good management.

By application of managerialism, the government has redefined the previous partnership with NGOs to a stewardship. NGOs' performance was assessed against the standards set by government as a control of publicly subsidized welfare services. Both managers and social workers were placed in roles where they were acting for state and NGOs respectively, rather than working together with service users (Chevannes 2002). Professional social workers have been turned into managers (Harris 2003: p. 66). The colonization of professionalism by managerialism may lead to distrust relationship in the welfare sector. On the other hand, social workers may also apply the notion of

managerialism, such as customer service, to make policy change by

empowering service users.

CHAPTER 8
CONCLUSION

Managerialism is a term associated with forms of governance that emerged in the early 1980s in the UK, US, and Australia. It establishes connections between managerial economic rationality and socio-political life. It is concerned with the governance of welfare NGOs at a distance in these established welfare states (Clarke, Gewirtz & McLaughlin 2000). This ideology promises that state and welfare NGOs will provide better welfare services at lower cost with its managerial initiatives. However, previous studies have revealed several unfulfilled promises in established welfare states. The policy outcomes highly depend on the social context. Under the international trend of managerial reform, outcomes and compatibility of managerialism in non-Western settings with a changing state-society relation needs to be further examined.

Moreover, social policy would redistribute resources, chances, and social relations among social groups in the welfare sector. This is extremely true for a managerialist subvention system which exactly intends to redefine social relations in the welfare sector. These dynamic relational changes, however, have not been clearly nor holistically explained by different static relationship models (e.g. relationships in the form of hierarchy, market and network; or, division of roles) at organizational and personal levels with an integrated theoretical framework.

To fill these knowledge gaps, the present study aims to analyze the impacts of managerialism on welfare NGOs, namely whether the intended policy outcomes were achieved, and the extent of trust relations in the welfare sector, based on Hong Kong's welfare subvention practices.

Managerialism for managing welfare service has been introduced in Hong Kong since late 1990s when Lump Sum Grant subvention system steadily came into effect. The subvention reform implicates the redefinition of two relationships in the welfare sector by utilizing financial and regulatory policy instruments: social workers and their NGO employers, and NGOs and government (Leung 2002). Trust relationships directly reflect these changes.

From a political economic perspective, the present research attempts to analyze these two sets of trust relationships based on social workers' experiences, with concerns upon factors of NGOs' managerialist practices at the organizational level, and factor of social workers' work life and professionalism at personal level. Thus, the explanations in the present study are developed upon micro foundation and macro structure and gives account of specific historical and social context in Hong Kong.

This chapter summarizes major findings of this empirical study. Based on the findings, significance and implication for knowledge building, policy development and social work practice are presented. Finally, limitations of the study are discussed before the end of this chapter.

8.1 MAIN FINDINGS

Guided by the conceptual framework and based on the empirical data, the present study has identified five main findings.

First, managerialism matters with welfare NGOs' resource use and management enhancement. To be specific, there are positive effects of branding initiatives on NGOs' resource use, and customer service initiatives on NGOs' management enhancement.

Branding initiative is an essential way for NGOs to communicate with the general public and funding bodies on their quality services and good corporate governance. It helps NGOs to attract the general public's attention and may engage more and more societal resources, both volunteering manpower and financial resource, into the NGOs' service activities. Thus, among the four kinds of managerialist practices, branding tends to result in a positive outcome in resource use.

Customer service places service user in the centre stage of service delivery. This managerialist value and corresponding initiative are compatible with social work professional ethics. Thus, this initiative is good for NGOs' management enhancement of facilitating effective service delivery (Austin 1983; Reinders 2008).

It's notable that, both branding and customer service are the managerialist values of new managerialism. In this sense, regarding to the impacts of intended outcomes, new managerialism exerts positive influences much more than neo-Taylrorism in Hong Kong social welfare sector.

Second, managerialism is not always in conflict with social work's professionalism. This study has revealed that accountability initiative are positively related to all three stages of professionalism (namely, professional autonomy, voice and advocacy). The similar positive effect can be found in customer service initiative on social workers' voice.

Accountability and customer service are emphasized in new managerialism. This variety of managerialism adopts an optimistic view on people's motivation and is possible to offer more room for professional discretion (Kirkpatrick, Ackroyd & Walker 2005). Thus, favorable effects of these two initiatives on social workers' professionalism have been observed in the present study.

Meanwhile, initiatives of value for money and branding have respective adverse effects on professionalism. To be specific, value for money discourages professional autonomy, while branding tends to be harmful to social workers' voice and advocacy. Both initiatives, in fact, are related to NGOs' resources, financial resource in particular. The findings suggest that in Lump Sum Grant subvention system, agencies' efforts on expense control and resource development are not compatible with social workers' professionalism. The inference could be partly supported by adverse effects of work challenges on professional autonomy and voice, and respective positive effects of job security on professional autonomy and agency support on voice.

Third, managerialist practice of accountability and social workers' professional autonomy and voice create synergy effect on trust between

social workers and managers. Furthermore, social workers' voice is particularly important for predicting two sets of trust relationship. In fact, it is the sole factor affecting trust between NGOs and government in the present study.

Managers' managerial accountability to social workers and social workers' autonomy and voice should be different sides of the same coin. It is about communications between managers and social work professionals on the issues of service and management within welfare NGOs. The result suggests that a harmonious trust relation in welfare sector can be achieved through the balance of professional power and managerial power.

Four, managerialism tends to differentiate the interests between NGOs of different sizes, and between frontline social worker and manager within an agency. The present study has revealed that small NGOs have less chance to reach the intended outcome of better resource use. It seems the benefits and difficulties of Lump Sum Grant are not equally distributed across Hong Kong welfare sector but are in favour of NGOs of larger size.

Moreover, the research has also found respondents in the manager position scoring higher for the achievement of management enhancement. Besides, branding initiatives might impose negative effects on social workers' voice and advocacy at the personal level, but brought positive effects on better resource use at the organizational level. Both results suggest different perceptions of the effects of managerialism on resource use and management enhancement between social workers and managers.

The significant differences between NGOs of different sizes and different posts of social workers may further divide and polarize a previously united welfare sector.

Five, social construction of distrust emerged in Hong Kong welfare sector.

Based on its financial power, the government, as the funding body, believed managerialism was good and essential for social welfare and should be applied to subvented services. According to the survey results, under the Lump Sum Grant subvention system informed by managerialism, social workers' professionalism, which was the most important factor on trust relations, was affected by branding initiatives. Meanwhile, Lump Sum Grant subvention system has not enhanced manager's accountability to social workers. Thus, the outcomes of managerialism in Hong Kong welfare sector were not so good as the government claimed. Meanwhile, the government insisted that its 'commitment to welfare services has increased' (Cheung 2009). The government terminated the incremental policy development mechanism, after formulating the White Paper on Social Welfare Development and Five Year Plan, in 1999, two years after the Asian financial crisis. With this termination, the government closed the formal channel for NGOs (e.g. Hong Kong Council of Social Service) to engage in social policy making and concentrated decision-making power to support its governance in response to the challenges and pressures of civil society for more radical transformation in the financial austerity era (Lee 2012; Lui 2010).

Most of the problems related to welfare subvention became NGOs' management issues. It is a managerial responsibility of social workers and their NGO employers rather than a political responsibility of government. As a result, in the qualitative data, more and more blusters from frontline social workers were directed against the governing board of individual NGOs rather than the government. In the sense, the distrust relations were socially constructed by funder's power.

8.2 SIGNIFICANCE AND IMPLICATION OF THE STUDY

The role of NGOs becomes more and more important in the modern welfare states because of the rise of mixed economy of welfare. How to manage their publicly subsidized services is a crucial theoretical and policy problem. Since 1980s, managerialism based on business management has become the paradigm for managing welfare services in advanced welfare states.

The present study attempts to analyze how managerialism affects social relations in a non-western welfare regime with changing state-society relations. Through the lens of political economy theory and from the views of the social work professionals, the present study successfully integrates the diverse claims of social workers, NGOs and government into a systemic analytic framework to investigate the achievement of intended policy outcomes and trust relations. Based on the major findings, the significance and implications of the study are summarized in this section.

8.2.1 Theoretical Significance

First, the present study has clarified the diverse effects of managerialism on welfare NGOs. As mentioned, managerialism is a set of management techniques. Government may pragmatically select the most suitable ones for local political and economic conditions based on its judgement (Gregory 2003; Scott 2010). Lump Sum Grant subvention system, as discussed in Chapter 2 and Chapter 3, is a mixture of elements of both neo-Taylorism (i.e. value for money initiatives) and new managerialism (i.e. accountability, customer service and branding initiatives).

In Hong Kong, these two varieties of managerialism are neither simply co-existing in 'an uncomfortable combination', nor are directing 'different groupings to different orientations' (Clarke, Cochrane and McLaughlin 1994). To be specific, the 'uncomfortable combination' could be observed on social workers' professional autonomy. The negative effect of value for money is in contrast of the positive effect of accountability.

Branding initiative, a single factor of new managerialism as mentioned in the last section, however, produces positive and negative effects at organizational and personal levels at the same time. Moreover, both from the paradigm of new managerialism, accountability tends to predict social workers' voice and advocacy positively, while branding predicts in a opposite way.

Thus, the present study has deepened understanding of the impacts of two varieties of managerialism.

Second, managerialism and professionalism are not totally competing

logics. There are synergy and buffer effects between them on the achievement of intended outcomes and trust between social workers and managers.

In the present study, social workers' professional autonomy and voice of professionalism were the most significant predictors of intended outcomes and trust relations. Though resource-related initiatives of value for money and branding were harmful for these two stages of professionalism respectively, initiatives of accountability and customer service were in a good relationship with them.

Managerialist notions of value for money, accountability and customer service are also desirable for welfare services in theory. But there are a large number of studies emphasizing the conflicting and competing logics between managerialism and professionalism (e.g. Exworthy & Halford 1999; Harris 1998, 2003). And the competing logics resulted in a power struggle between managers and professionals and trust in decline (Gilbert 2005a, 2005b; Hillyard & Reed 2007; Leung, 2002; Leung, Mok & Wong, 2005). Only a few recent studies suggest a discursive strand and negotiation between managerialism and professionalism (Evans 2009, 2010; Lonne, Burton & Gillespie 2009).

Based on empirical data, the present study has revealed that social workers' professional autonomy and voice may partly buffer the adverse effects of managerialism on trust relation, and create synergy effects with managerialism on intended outcomes.

8.2.2 Policy Implications

Welfare services and profession of social work are based on humanitarian values and delivered through interpersonal contacts. According to the present study findings, the application of managerialism does not necessarily translate into desirable policy outcomes in the welfare sector. Though management initiatives of branding and customer service can generate direct positive effects on resource use and management enhancement respectively, social workers' professionalism, autonomy and voice in particular, exert much more direct positive effect on these two intended outcomes. Similar results can be found in the aspects of trust relations. Professional autonomy and voice can significantly and positively predict trust between social workers and managers, while social workers' voice has the same significant predicting effect on trust between NGOs and government.

All of these findings suggest an important policy implication that, social workers' professional autonomy and voice are essential for reaching intended policy outcomes established by managerialism, and maintaining harmonious social relations in the welfare sector.

What specific policy initiatives should be considered? It should be advancing the accountability and transparency of NGO managers and governments, as well as social work professionals.

Research findings suggest that management initiatives of value for money and branding tend to produce adverse effects on social workers' professionalism, while management initiatives of accountability and customer service play a

constructive role. Currently, accountability is only narrowly defined in the Lump Sum Grant as 'public accountability' that 'NGOs receiving Government subventions are accountable, through the Director of Social Welfare, to the public for the use of public funds' (Social Welfare Department 2012a), which is only accountability to funder. Managers' managerial accountability to social workers is decentralized as agency operation which should be decided by NGO itself. Thus, advancing managerial accountability should be an important policy issue in the future.

In fact, new forms of governance emerged with the Third Way and social investment states in the United Kingdom, Canada, and New Zealand. It is called 'post-neoliberalism' that seeks to retain elements of the previous neoliberal growth model and combine it with social-democratic welfare policies. Under this trend, Weberian bureaucracy and managerialism have been integrated into 'post-managerialism' with emphasis on government's coordination and re-regulation (Christensen & Lægreid 2007; Klikauer 2013), for instance, the Centrelink in Australia (Dunleavy, Margetts, Bastow & Tinkler 2006).

But Hong Kong makes slow progress in the welfare governance. At the macro level, the Law Reform Commission of Hong Kong (2013) vetoed to make the Law of Charities, which will impose legal requirements on charities accountability in the Consultation Report on Charities published in December 2013. In the welfare sector, a Best Practice Manual for subvented welfare NGOs, as recommended by Lump Sum Grant Independent Review Committee, has been being formulated since 2010 and is able to be launched in late 2014.

Hong Kong welfare sector is still searching for solutions to balance flexibility and accountability.

Moreover, the positive association between agency size and better resource use has been empirically proved in the study. This effect may result in inequality among NGOs and less diversity in the welfare sector. Between October 2009 and March 2012, a time-limited service had been made by government to provide assistance and support for small NGOs and to enhance their management capability (Social Welfare Department 2012b). But the empirical data of present study collected in October 2012 show, disparity in resource use among different size of NGOs remains prevailing. Given the positive effect of branding initiative, long term assistance, such as branding advices and administrative support, for small NGOs may be needed to address the size-related issues.

Finally, welfare expenditure should be more policy-driven by taking social workers' professional opinions into account rather than crisis-driven. A regular and democratic mechanism for policy discussion will be helpful to make stakeholders recognize each other's concerns and interpretations, and to build trust between NGOs and the government, and between management and frontline social workers.

8.2.3 Implications for Practice

In the present study, it seems social workers dedicate themselves to the profession despite challenges in work life (e.g. salary cut). To maintain this

professional commitment, more efforts should be made to minimize work challenges and maximize agency support and job security.

Given the crucial importance of managers' accountability to social work professionals and social workers' professional autonomy and voice, more effective communication approach within welfare NGOs should be considered.

If managers closely follow the ideology of managerialism, such as hold managerial accountability to social workers for work condition and for service development, it should be helpful to strike a balance between managerialism and professionalism.

8.3 LIMITATIONS AND RECOMMENDATIONS FOR FUTURE STUDY

The present study has a number of limitations. Empirical research on the management of welfare NGOs as well as on civil society in Hong Kong is scarce prior to the subvention reform in the mid-1990s (Chan 2012). At that time, the management of welfare NGOs was simple since all recognized operational cost was fully reimbursed by government's subsidies. As a result, the present study has to rely heavily on respondents' subjective judgments rather than on evidence-based baseline research to compare the situations before and after the implementation of the Lump Sum Grant.

The findings are mainly based on cross-sectional survey. This survey method is unable to provide causal explanations for relations between managerialism and intended policy outcomes, and between managerialism and

trust relations. However, the associations between managerialism and social workers' work life and professionalism, intended policy outcomes and social relations in welfare sector still offer insightful implications for both knowledge building and policy adjustment.

The validity of measurement tool applied in the present study needs to be further tested. The survey questionnaire is a self-developed measurement tool drawing on the review of literatures, and interviews with practitioners and expertise prior to the survey. In the survey, some respondents wrote down their comments on the content of questionnaire. These comments provide important insight on further improvement of the tool and subsequent validation.

The statistical power of the study also suffers from the difficulty in recruitment of research participants. Research questions of the study are related to NGOs' financial situation and governance. As Chan (1996) noted, these issues are eye-catching but highly sensitive topics that many managers were rather reluctant to disclose. In order to deliver the questionnaire to registered social workers in Hong Kong, the present study chose to distribute through the mass email system of the Hong Kong Social Workers' General Union. Thus, the sampling method is convenient sampling other than random sampling. There may be respondent bias due to unrepresentative samples.

The response rate is not high even though the same questionnaire has been sent twice (first attempt at 11 October 2012, 151 respondents; and second attempt at 24 October 2012, 105 respondents). To increase the sample size, registered social workers studying at City University of Hong Kong are invited

to the study, as well as their colleagues by using snowball sampling. As a result, respondents in the survey were recruited from different sources. Finally, a total of 319 respondents is valid for the study. The sample size is not large enough to achieve the desired statistical power of survey findings.

Apart from the small sample size in the survey study, there are only a small number of in-depth interviews to provide information in detail, and no senior managers could be included in this study. With inadequate voice of senior managers, the study findings are better representation of frontline social workers and first line managers' views. Follow up investigation focusing on senior managers is desirable for a more comprehensive coverage of views and experiences in Hong Kong welfare sector.

Moreover, the role of service user on the trust relationship between social worker and manager need further study. As discussed before, some respondents mentioned that they have tried to empower service users under managerialism. However, the rising power and status of service user may also be a stressing factor for social workers. Under managerialism, managers require social workers to meet all demands, even unreasonable ones, raised by service users in order to show their commitment and respect to service users' rights. In the present study, stress due to service users' complaints was at the low side. But social workers' difficulties in dealing with service users' unreasonable requirements have been observed in the Integrated Family Service Centre in Hong Kong (The Consultant Team, 2010). Thus, the increasing requirements or

even complaints of service users may further erode the trust between social worker and manager. This dilemma should be further examined.

Finally, in European advanced welfare states, there is an argument that managerialism has been adopted to restructure welfare NGOs and welfare state from democracy to good management (Mattei 2009). The situation may be different in emerging welfare states in the Asian context. Public sector reform for efficiency and managerial accountability is a substitute for political reform based on democratic rights in these regimes, such as Hong Kong and Singapore (Lee 1998; Lee & Haque 2006). The present study empirically proved the diverse effects of managerialism on welfare NGOs, and suggested the importance of social work profession's power in pursuit of good management. However, in Hong Kong's semi-democratic setting (Lee 2012), will welfare NGOs become another case of 'accountability without democracy' (Tsai 2007)? The relationship between democracy and managerialist good management in semi-democratic and emerging welfare state remains a subject for of future study.

In conclusion, the ideology of managerialism, with its desirable values and beautiful promises is attractive for welfare services. But these promises may become empty if the managerialist practices neglect or even damage practitioners' needs and interests. The checks and balances of power between the professional and the managerial are essential for the well-beings of service users as well as social workers and managers.

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APPENDICES

APPENDIX 1

Survey Questionnaire (Chinese Version for distribution)

實施整筆撥款後專業社工工作及志願機構發展情況調查

各位註冊社工：

　　你好。這項調查是香港城市大學應用社會科學系溫卓毅先生博士論文研究的一部分，導師為莊明蓮博士和顏文雄博士。問卷通過訪問**現職於由整筆撥款資助之志願機構的註冊社會工作者（RSW）**，瞭解自 2001 年實施整筆撥款后，社工工作、志願機構及社會福利服務發展狀況。你的寶貴經驗及意見，將幫助我們分析現狀，進而影響未來社會福利津貼政策規劃。

　　問卷資料只作統計研究之用，個人資料將絕對保密。

Part A・个人資料

請在您的答案上打✓，并在相應的＿＿上提供進一步資料：

A1. 是否社工 (RSW)：	1.是	2.否 （若非註冊社工，無需填答以下各題，謝謝）
A2. 性別：	1.男	2.女
A3. 教育程度：	1. 專上教育	2. 學士　　　　　　　3. 碩士或以上
A4. 服務類別：	1.家庭服務　　2.康復服務　　3.安老服務　　4.兒童服務 5.青少年服務　　6.社區發展　　7.其他（請註明）＿＿＿＿	
A5. 年齡：	1.低於 30 歲　　　　　2.30-39 歲　　　　　　3.40-49 歲 4.50-59 歲　　　　　5.60 歲或以上	
A6. 在香港社福界工作＿＿＿＿年（少於 1 年按 1 年計算）		
A7. 自 2001 年以來（之後入行的從入行時計算），你曾在＿＿間志願機構服務		
A8. 在現機構（包括不同單位）服務年期：＿＿＿＿年（少於 1 年按 1 年計算）		
A9. 現時雇員身份：	1.合約制，雇傭合約為期＿＿＿＿月 2.長期雇員　　　　　　　　　　　　　3.兼職（part-time）	
A10. 現時同時在多少個服務單位提供服務？ ＿＿＿個單位		
A11. 現時職位： 1.前線社工　　　2.一線主管(如 centre in charge, team leader) 3.中層督導　　　　　4.機構負責人(如 agency head，CEO)　　　5.其他(請注明)＿＿＿＿		
A12. 主要工作內容（可選多項）： 1.督導，督導人數＿＿＿位　　　　2.行政 3.直接服務　　　　　　　　4.訓練　　　　5.其他（請註明）＿＿＿＿		
A13. 你每月薪酬約為： 1.$10000 或以下　　　　2.$10001-$30000　　　　3.$30001-$50000 4.$50001-$70000　　　　5.$70001 或以上		
A14.貴機構現時有多少個服務單位：	1. 1-10 個　　2. 11-40 個　　3. 41 個及以上	

Part B．工作經歷

B1. 在過去兩年，平均每星期你從事

（1）直接服務_____小時，	（2）督導_____小時，	（3）行政工作_____小時
（4）其他（請注明）_____小時，		（5）總計_____小時

過去兩年，在工作中，你是否遇到以下情況？ 請在您的答案上打✔	從來 不會	偶然	經常	幾乎 總是
B2. 需要做與直接服務無關的工作	1	2	3	4
B3. 超時工作	1	2	3	4
B4. 社區中需要本單位服務的人數在增加	1	2	3	4
B5. 遇到困難時，單位能夠提供支援（如督導）	1	2	3	4
B6. 遇到服務需要複雜的服務對象	1	2	3	4
B7. 大量文書記錄工作	1	2	3	4
B8. 服務對象因為不同原因投訴同工	1	2	3	4
B9. 提供服務的範疇增多	1	2	3	4
B10. 機構薪酬調整（如週期、幅度）與公務員的安排相同	1	2	3	4
B11. 定期（包括合約更新時）調升薪酬或職位	1	2	3	4
B12. 因工作引致身體耗損（如精神困擾、過勞、工傷）	1	2	3	4
B13. 機構提供的薪酬職級安排與我的年資、學歷相符	1	2	3	4
B14. 超時工作可以得到補償（如補假、計算工資）	1	2	3	4
B15. 工作表現良好會得到機構獎勵	1	2	3	4
B16. 機構提供提升專業技能的機會（如培訓、參觀、訪問）	1	2	3	4
B17. 擔心失去工作職位	1	2	3	4

B18. 若在 2001 年后曾轉換服務機構，請問轉工原因是（可選多項，以✔標識）：

1. 不適用（未曾離職）	2. 與上司關係不融洽	3. 同事關係不融洽
4. 工作欠滿足感	5． 對機構或單位工作氣氛不滿	6． 渴望從事其他工作
7． 獲得晉升機會	8． 獲得更好的人工薪酬	9． 家庭原因
10． 個人原因	11． 進修	12． 合約期滿
13． 其他（請註明）_____		

Part C‧服務提供和管理

過去兩年，在工作中，以下情況出現的頻率為 請在您的答案上打✔	從來 不會	偶然	經常	幾乎 總是
C1. 競投政府服務合約	1	2	3	4
C2. 向各類基金申請社福項目資助	1	2	3	4
C3. 服務強調管理目標（例如「交數」）多於社工專業價值	1	2	3	4
C4. 投放更多資源在高經濟效益的項目（例如針對中等入息 人士的服務、自負盈虧的服務等）	1	2	3	4
C5. 向服務使用者公佈未來服務發展計劃	1	2	3	4
C6. 服務安排（如時間、地點）便於服務使用者參與	1	2	3	4
C7. 服務使用者的需要可以在恰當時間內得到滿足	1	2	3	4
C8. 由非註冊社工的同事提供專業服務	1	2	3	4
C9. 諮詢及採納服務使用者對服務的意見	1	2	3	4
C10.鼓勵或要求同工使用時尚流行的服務手法（如認知行為 治療）	1	2	3	4
C11. 鼓勵或要求同工完成高于社署服務資助合約（FSA）規 定的服務指標	1	2	3	4
C12. 機構要求以更少的資源做更多的事	1	2	3	4
C13. 雇傭合約為期少於項目資助期	1	2	3	4
C14. 同工參與機構發展策略的規劃	1	2	3	4
C15. 同工對涉及自己的調整（如職位及薪酬等）有發言權	1	2	3	4
C16. 每件事都按照預先定好的規則處理	1	2	3	4
C17. 機構向政府提交政策意見前（如 2008 年整筆撥款制度 檢討），徵詢前線同工意見	1	2	3	4
C18. 服務使用者參與機構事務管理	1	2	3	4
C19. 強調樹立機構服務品牌和專業形象	1	2	3	4
C20. 評估服務及行政效能	1	2	3	4

Part D．機構與持份者關係

過去兩年，若社區出現新的服務需要，貴單位通常如何處理？請在請在您的答案上打✔	從來不會	偶然	經常	幾乎總是
D1. 向社會福利署等政府部門進行政策倡議（advocacy）	1	2	3	4
D2. 向區議會等地區組織反映，申請資助	1	2	3	4
D3. 向各類基金申請開展先導計劃(pioneering project)	1	2	3	4
D4. 通過籌款活動籌集資金展開服務	1	2	3	4
D5. 向機構反映，調動機構儲備	1	2	3	4
D6. 教育、動員或組織當事人爭取權益	1	2	3	4
D7. 不推展任何新服務	1	2	3	4
過去兩年，按照你的工作經歷，以下情況出現的頻率是請在您的答案上打✔	從來不會	偶然	經常	幾乎總是
D8. 與其他社福機構合作舉辦倡議活動	1	2	3	4
D9. 與其他社福機構合作提供社會服務	1	2	3	4
D10. 與其他社福機構競爭財政或人力資源	1	2	3	4
D11. 成功申請得到項目資助（如政府合約或各類基金）	1	2	3	4
D12. 新項目資助增加了單位的資源（如人手、財力）	1	2	3	4
D13. 新項目資助增加了我的工作量	1	2	3	4

Part E‧社工專業

過去兩年，在工作中，你遇到以下情況的頻率是 請在您的答案上打✔	從來 不會	偶然	經常	幾乎 總是
E1. 自主決定服務內容和手法	1	2	3	4
E2. 制定服務計劃時需要考慮機構管理層、撥款機構或地區 　　人士意見	1	2	3	4
E3. 為了減少意外，我不採用高風險的服務手法	1	2	3	4
E4. 擔心無法完成服務數字指標	1	2	3	4
E5. 舉行不計入服務指標的服務活動	1	2	3	4
E6. 社工專業自主下降	1	2	3	4
E7. 面對社工專業和管理要求的衝突	1	2	3	4
E8. 就與服務使用者有關的社會問題進行倡議（Advocacy）	1	2	3	4
E9. 參與社會政策制定過程（如提交諮詢意見）	1	2	3	4
E10. 每日的工作內容是做社工專業的份內工作	1	2	3	4
E11. 放棄社工精神，向現實妥協	1	2	3	4
E12. 服務發揮社會控制（social control）而不是照顧(social care)的功能	1	2	3	4
E13. 參與組織同工（例如成立員工會）的工作	1	2	3	4
E14. 前線社工有機會向機構反映服務使用者的需要變化	1	2	3	4
E15. 同工與管理層緊密合作	1	2	3	4
E16. 管理層權力缺乏監管	1	2	3	4
E17. 當對單位事務有不同看法時，我可以自由表達意見	1	2	3	4

Part F．總體評價

過去兩年，在整筆撥款制度下，下列情況出現的頻率是 請在您的答案上打✔	從來 不會	偶然	經常	幾乎 總是
F1. 機構有足夠資源實踐使命及目標	1	2	3	4
F2. 機構能夠彈性調配資源（包括人手、財政）	1	2	3	4
F3. 機構對服務內容及提供方式進行創新	1	2	3	4
F4. 服務表現標準（SQS）令機構有高的透明度和問責性	1	2	3	4
F5. 服務做到「以服務使用者為本」（client-centred）	1	2	3	4
F6. 你與機構管理層互相信任	1	2	3	4
F7. 政府部門與機構互相信任	1	2	3	4

F8. 你對整筆撥款有何意見或提議：

_____
_____
_____

——問卷完畢，謝謝——

APPENDIX 2

Survey Questionnaire (English translation)

Survey on social workers and NGOs' development after the implementation of Lump Sum Grant

Part A．Personal information

A1. Are you registered social worker：	
1.Yes　　　　　　　2.No （Thanks for your attention. No need to respond further）	
A2. Gender：　　　1. Male　　　　2. Female	
A3. Education：　　1. Advanced learning　　2. Bachelor　　　　3. Postgraduate	
A4. Service：	1.Family　　　2.Rehabilitation　　3.Elderly　　　4.Child 5.Youth　　　　6.Community　　　7.Other_____
A5. Age：	1.< 30　　　　　　2.30-39　　　　　　3.40-49 4.50-59　　　　　5.60 and above
A6. Work in Hong Kong welfare sector for_____year（less than 1 year equal to 1 year）	
A7. Since 2001 (or since you started to work if it was later than 2001), you have served for_____NGOs	
A8. Serve current agency for：_____years（less than 1 year equal to 1 year）	
A9. Employment status：	1.Contract，total_____months 2.Permanent position　　3. Part-time
A10. At the same time, you serve_____service units	
A11. Job post： 1.Frontline worker　　　2.First line manager (e.g. centre-in-charge, team leader) 3.Middle supervisor　　　4. Agency head or CEO　　　　5.Other_____	
A12. Main responsibility（select all applicable）：	1. Supervisor，for____ supervisees　　　2. Administration 3. Direct service　　　4. Training　　　5.Other_____
A13. Salary：	1.$10000 or less　　2.$10001-$30000　　　3.$30001-$50000 4.$50001-$70000　　5.$70001or above
A14. No. of service units of your agency：	1. 1-10 units　　2. 11-40 units　　3. 41 or more

Part B．Work experience

B1. In the past two years，every week, you undertake the following tasks for

1. Direct service_____hours,　2. Supervision_____ hours,　3. Administration_____ hours	
4. Other_____ hours,　　　　　　　　　　　　　5. Total_____ hours	

In the past two years, how often do you experience:	Never	Occasi onally	Often	Always
B2 Need to undertake tasks not relevant to direct services	1	2	3	4
B3 Overtime work	1	2	3	4
B4. Increasing service needs	1	2	3	4
B5 Agency provides support (eg. supervision) when you are facing difficulties	1	2	3	4
B6 Service users with complex needs	1	2	3	4
B7 A large amount of paperwork	1	2	3	4
B8 Service users' complaints	1	2	3	4
B9 Widen scope of service	1	2	3	4
B10 Salary linked with the Master Pay Scale	1	2	3	4
B11 Regular pay rise and promotion	1	2	3	4
B12 Physical and mental strains caused by work	1	2	3	4
B13 Pay and post match with seniority and education background	1	2	3	4
B14 Compensation for overtime work	1	2	3	4
B15 Bonus for outstanding performance	1	2	3	4
B16 Agency offers opportunities for professional skill enhancement	1	2	3	4
B17 Worry of losing current job	1	2	3	4

B18. If you changed your NGO employer after 2001, what are the reasons (select all applicable)：

1.　Never change	2. Bad relationship with senior	3.　Bad relationship with colleagues
4. Job dissatisfaction	5. Discontent with work atmosphere	6．Want to do other jobs
7．Get promotion	8．Get better pay	9．Family reasons
10．Personal reasons	11．Further study	12．Contract finished
13．Other_____		

Part C. Service provision and management

In the past two years, how often do you experience:	Never	Occasionally	Often	Always
C1 Bidding for government's contracts	1	2	3	4
C2 Application to various foundations for project fundings	1	2	3	4
C3 Put more emphasis on management goals than social work's professional values in service delivery	1	2	3	4
C4 Invest more resources into more profitable projects	1	2	3	4
C5 Announce future service development plan to service users	1	2	3	4
C6 Convenient service arrangement for users	1	2	3	4
C7 Users' needs can be satisfied within a proper time	1	2	3	4
C8 Professional welfare services provided by staff who are not registered social workers	1	2	3	4
C9 Consult and adopt users' opinions on services	1	2	3	4
C10 Encourage and require social workers to adopt fashion skills	1	2	3	4
C11 Agency encourages or requires social workers to produce more service output than that specified in the FSA	1	2	3	4
C12 Agency requires to do more with less	1	2	3	4
C13 Duration of employment contract is less than the duration of the project	1	2	3	4
C14 Staff engage in the formulation of agency development strategies	1	2	3	4
C15 Staff have a say on the affairs related to themselves (eg. adjustment of post and salary)	1	2	3	4
C16 Everything follows existing procedures	1	2	3	4
C17 Agency consults staff before submission of comments to the government	1	2	3	4
C18 Service users involve in agency management	1	2	3	4
C19 Emphasis on brand building and professional image	1	2	3	4
C20 Evaluation of service and management	1	2	3	4

Part D．Relationship between NGOs and stakeholders

In the past two years, when facing new service needs in the community, how often do you experience	Never	Occasionally	Often	Always
D1 Policy advocacy	1	2	3	4
D2 Application for funding from regional bodies like district councils community	1	2	3	4
D3 Carry out pioneering project with support from trust funds	1	2	3	4
D4 Fundraising for service provision	1	2	3	4
D5 Make use of financial reserve of the NGO	1	2	3	4
D6 Mobilizing people to fight for their own rights	1	2	3	4
D7 No new service	1	2	3	4
In the past two years, how often do you experience:	Never	Occasionally	Often	Always
D8 Collaborate with other NGOs for policy advocacy	1	2	3	4
D9 Collaboration with other NGOs in service delivery	1	2	3	4
D10 Compete financial or human resources with other NGOs	1	2	3	4
D11 Sucessful application for project fund	1	2	3	4
D12 The new project increases the resources of service units	1	2	3	4
D13 The new project increases my workload	1	2	3	4

Part E.   Social work professionalism

In the past two years, how often do you experience:	Never	Occasionally	Often	Always
E1 Decide service content and skills independently	1	2	3	4
E2 Consult stakeholders' opinions when planning services	1	2	3	4
E3 Don't adopt high risk skills to avoid accidents	1	2	3	4
E4 Worry about not reaching service output standard	1	2	3	4
E5 Organize services not included in output standards	1	2	3	4
E6 Decrease of social workers' professional autonomy	1	2	3	4
E7 Confronting conflicts between professional and managerial	1	2	3	4
E8 Advocacy for social problems related to service users	1	2	3	4
E9 Participation in policy making process	1	2	3	4
E10 Daily work is just about duty of social work profession	1	2	3	4
E11 Compromise social work's professional spirits	1	2	3	4
E12 Services function as control rather than care	1	2	3	4
E13 Participation in organizing social workers (eg. staff union)	1	2	3	4
E14 Frontline can inform changes in service needs to agency	1	2	3	4
E15 Closer collaboration between social worker and management	1	2	3	4
E16 No regulation on power of management	1	2	3	4
E17 Freely express different opinions on the affairs of the service unit	1	2	3	4

Part F．Overall assessment

In the past two years, how often do you experience:	Never	Occasionally	Often	Always
F1 Agency has sufficient resources for achieving missions	1	2	3	4
F2 Agency is able to use resources flexibly	1	2	3	4
F3 Agency makes service innovation	1	2	3	4
F4 SQS holds agency transparent and accountable	1	2	3	4
F5 Agency achieves customer-centred services	1	2	3	4
F6 You and agency managers trust each other	1	2	3	4
F7 Agency and government trust each other	1	2	3	4

F8. Comments and suggestions on Lump Sum Grant：

_____
_____
_____

——END——