



## Review Article

# The Underlying Indicators of Good Governance in Vietnam

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**Abstract:** The concept of "Good governance" was brought to the world in the 1990s in the context of increasing globalization and expanding democratization worldwide. It can be seen that the common factors needed to implement good governance include: (i) Capacity of the state - the degree of problem-solving by governments and leaders religion; (ii) Responsiveness - whether public policies and institutions meet the needs of citizens and uphold their rights; (iii) Accountability - the ability of citizens, civil society and the private sector to monitor the responsibilities of public and governmental institutions.

In Vietnam, from the first decade of the twenty-first century, efforts have been made to set up indicators and measure the effectiveness of the public authority aligning to the principles of "good governance". Using data from the four sets of indicators in Vietnam namely PAR, SIPAS, PCI, and PAPI, this article reviews the process of developing the good governance's indicators, compares the areas where each set of indicators measures and assesses the effectiveness, analyzes the strengths and weaknesses of each set of indicators, and reviews some local government efforts in using the measurement and evaluation results of the four sets of indicators to improve the quality of governance in their respective localities. The article also asserts that these four sets of indicators reflect a large part of the content to be measured according to the principle of "good governance", and presents some recommendations to improve the four sets of indicators themselves to better reflect the principles of "Good governance" in the near future.

*Keywords:* Good governance, governance indicators, satisfaction.

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## 1. Summary of Good Governance

Originating in the 90s of the twentieth century, the New Public Management - NPM [1] movement led to major reforms in the public sector in many countries, including Vietnam. Approach towards outputs; management efficiency and effectiveness; applying market factors to public administration has become a significant tendency of developed countries, followed by developing countries. The application of NPM principles not only brings major changes in the functioning of the public authority but also changes the society's perceptions of the role of the public sector and how the nation is governed. Over 30 years of development, the NPM model has brought certain success in developed nations and has made strong adjustments for other countries, especially developing ones such as Vietnam. In the context of globalization and the internet era since the early 2000s, the NPM model is also subject to strong variation effects. A new approach namely New Public Governance – NPG [2] reflects the need to reform the performance of the state apparatus from institutional development, planning and implementation of public policy, public administration, and capacity of civil servants, to State - citizen relations

What does mean Good governance?

The term "governance" has been in use since the 1990s, in association with the process of public sector reform in countries and the implementation of a new public management model. The researchers point out that governance is the aspect of exercising power through formal or informal institutions to manage the resources assigned by the state. A range of topics include i) How to choose a leader, how to monitor them and when to replace them; ii) The government's capacity to formulate and implement well-established policies and provide public services; iii) The respect of the people and the state for institutions regulating economic interaction.

A shift from "state's management" to "state's governance" is not a simple change of terminology, but also shows the thinking progress in public management theory. If "state's management" is understood as the state's management over a society in which the state plays the role of the managing entity, and the rest of the society plays the role of the managed object. With the connotation of "state's governance", the state appears as dual roles in governance activities: the state is both the subject of social management; and object of the management and supervision of citizens and other social institutions. Therefore, accountability, as well as the consequence of the state's explanation to citizens and society are indispensable characteristics of the state governance model. The main concern of governance is recognizing power, determining who is empowered, how to organize policy and providing public services effectively, and ensuring supervision and participation of the people.

The concept of "good governance" was mentioned a lot in the 1990s in the context of increasing globalization and expanding democratization. According to the World Bank (WB), "Governance is how public officials and institutions acquire and exercise the authority to shape public policy and provide public goods and services" [3].

Good governance is the exercise of power, such as economy, politics, and administration, to manage the country's problems well at all levels of government. From the above concepts, it can be seen that the common factors needed to implement good governance include: i) State's capacity - the level of problem-solving by the government and leaders; ii) Resilience - whether public policies and institutions meet the needs of citizens and uphold their rights; iii) Responsibility - the ability of citizens, civil society and the private sector to supervise and monitor the responsibilities of public and government institutions [4].

The model of "good governance" with eight basic dimensions, or eight core values, has been

adopted by many international organizations such as the World Bank (WB), the United Nations Development Program (UNDP), and admitted by OECD countries.

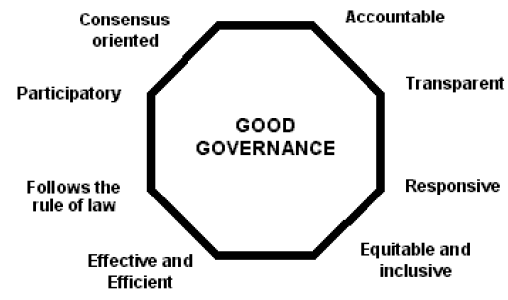


Figure 1. Basic dimensions of good governance.

[Source: Governance for Sustainable Human Development, UNDP 1997]

*i) Accountability:* Accountability includes all matters related to the responsibilities of the state apparatus in general, those who hold and exercise public power in particular, expressed in two directions: responsibilities of subordinates to superior (internal responsibilities) and responsibilities of public authority (external responsibilities, or downward responsibilities).

*ii) Transparency:* The process of promulgating and organizing the implementation of a decision must comply with the provisions of law. The State must ensure the right to access information of the mass media. Information related to government activities must be made public, updated, clear, accessible, and understandable to all citizens.

*iii) Responsiveness:* Organizational institutions and administrative processes must serve organizations and citizens within appropriate periods. The provisions of the law must be issued promptly and properly at the request of real life.

*iv) Equity and inclusiveness:* The State should ensure fair service to all different subjects in society, regardless of class, ethnicity, and religion. No exclusion should be made to the

participation and supervision of citizens and organizations in social governance activities.

*v) Efficiency and effectiveness:* Effective governance means making the results of the process of promulgating and implementing laws to ensure the compliance of all subjects of regulations. The efficiency is that the achieved result must meet the needs of society in the most rational and economical use of resources.

*vi) Rule of law:* The State needs to create a fair legal framework and corridor and create a habit for people to live and work within that framework of the law. The state must have a judicial and execution system to serve the people, not to corrupt.

*vii) Participation:* Good governance must mobilize the participation of social actors in state management, namely the issuance of administrative decisions, policies, action measures.

*viii) Consensus – oriented:* In common sense, the consensus is mutually agreed, contented with opinion and incident. It is the result of volunteering, voluntarily agreeing to everyone without any coercion or imposition.

The basic eight dimensions of good governance have close and interrelated relationships. Each dimension can only be achieved if there is support from the implementation of other dimensions. And so, to achieve good governance, it is ideal to fully implement all the dimensions mentioned above. The increase of the state's responsibility in public service delivery and the diversification of forms of feedback of organizations and citizens for public services are indications of the response dimension; increasing the importance of citizens' role in the assessment of state activities, encouraging citizens to engage in the creating and development criteria for evaluating the performance of state agencies, and also the manifestation of the aspect of increasing people's participation in state governance.

## 2. Governance Indexes in Vietnam

In recent years, Vietnam has used several indicators to evaluate and rank provinces and cities. These indicators are used to measure in many different fields with different purposes for research, assessment, and classification according to national and social requirements. These indicators are built on specific evaluation criteria, be quantified into scores, and must ensure transparency and objectivity. Also, some public services (such as public administration, public health, public education) have been pioneering in the development of methods to measure people's and organizations' satisfaction for service quality and efficiency... Through the evaluation results based on these indicators, local governments will recognize their strengths and weaknesses. Since then, they promote local strengths, overcome shortcomings and limitations to improve the efficiency of its operations in each period and each specific field.

Many performance indicators, published annually and are considered as monitoring tools for policy implementation, indicators of management effectiveness at local levels, including:

**Public Administration Reform Index (PAR-Index)** [5] is an annual monitoring and evaluation tool for implementing Public Administration Reform Index at ministerial and provincial levels. Since 2012, PAR-Index has conducted assessments for 19 ministries and ministerial-level agencies (including 02 specialized agencies, the Committee for Ethnic Minorities, and the Government Inspectorate, which were evaluated but not ranked) and 63 provinces through the methodology of reporting and sociological surveys. PAR-Index combines internal assessments (internal state sector) and external assessments (citizens, businesses, and some political - social organizations). PAR-Index includes the following 08 component indexes: i) PAR monitoring and management; ii) Building and organizing the implementation of institutions (or legal documents); iii) Reforming administrative procedures; (iv) Reforming the

administrative apparatus; v) Building and improving the quality of cadres and civil servants; vi) Public finance reform, vii) Administrative modernization; viii) Impacts of PAR on people, businesses and socio-economic development (component index No. 8 is not evaluated for ministries).

**The Satisfaction Index of Public Administrative Services (SIPAS)** is based on the perceptions, satisfaction, and expectations of people and organizations for the 16 public sectors provided by the provincial, district and communal public administrative agencies. SIPAS applied sociological survey method in 63 provinces, with people who are representatives of the organization who directly transacted and received public administrative service results at the provincial public administrative service center or One-stop section - OSS: the section concurrently responsible for register and re-register related to public administrative services of the departments, district, and communal People's Committees. SIPAS is implemented for 5 basic elements of the process of providing public administrative services, including: (i) Access to public administrative services of state administrative agencies; (ii) Administrative procedures; (iii) Officials directly handling administrative procedures; (iv) Results of public administrative service provision; (v) Receiving and settlement of comments, feedback, and proposals.

Besides the PAR-Index and SIPAS, which are hosted by the Ministry of Home Affairs and published annually, some ministries responsible for public service provision have also developed and applied their indicators of satisfaction rating of citizens and businesses receiving services such as the Ministry of Health, the Ministry of Education, the General Department of Taxation,...

In addition to the two sets of indicators mentioned above, Vietnam also uses a combination of PAPI and PCI, developed and implemented by organizations outside of the political system and many international organizations.

**The Viet Nam Provincial Governance and Public Administration Performance Index (PAPI)** [6] is a product of research cooperation between the Center for Community Support Development Studies (CECODES) and the United Nations Development Program (UNDP) in Vietnam since 2009. PAPI assesses the development, implementation, monitoring policies, and provide public services by all levels of government in 63 provinces. PAPI is built on the ideology of treating people as "customers", with the ability to supervise and evaluate the effectiveness of the public administration and management of public authorities - "service providers". PAPI uses a sociological survey method to measure people's experiences and assessments with 08 content indicators, including i) Participation at local levels; ii) Transparency; iii) Vertical Accountability; iv) Control corruption in the public sector; v) Public administrative procedures; vi) Public services delivery; vii) Environmental governance; viii) E-governance.

**Provincial Competitiveness Index (PCI)** [7] has been created and developed by the

Vietnam Chamber of Commerce and Industry (VCCI) since 2005 with the support of the United States Agency for International Development (USAID). This is an indicator of the quality of economic administration of the provincial government from the enterprise's perspective. PCI is considered a policy tool to enhance the quality of economic execution, improve the business environment, promote business development in locality particularly and Vietnam in general. The PCI survey was conducted through assessments and experiences of enterprises operating in the private sector in localities (State-owned enterprises and foreign-invested enterprises are not included in the list of PCI survey). PCI consists of 10 component indicators with different weights, namely: i) Market's entry cost; ii) Land access and security of tenure; iii) Transparency and access to information; iv) Time costs and regulatory compliance; v) Informal Charges; vi) Policy Bias; vii) The proactivity of provincial leadership; viii) Business support services; ix) Labor training; x) Law and order.

Table 1. Compare PAR-Index, SIPAS, PCI, PAPI against Good governance dimensions

Dimensions of Good governance	PAR index	SIPAS	PAPI	PCI
Accountability			X	X
Transparency		X	X	X
Responsiveness	X	X	X	X
Equity and inclusiveness			X	X
Efficiency and effectiveness	X	X		
"Rule-of-law"	X			
Participation			X	X
Consensus – oriented			X	X

PAR-Index is closely related to three important criteria of good governance: i) Effectiveness, efficiency of public administration; ii) Promote the "Rule-of-law" State, iii) The ability of the public authority to meet the needs and aspirations of people and organizations.

As a component index of PAR-Index, SIPAS assesses the quality of OSS's delivery of public administrative services. Therefore, SIPAS emphasizes the following criteria: i) Responsiveness; ii) Efficiency and effectiveness; iii) Transparency in the process of handling administrative procedures.

With the motto of "Building serving government - Taking people's and businesses' needs as the services' objects", PCI and PAPI closely related to the criteria of: i) Accountability; ii) Transparency; iii) Responsiveness, iv) Equity and inclusiveness; v) Participation; vi) Consensus – oriented.

PAR Index, SIPAS, PAPI, PCI are complementary and perfecting each other to form a set of tools for measuring the effectiveness of public administration in Vietnam following the propensity of good governance. All four indicators are aimed at the "Responsiveness" criteria, to best meet the needs and expectations of people, businesses, and organizations in society. It is also an important criterion and makes the difference in a good governance model compared to previous management models.

### 3. Analysis and Comments

PAR-Index, PCI, PAPI, and SIPAS have all been built and deployed in the past 10 years and are considered a great effort of the State and non-state organizations in monitoring, evaluation, and recommendations to improve the functioning of public authority both at central and local levels. The analysis of the results of the indexes in recent years reveals many interesting points.

Firstly, a slight increase and the trend of pinching in the survey results in 63 provinces and cities.

PAR Index results in 2019 show the following classification: Group A (including provinces with results of 80 points or more), including 44/63 provinces, of which Quang Ninh has the highest score of 90, 09 points. Group B (consisting of provinces with an index of 75 to under 80 points), including 18/63 provinces. Group C (includes provinces with an index of 70 to under 75 points), including 01/63 provinces; No province ranked Group D with a result below 70 points, while in 2018, up to 3 units belonged to this group. In 2019, the provincial average PAR-Index reached 81.15, this is also the highest result of the past four years. Of these, 62/63 provinces have an increase in scores, and 30/63 provinces have scored above average. The difference between the highest province (Quang Ninh 90.09 points) and the lowest province (Ben Tre 73.87 points) is 16.22 points. Thus, the difference in PAR Index results is narrowing compared to previous years. This precision shows that the overall state administrative reform program for the period of 2011-2020 has had a pervasive impact on all provinces and cities across the country. PAR-Index results show that localities have made great efforts in the administrative reform process, paying attention to management efficiency, which is clearly demonstrated with an increase in average score, and the gap between localities are getting narrower.

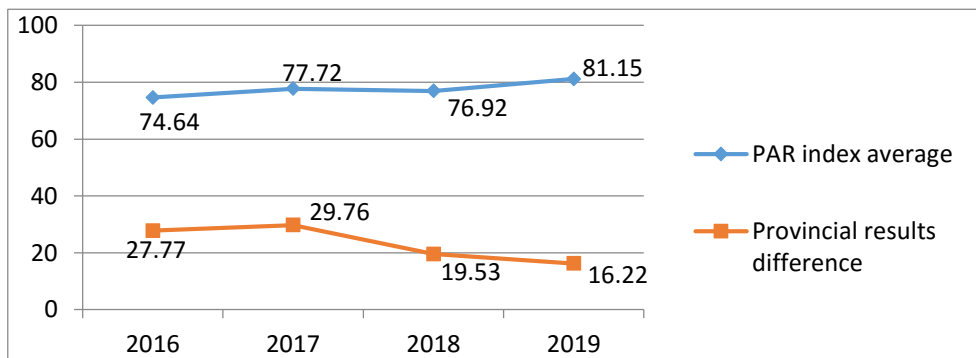


Figure 2. Change trend of PAR-Index average value and Provincial results difference of PAR-Index during 2016-2019.

The SIPAS 2019 results show that 84.45% of people and organizations are satisfied with the service of local state administrative agencies, an increase of nearly 1.5% compared to 2018, nearly 2.3% compared to 2017. Thus, the satisfaction of people and organizations towards the services of state administrative agencies has made positive changes over the years. However, compared with the results of PAR-Index, the level of scattering of SIPAS is much higher. The province with the highest score (Quang Ninh) was 95.26 and the province with the lowest score (Binh Thuan) was 73.81 points, resulting in a difference of up to 21.45 index points. This difference has narrowed significantly compared to 2017 of 28.05 points, in 2018 it was 27.9 points.

The results of the PCI in 2019 continue to show the trend of convergence of PCI scores over time and have an improvement in results in provinces and cities compared to previous years. The average PCI score in 2019 is also the highest

result since the first year of the PCI survey so far. Although the ranking order is divided into 5 groups (from "Very Good" to "Relatively Low"), the gap in scores between the bottom provinces in the rankings and the top provinces continues the narrowed trend. In 2019, the PCI score gap between the bottom province (Lai Chau 59.95) and the top province (Quang Ninh 73.4) was 13.45, while this gap in 2006 amounted to 41.5 points. The level of improvement in the quality of local governance is also evident through the change in the average annual PCI score during the 15 years of the survey. All 63/63 provinces and cities achieved a positive annual change of scores, although the speed of improvement was different. It can be seen that the drastic directions of the government on improving the business environment, improving the national competitiveness along with the determination and persistent efforts of the local authorities have created an extremely positive change, in fact, reflected in the assessment of the business community.

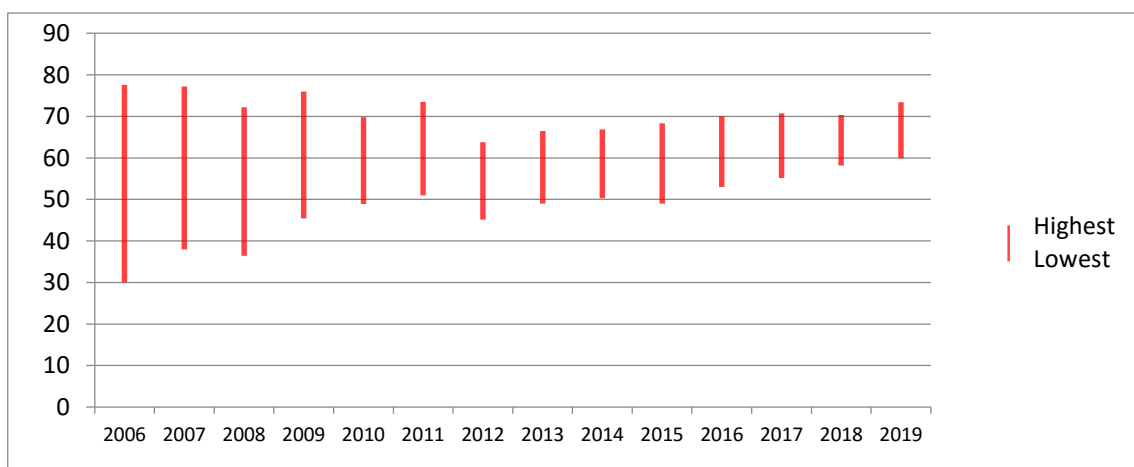


Figure 3. The gap of PCI scores between provinces with the highest and lowest scores in 2006-2019 period.

Unlike PAR-Index, SIPAS and PCI, PAPI index does not rank provinces and cities but classifies them into 4 groups: Group I includes 16/63 provinces at the highest level, Group II includes 16/63 provinces at high average, Group III includes 15/63 provinces at low average, Group IV includes 16/63 provinces at the lowest

level. The difference in scores between groups and provinces within the same group was not significantly different. Also, PAPI focuses on ranking and analyzing changes in six content indexes rather than ranking the overall PAPI results among provinces. The analysis of the original PAPI index shows a steady increase

over time of the provinces from 34.0 points in 2015 to 37.4 points in 2019 with an increase of nearly 10%. In which, 62/63 provinces have PAPI index increasing every year and 30/63 provinces have above average annual growth in the period of 2011-2019. The above results partly reflect the real innovations in the management, state management, and public service provision of all provinces and cities.

With this converging trend, it is possible to realize a new standard in evaluating the efficiency of public administration and reforming public administration among localities. Provinces have made every effort to improve their rankings in all 4 indicators.

*Secondly, the provincial ranking order is not consistent among the four indexes*

The order of ranking 63 localities according to PAR-Index and SIPAS did not have many similarities (except Quang Ninh took the lead in both indexes). Some provinces with high ratings on the SIPAS index occupy a modest position in the PAR-Index and vice versa, for example: Ca Mau is ranked 3/63 of SIPAS but ranked 49/63 of PAR-Index, Hanoi is ranked 2/63 of PAR-Index but 52/63 of SIPAS. Moreover, SIPAS is a component index of PAR-Index and accounts for 12% of the weighting point. Therefore, if PAR-Index is the result of public administration's internal administrative reform, SIPAS is the people's satisfaction level with the administrative service of public agencies, it can be said that: The results of internal administrative reform have latency on the spillover effect, leading to the mismatch in the perception and expectations of people and organizations.

A similar demonstration compares the two objective evaluation indicators from the non-state sector, PCI and PAPI. It would be ideal if the correlation between PCI and PAPI is proportional, meaning that localities with high public administration and good public service delivery will satisfy all of their clients (both citizens and businesses). In practice in some provinces, however, the assessment of local

government by people and businesses is very different. For example, in 2019, there were 2 provinces (Quang Binh and Son La) in the highest group according to the PAPI index but ranked PCI 52nd, 57th, and ranked in the PCI group with an average score. It can be said that the local government in this province is more appreciated by the people than the business sector. Because local authorities seem to be more concerned about the people and social policies than business development and the private - sector economy. In contrast, some localities have higher PCI ratings than PAPI. For example, in 2019, there were 2/4 provinces in the "very good" group according to the PCI score (Vinh Long, Bac Ninh) but stayed in the lowest in the PAPI ranking. It can be said that in these localities, people seem to be dissatisfied with the level of administrative and management effectiveness in their areas of concern.

Two sets of PAR index and SIPAS indicators, which are implemented according to the internal evaluation criteria of the public sector, always have high and very high assessment points. In 2019, Quang Ninh is the leading province in these two indexes with PAR-Index score of 90.09%, SIPAS score of 95.26%. Meanwhile, the two sets of PAPI and PCI indicators are completely objective assessment from the non-state sector (people, businesses), the highest score for PCI is 73.4% and PAPI is 46,74/80 is equivalent to 58.4%. Variety of methodologies and calculations can explain this difference. On the other hand, it also reflects an interesting reason that the method and level of assessment and assessment are relatively different between the public and non-state sectors, between public service providers and stakeholders and beneficiaries of such public services.

In theory, provinces and cities with good governance and good public administration are usually among the top provinces in all indicators, regardless of the method and subject of the survey. But between people and businesses, there are different assessments and different needs in terms of policies from local authorities.



Some localities meet the needs of both people and businesses, but others have not reached that level.

*Thirdly, the level of using the results of the indicators to the administrative reform and managing in provinces and cities*

With different implementation times, the longest being PCI since 2009, and the latest SIPAS from 2016, these four sets of indicators are used of varying degrees in administrative reform and improve the quality of provincial administration. The highest level of commitment is achieved for the PAR-Index with the mandatory annual review of ministries, provincial, and municipal People's Committees. The PCI has also received a high level of commitment from the Government and local authorities. In 2014, the Government issued Resolution 19/NQ-CP to improve the business environment, which requires provinces and cities to use PCI results as a monitoring and improvement tool. By 2019, 63/63 provinces and cities will implement the PCI improvement program and 500 local legal documents to include PCI in the monitoring and questioning content.

The PAPI index has been increasing its credibility and receiving the commitment of action from provincial and city authorities. By the end of 2019, most of the provinces and cities have implemented activities related to the use of PAPI in improving the efficiency of local governance. Notably, there are 146 directives from local authorities on the implementation of an action plan to improve and enhance the PAPI index or combine the three PAR, PCI, and PAPI indicators.

#### **4. Vietnam's Ranking in Some International Indexes**

Besides the Vietnam domestic indexes, there are some international indexes which also provide a more diverse and objective perspective on the current governance's state in Vietnam. The results of these international indexes help Vietnam identify its position when compared with other countries in the world and countries

with similar development background. At the same time, it provides quantitative and accurate assessment bases to offset the limitations that domestic indicators still have.

**The Global Competitiveness Index 4.0 (GCI)** [8]: Covering 141 economies, the GCI measures national competitiveness – defined as the set of institutions, policies, and factors that determine the level of productivity. The GCI is the product of an aggregation of 103 individual indicators, derived from a combination of data from international organizations as well as from the World Economic Forum's Executive Opinion Survey. Indicators are organized into 12 pillars: Institutions; Infrastructure; ICT adoption; Macroeconomic stability; Health; Skills; Product market; Labour market; Financial system; Market size; Business dynamism and Innovation capability.

In 2019, Vietnam ranked 67/141 countries. Compared to 2018, Vietnam has the highest increasing score, rose 3.5 points, and ranked second in the increasing level (up 10 places) worldwide.

The highest-ranking of 12 pillars belongs to "Market size", showing the attractiveness of market development potential for international investors in Vietnam. As a pillar directly related to the effectiveness of public administration and directly affecting the rest of the pillars, Institutions with a score of 50 and ranked 89/141 countries shows quite a lot of room for growth in both scores and ranking. Some indicators are similar in the GCI survey and Vietnam's indexes, showing in detail:

##### *- Transparency and Corruption*

GCI measures Transparency by the only component indicator is "Incidence of corruption", score on the Corruption Perceptions Index, which aggregates data from several different sources that provide perceptions of experts and business executives of the level of corruption in the public sector. According to a GCI survey, Vietnam's transparency index decreased compared to 2018 and fell to 101/141 countries in 2019.

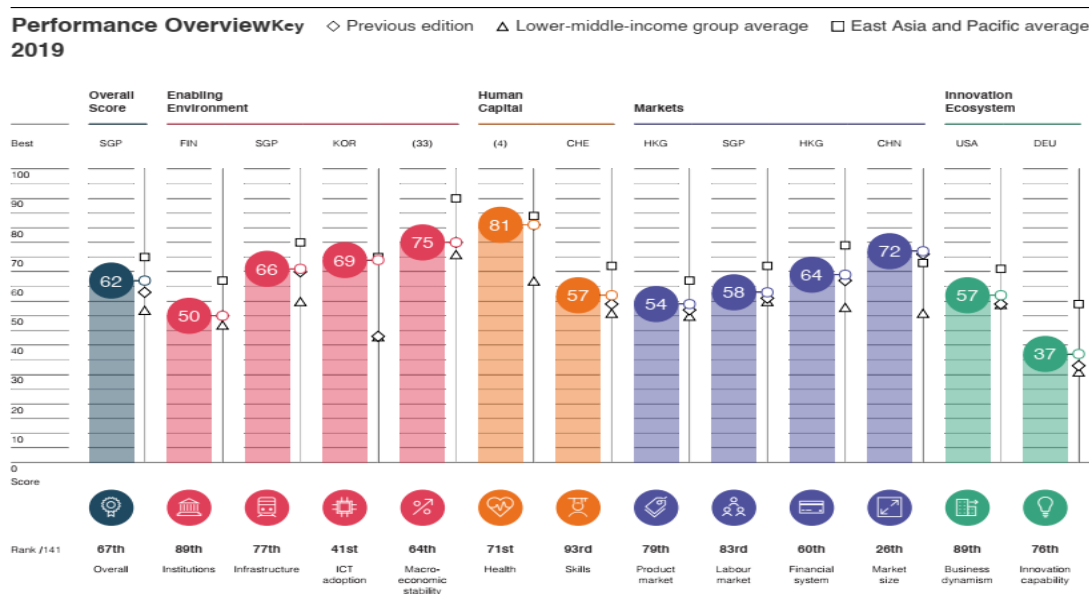


Figure 4. Global Competitiveness Index of Vietnam in 2019.

Source: The Global Competitiveness Report 2019 (World Economic Forum)

On the other hand, the PCI assesses "Transparency" with 12 sub-criteria related to the ability to receive information, bidding process, budget,... to evaluate from the perspective of businesses (operating on Vietnamese territory), which has recorded positive changes gradually. PAPI assesses the content of "Transparency" through people's perception of 4 sub-criteria related to access to information, poverty lists, communal budget and expenditures, land-use plans/price frames. The indicator "Transparency" measured by PAPI also showed signs of improvement in scores (from 5.19 points in 2018 to 5.28 points in 2019). Regarding corruption, PAPI also measures a separate indicator, "Control of corruption in the public sector". In the period 2016-2019, this index rose steadily every year with the sub-indicators related to the control of corruption in local governments, in the public services delivery, and the local government's willingness to fight corruption.

This result has acknowledged the efforts of local authorities, bringing better feelings from businesses and people recently. However, to

meet the transparency of international measurement standards, Vietnam still needs to be more proactive and determined by the entire political system from the central to local levels in the fight against corruption.

- *Security*

GCI's 2019 survey of Institutions and Security in Vietnam has grown in both scores and rankings (Institutions: 89/141, Security: 61/141). This result is similar to the assessment from people and businesses in Vietnam through PAPI and PCI. According to PAPI, the sub-dimension score of "Law and order" according to the evaluation of people with the residential area has steadily increased from 2016-2019. According to PCI, the assessment of enterprises with "Security and order" has maintained at a stable level in the past 2 years (this index has just been applied to the survey since 2018).

- *Requirements for starting a business*

The GCI and PCI survey results both positively measure the government's efforts to improve market access conditions in Vietnam. GCI measured through the two indexes "Cost of

starting a business" and "Time to start a business" both showed an increase compared to 2018, although the ranking is not quite high (respectively, the ranking is 66/141 and 96/141). According to GCI survey data, "Time to start a business" of an enterprise engaging in the Vietnam market is an average of 17 days. This result is also consistent with the PCI survey on "Time to complete enterprise registration procedures". Accordingly, in 2019, 56% of firms completed their business registration procedures in less than 1 month, this is the highest level since 2011. Even 11% of FDI companies said they only take less than a week to get all the necessary documents to officially operate.

**Worldwide Governance Indicators – WGI** [9] reports aggregate and individual governance indicators for over 200 countries and territories over the period 1996–2018, for six

dimensions of governance: i) Voice and Accountability; ii) Political Stability and Absence of Violence/Terrorism; iii) Government Effectiveness; iv) Regulatory Quality; v) Rule of Law; vi) Control of Corruption.

These aggregate indicators combine the views of a large number of enterprises, citizens, and expert survey respondents in industrial and developing countries. They are based on over 30 individual data sources produced by a variety of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms [10].

Instead of the usual ranking among countries, the WGI index classifies the nation in percentile rank from 0 (lowest) to 100 (highest) rank.

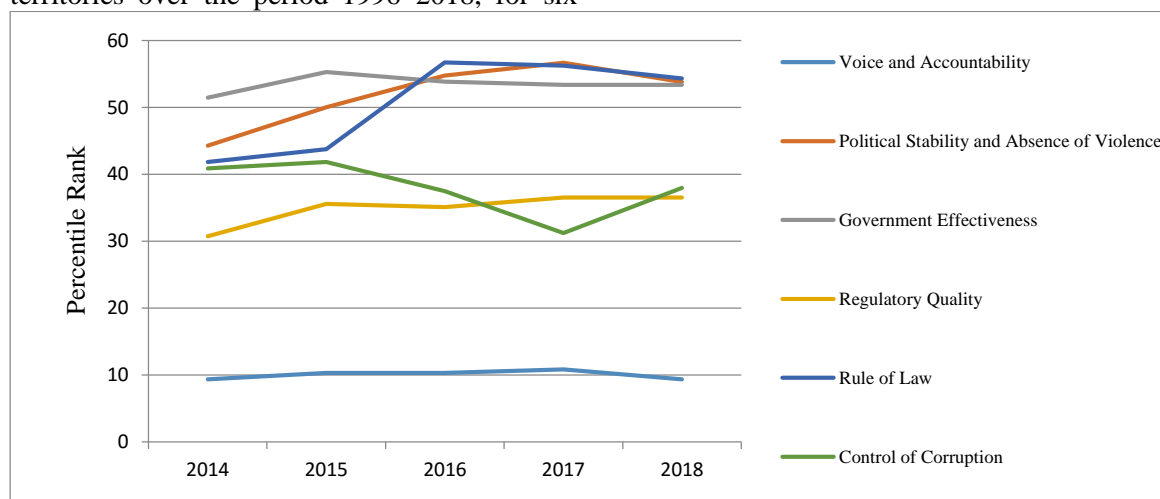


Figure 5. The trend of sub-indicators of Vietnam's WGI 2014-2018 period.

[Source: <https://info.worldbank.org/governance/wgi/Home/Reports>]

The chart above describes the trend of changing 6 WGI sub-indicators of Vietnam from 2014 to 2018 with the following results:

*Voice and Accountability* is the value with the lowest percentile rank and almost no improvement in the past 5 years. The results of this indicator showed that the level of people's participation in selecting their government, as

well as freedom of expression, freedom of association, and free media in Vietnam is limited. Although the content and subject of the survey differ, the results of Vietnam's PAPI also show the similarity in the accountability assessment of the local authorities to the people. On a scale of 1-10, the index of PAPI's "Accountability" tends to decrease (2014: 5.73 points, 2019: 4.87 points) shows that local

authorities have less effort been made in improving the level and efficiency of contacting and answering complaints and denunciations of the people.

*Control of Corruption* has an unstable, up and down percentile rank and has a decrease at the end of the evaluation period compared to the beginning. Control of Corruption captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests. With the under-median score, this index result is commensurate with the "Incidence of corruption" result in the GCI survey as analyzed above. An interesting finding is that the two international assessments of corruption in Vietnam (GCI, WGI) adversely demonstrate the contrary between the assessment of Vietnamese businesses and people to the government (via PCI and PAPI). In addition to the differences in the evaluation perspective, there is another reason that is the local government's determination to fight against corruption, which has a positive spillover effect and is encouraged by businesses and people, recorded through the review score constantly increasing every year. This element of political determination has not been clearly assessed in two international indicators.

The three indicators that had a percentile rank increase during the study period (2014-2018) and reached the median level were: *Political Stability and Absence of Violence/Terrorism; Government Effectiveness; Rule of Law*, which shows positive signs in creating a stable political and institutional environment as well as improving the performance of the public authority in Vietnam. From the objective evaluation of the international index (WGI) and the perspective of subjective assessment from within the Vietnamese government system (PAR-Index), it shows the consistency in the final results.

Despite the gradual improvement every year, the Regulatory Quality indicator has not

yet reached the median (50) of the percentile rank. This result leads to the perception that: The ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development still has room for improvement in a more positive direction

## 5. Discussion

In the second phase of the Master Program on Public Administration Reform 2011 – 2020 [5], Vietnam has built and implemented four sets of indicators to measure and evaluate the performance of public authorities from central to provincial levels. With many component indicators and hundreds of different sub-indicators, these 4 sets reflect the dimensions of the Good governance model that the United Nations announced at the end of the twentieth century. With the combination of both internal (PAR, SIPAS) and external assessment (PCI, PAPI), four sets of indicators have taken on the role of overseeing the administrative and institutional reform process and managing the development domains at provincial and municipal levels. On the other hand, the results of these sets of indicators have attracted the attention of management leaders, as well as policy advisory research agencies to perform in-depth analysis, from which Policy recommendations are pragmatic, aiming at the long-term cumulative (non-breakthrough or speedy) improvement in the activities of provincial-level public agencies.

In international comparison, the two sets of Global Competitiveness index - GCI and Worldwide Governance index - WGI are employing different methods of data collection, analysis, and evaluation from those of the 4 indexes of Vietnam. GCI and WGI are integrated indicators from many other international organizations, while four Vietnamese sets of indicators are based on direct surveys of citizens and businesses. However, the results of both the international and Vietnam's 4 indexes show

general trends in improving the quality of Vietnam's national governance following the direction of good governance: a clear improvement in the Transparency; Rule of Law; Government Efficiency and Effectiveness; but slow and unstable improvement in the aspect of Participatory; Accountability; Control of Corruption.

The Covid-19 pandemic showed that the response and control of disease prevention in particular, abnormal incidents and crises in general, is a very important capacity in national governance. However, both the Vietnamese and international indicators related to good governance do not yet have component indicators on crisis handling capacity. With the prospect of the world's changing geo-political and geo-economy, unpredictable climate and ecological environment change, it is necessary to study and develop additional indicators of crisis management force in the indexes of international governance and each country.

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