Towards Local Government Strategic Planning in

Vietnam: Systemic Governance Interventions for Sustainability

Mai Tuyet Thi Vu

Flinders Institute of Public Policy and Management, Adelaide, Australia

GPO Box 2100, Adelaide, South Australia 5001

Tel: 61-8-82012654   E-mail: mai.vu@flinders.edu.au

Janet J. McIntyre-Mills

Flinders Institute of Public Policy and Management, Adelaide, Australia

GPO Box 2100, Adelaide, South Australia 5001

Tel: 61-8-82012075   E-mail: janet.mcintyre@flinders.edu.au

This is original research by Vu for a PhD degree.

Abstract

Strategic planning has been widely applied internationally in both the public and private sectors. It has been criticized for using a top down approach and for not drawing on the insights and lived experiences of the people and for not supporting two – way communication. This article is based on an analysis of strategic planning in three local government case studies in Vietnam. The research is based on original empirical research for a PhD degree. It develops an argument for a more participatory approach based on two –way communication and a consideration of many domains of knowledge to be considered to support governance decisions. This approach is called systemic governance and participatory planning for decision making. This article is based on empirical research. It explores the extent to which strategic planning has been applied in Vietnam.

Keywords: Strategic management, Strategic planning, Systemic governance, Subsidiarity, Local government

1. Introduction and background to the research

1.1 Vietnam's planning system and the significant of the study

Like most of the socialist economies of Europe and Asia, Vietnam followed the central planning model from the U.S.S.R. The central planning approach has been an ideology for the unitary state of Vietnam in the last few decades where the resource allocation was decided by the central authorities on behalf of the people. Originally, the plan was considered to be the basis of the constitution for North Vietnam and for the whole country after unification (1975). The whole country followed the plan strictly in terms of what was needed to be produced, and where and how many products were produced.

Problems with this approach to planning accumulated and countries have been moving to the other approaches to meet the demand for changes. In Vietnam, since the country used to be a planned economy and most of the economic activities were under the control of the centre during the planning period, this has led to economic inefficiency and a low quality of life. In 1985, the earliest year for which comparable economic data are available, Vietnam stated that it had a very poor economy, with a GDP at 4.2 percent and low life expectancy at birth of 65 years (World Bank estimates based on Vietnam Living Standard Survey (VLSS) 1993). Paralleling the international trends, Vietnam has been implementing the reforms in the development discourse regarding governance, management and citizen participation to enhance the development of the country, particularly in local government.

The renovation (Doi Moi) initiated since the late 1980s can be viewed as a process of adapting its institutions to the changing needs of a socialist-oriented market economy. As a result, the government has implemented the public reform programs in which the reformative approaches have been applied to the national planning system. In an era of globalization and entering the World Trade Organization, Vietnamese people require ever more versatile policies, strategies and management methods to have sound visions and actions and thus the government has been reforming the planning system. The reform is also part of a campaign to achieve Vietnam's Millennium Goals (VDGs) and Vietnam's international commitments. It is also a means for the government to enhance democracy and the participation of citizens and then to provide a better quality of life. Vietnamese government has put in place the legal framework for the reform

of planning process in 2004. Prompted by episodes of the international donors, the Prime Minister issued a 'planning decree' (phap lenh ke hoach) and a directive No 33/2004/CT-TTg on the preparation of the five-year Socio-Economic Development Plan (2006-2010). The socio-economic development planning is considered to be a crucial framework for eliminating and erasing poverty in Vietnam as set up in the Comprehensive Poverty Reduction and Growth Strategy (CPRGS-Chien luoc tang truong toan dien ve xoa doi giam ngheo).

During this reform period, the GDP growth has been increasing during recent years about 8 percent per year during 1990-2005 (Vietnam Statistical Yearbook, 2005). The social indicators such as poverty reduction have been improved. However, a considerable number of questions still need to be addressed as to whether these developments are sustainable or not when (1) the government balance sheet and domestic public sector debt indicators are still of concern (Vietnam National Assembly, 2006); (2) the gap between the rich and the poor is larger (Vietnam Statistical Yearbook, 2005); and (3) the voice and accountability to community in governance is still low (World Bank, 2006). These are great challenges to national and local authorities to look at their programs again, particularly the socio-economic development planning process.

These challenges and problems have indicated that the change toward 'good governance' has not been completed. The operation of the current planning model still shows the legacies of a centrally planned economy. National and local authorities are increasingly concerned to look at their reforms programs again in order to respond to challenges. The 5-year socio-economic development plan that has been considered as the second important decree of the Party is one of the means by which the Vietnamese government can address the above challenges. It has taken a dominant position as the public sector represents the dominant investment sources. It prioritizes all of the proposals contained in the sector plans prepared by sectoral ministries, departments or agencies. Reforming the strategic process is essential in order to bring about the desired change. The argument developed in my thesis is summarised in Figure 1. The core argument is that Vietnam needs to have a more open process to test out the planning ideas with the people who are affected by the decisions, particularly who are to be at the receiving end of the decisions.

1.2 Historical development of strategic planning

The strategic planning was introduced over 20 years ago in the public sector with much early literature focused on the way in which governments applied philosophy and the process (Bryson, 1988; Bozeman and Straussman, 1990; Denhardt, 1985; Eadie, 1983; Osborne and Gaebler, 1992; Steiner, 1979). It had been adopted from the private sector as an innovation for public sector management in the last decades and implemented in various governments in order to enhance creativity, effectiveness and efficiency, with varying levels of success. Critics argue that the private sector and the public sector have different interests, but both the public sector and the private sector need to serve the commons and the public goods in the interests of a sustainable future (Elkington 1995 and McIntyre-Mills 2006a,b). Since 1983 a shift has occurred when Jack Welch of The American Manufacturing Company, General Electric (GE) purged his organization of strategic planners (Galagan, 1997). This marked the end of an era where strategic planning fascinated organizational leaders (Galagan, 1997; Mintzberg, 1994). But in 1994 when the public sector introduced significant reforms and the organization focused on downsizing and reengineering, after 10 years neglecting strategic planning regained popularity (Galagan, 1997).

New forms of strategic planning as a result of the response to meet the historical changes in the turbulent environment such as globalization, market economy and international relationships. An initial form of the strategic planning started as a long-range plan in the 1950s. It was an extension of the regular one year financial planning, in the form of budgets and operating plans. The long-range plan was a projection from present or an extrapolation from the past and it is argued to be equivalent with traditional bureaucracy model which was defined by Max Weber. The next pattern of strategic planning is business strategic planning in 1960s. Then corporate strategic planning was introduced by Ackoff (1970) and Steiner (1979). But the models were still based on a hierarchical model of bureaucracy and hard to be in change of increasingly international competition, societal values, military and political uncertainties. Thus, in 1980s, the Bryson's (1988) model was identified to meet the challenge of scarce resources effectively and efficiently within an uncertain environment. However, the model was limited by lack of concerning socio-economic development issues and implementation aspects.

In 1990s, strategic management was introduced by Ansoff (1984), Stacey (1996) and Mintzberg (1994) to overcome these pitfalls. Then by 2000s, participatory design was developed and applied to strategic planning in the public sector in which it encourages participation of community on the process. However, based on Vu's research experience (2005), when the process starts from bottom-up, it is hard to combine with policies and decisions making from the top.

Strategic planning in local government needs to be democratic and to be able to meet challenges of uncertainty and changeable environmental incrementally. Government officers and planners when developing a strategic plan need to keep in mind that issue might be complex (McIntyre, 2007). They might need a strategic plan comprehensively with good governance and in action. Strategic planning would be concerned with the idea coming from consultation with community domain and having facilitators, instead of being expert driven. The evaluation of its implementation and

process is an ongoing process instead of the evaluation of final result or plan. Strategic planning needs to be systemic, not a linear approach. That version of *strategic planning would be systemic governance for strategic planning.*

1.3 Strategic planning concept

Defining and understanding the meaning of strategic planning can also become problematic due to the wide variation in definitions, the use of jargon and the variety of terms used to describe strategic planning. Strategy comes from the Greek – strategos – the art of the general- reflecting the role of leadership within originally military activity (Henderson, 1989; Mintzberg & Quinn, 1991; Rubin, 1988). Mintzberg (1994) refers to the way in which the concept within the English language was used in the seventh century to refer to formalized charts and plans. Hence, the association of the planning process being a formalized activity, with the accompanying assumptions of predictability in an environment that go with it.

According to Drucker (1973) 'strategic planning is the continuing process of making entrepreneurial (risk-taking) decisions systematically and with the greatest knowledge of their futurity; organizing systematically the efforts needed to carry out these decisions; and measuring the results of these decisions against the expectations through organized systematic feedback' (p. 125)

But the problem with all of these approaches is that it privileges the viewpoints of the powerful decision makers and does not address the lived experiences of the people. It also does not make use of two –way communication (McIntyre-Mills, 2006). According to Bryson (1995), strategic planning has been defined as 'a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it' (p. 4-5). He claimed that the process involves research, development and consideration of strategic alternatives and places an emphasis on the future perspectives of current decisions. Furthermore, strategic planning is also defined as a systemic process for managing the organization and its future direction in relation to its environment and the demands of external stakeholders, including strategic formulation, analysis of agency strengths and weaknesses, identification of agency stakeholders, implementation of strategic actions, and issue management (Berry & Wechsler 1995, p.159). This definition tends to emphasize the steps in gaining future impacts which fully consider linking and matching both internal and external environments.

A definition from Steiner (1979) is that '…planning deals with the futurity of current decision, it is a process, it is a philosophy, and it is a set of interrelated plans' (p. 34). He describes formal strategic planning as, in essence, the systemic identification of opportunities and threats that lie in the future environment (internal and external) which, in combination with other relevant data, provide a basis for a company's making better current decisions to exploit the perceived opportunities and to avoid the threats (cited in Harry & Kunin 1983, p.12). It is an orderly process which, to over-simplify, sets forth basic objectives to be achieved, strategies and policies needed to reach the objectives, and tactical plans to make sure that strategies are properly implemented. Strategic planning also constitutes 'organizational attempts to handle societal problem of a broad kind by means of investigation, analysis, and suggested solutions followed by coordinative measures of advice, guidance, and control applied to a broad range of actors' (Self 1974, p.286). Mintzberg (1989) noted that strategic planning is a means to program a strategy that already exists and is worked-out, not to create the strategy itself (p. 274).

Thus, strategic planning assumes that an organization should be responsive to its internal and external environments, which are dynamic and hard to predict, as a continuous process. Strategic planning emphasizes the significance of making decisions which place an organization to be able to successfully respond to changes in the environment. Additionally, it considers a range of possible futures and emphasizes the development of strategies based on a current assessment of the organization's environment. The stress is on overall direction rather than predicting specific and concrete objectives. Thus strategic planning needs to be based on participatory design or responsive design approach.

The strategic planning focuses on strategic management, that is, the implementation of strategic thinking to the requirement of leading an organization to achieving its purpose. Usually the questions which should be answered are not 'what business are we in?' but 'what business should we be in? and 'Are we doing the right thing?' (See Ackoff and Pourdehnad,in Misdirected Systems 2001). Moreover, one of the main themes common to all strategic management theories has been the emphasis on strategic thinking (Porter, 1980; Mintzberg, 1994). Again, the other authors (Steiner, 1979; Barry 1986; Bryson, Freeman, and Roering, 1986; Bryson, Van de Ven, and Roering, 1987, Bryson, 1988, p.11) argue that strategic planning can help an organization think strategically and develop effective strategies.

For the purpose of this article, strategic planning can be defined as a continuing process that involves governance, management and participation (Figure 2). Figure 2 shows that the process proposes to be a learning cycle loop of governance, management and participation. The Governance is making a decision about what needs to be done, when it needs to be done, how it needs to be done through the implementation of collective intensions. The Management is the achievement of results and personal responsibility by the manager for results being achieved through carrying out the decisions effectively and efficiently to be able to answer the question of "What can it be done?". The Participation of

various stakeholders in the process is in order to support for answering the question of "How do you know that it is going on the right track?".

In local government, generally it is the process of policies, strategies or decisions:

a) made by representative members (council) and

b) implemented by administration body, then

c) reflected in community and feedback to council for fine tuning and adjusting the polices and decisions.

Strategic planning is becoming increasingly complex as the environments of many public sector organizations evolve with greater uncertainty. Organizational 'turn-around' or 'restructuring' or 'rebounding' bring particular difficulties for public sector enterprises given the traditional stability generally associated with this sector. The public sector operates in highly accountable and controlled environments, with the restrictions of legislation, resources, higher government authorities applicable to their product/service domain as well as to their operations, and accountability to service receivers. Therefore, developing strategic planning in the public sector, particularly of the government where it 'shouldn't be run like a business; it should be run like a democracy' (Denhardt and Denhardt, 2003, p.3). The strategic planning process needs to match the needs of people and for this to occur two-way communication process is essential which needs to be built into the governance process. In short, the strategic planning process needs to be *systemic governance and deep democracy (more participation by the community).*

3. Objectives of the research

The objective of the research and this paper is to investigate and examine the current process of planning system in Vietnam both at central planning authority and local government policy on natures of how it is. The purposes are to find out where governance, management and participation in the planning process are strengths and falling short and where might be improved. A particular focus is given to three districts study in Hanoi. The case-specific findings seek to inform government officials, policy-makers and development practitioners about policy and implementation efforts and changing practices in different locales.

The study also aims to provide the implications for democratic strategic planning and will make a case for improving governance through considering systemic interventions.

4. Research approach

This research was preceded by consistent and rigorous collection and analysis of data using intensive qualitative case study methodology. The main data gathering tools were key informant interviews, focus groups discussions, participation observation, documentation and the experiences of Mai Vu as a researcher, which were related to the research subject and developed through the World Bank and ADB related projects in Vietnam. The data was informed by observation in South Australia of participatory planning processes and detailed study of the literature.

The study used both purposive sampling and snowball sampling to collect data. This combination can be possible to provide the broadest range of information. The more information that can be obtained, the better the chance of a complete picture of the cases being studied. Selection of interviewees began with a purposive sample of individuals known to be expertise and practices in planning and/or to be in positions of particular influence within the local government.

Sixteen interviewees from across different organizations/departments and government levels including central government, provincial government, three district-level governments, commune governments, donors and expert consultants were interviewed in 2005. Interviewees were either the Chief Executive Officer (CEO) (or equivalent), Mayors and elected members or department managers and senior service officers in the organizations.

In this study, transcripts of interviews and focus groups, notes of observations and direct experiences and documents (plans, decrees, guidelines, instructions, websites, journals, and other public documents produced and provided by the organizations involved) were analysed.   These were managed and analysed by using computers, particularly software package Nvivo.

5. Findings and analysis

5.1 Governance on the planning process

Good governance issues have become central issues to aid packages and so they are central to the government agenda. The literature (Becker, 2005; Bogason, 2000*;* Fukuyama, 2004; Fung and Wright, 2003; Kjaer, 2004, Pierre, 2000; Pierre and Peters, 2000; Peters, 2001; Peters and Savoie, 2000; Rhodes, 1997) has discussed the concepts of governance as top down, bottom up, contracting out , multilevel or systemic , which means matching the right governance response to the specific context, based on questioning (McIntyre-Mills, 2006).

In the Vietnamese context, different views of the governance are expressed by different stakeholders. For donors,

'governance is concerned with the overall institutional environment in which citizens interact within which economic, political, legal and administrative authority are exercised to manage a country's affairs at all levels' (Poverty Task Force, 2002 cited in UNDP, 2006, p.4). From the viewpoint of Vietnamese government literature, governance is understood to be the 'state management' (*quan ly nha nuoc*) and excludes political issues. This reflects the distinctive single party political system in Vietnam.

For the purpose of this study, it can be defined that *Governance* is making decisions about *what needs to be done, when it needs to be done, how it needs to be done* through the implementation of collective intensions. When strategic planning process is formulated and implemented (Bryson 1988, p.75) by collective intentions, it would reduce the likelihood of making plans that do not match the needs of the people for whom the plans are intended. Strategic planning is hampered by the need to set new indicators that do not make the past achievements look inadequate, because the new planning indicators need to be matched to the old plans and an argument needs to be made as to why past goals were not achieved in order to decide what will be done. Given that direction, it is very difficult for bureaucrats to ensure that senior officers do not set low limits to ensure easily achievable goals and to ensure political success.

The five year socio-economic development planning process (2006-2010) reflects single party top-down governance. The decisions of 'what to do and how' come from the central government. The decentralization of authority to lower government levels is limited, as they have little independence on commanding issues without interference from the central government. The data show that local authority actors (both councilors and officers) do not decide policies for their area in isolation; instead, they often look to the national local government system for guidance about what standard of service to provide, for ideas to imitate or to avoid, for ways of tackling common problems, and for justifications or philosophies of particular strategies. Most councils most of the time follow national trends in the local government world, or national trends in their kind of authority facing their kind of general problem under their kind of political control. The other example (drawn from interviews) is when the plan has been issued and 'ordered' (*giao xuong*) from higher government to lower level (local government), the local government have to follow the plan strictly, if there is any action that is outside of the plan but that relates to the higher level decision making authority (but that is under local government management), the local government needs to propose and wait for decisions (*trinh va xin y kien*) from the higher government level government. This governance of the planning process has both strengths and weakness that are summarized in Table 1.

The central planning mechanism is one of the main coercive instruments that the central authority uses to exercise its power over local governments (*Dieu hanh bang ke hoach*). The central government controls all the 'resources' (Rhodes, 1999, p.80) of the local government such as mandatory powers, financial resources, political resources and information resources.

The findings shows that governance in the Vietnamese Socio-Economic Development planning process is a dual and fragmented centrally governance which includes the concentration of decision making, lacking of coordination, and silos. Figure 3 describes this governance framework among People's Committee, People's Council and Party Committee in which the People's Committee at district level government is under administration and management of provincial People's Committee and under supervision of People's Council and under direction of Party Committee. At each administrative level, there are line representatives (*co quan chuyen mon*) organised into departments (so) at the provincial level, offices (*phong*) at the district level, and sections (ban) at the commune level. The Planning process occurs mostly in the District Department of Planning and Investment (DPI) which is administratively under the authority of the district People's Committees (DPC) but technically is an institution affiliated with the Provincial Planning and Investment Department under the Ministry of Planning and Investment.

Like the district DPI, other departments of district (i.e., industry, construction departments) are administratively under the supervision of the provincial People's Committee, but they receive professional guidance from the line ministries. These institutions are responsible for the preparation of their own sector development plan at provincial level taking references from their line ministries.

This vertical structure of Vietnam's government and the top-down planning system made the coordination across and among sectors difficult. Each agency is under a certain administration of its own sector and works independently with the other agency at the same level. Although Planning and Investment Departments consulted sector agencies when making the overall development plan, such consultations were aimed at making the plans rather than coordinating them. In fact, no coordination mechanism is built into the planning process. The coordination is getting worse at the lower level of the Planning and Investment Departments where they are dependent on decisions from superior levels (i.e., approvals of investment projects and business plans) and there is a lack of fiscal decentralization (i.e., provincial budget depends on central budget allocation). As a result, local governments are passive in capital resources and this leads to lack of linkage between budgeting and planning.

The poor horizontal and vertical coordination among line departments and local authorities also creates obstacles for the

effective and efficient planning formulation and implementation. Moreover, such the limitation in coordination can cause to the difficulties in addressing complex and interrelated problems such as social inclusion, homelessness, unemployment, disadvantaged environment and domestic violence that planners face in planning (McIntyre-Mills 2003, 2006). These are inherently different form the problems that planners deal with. Planning problems are inherently wicked (as cited in Rittel and Webber, 1973) in that they refer not only to the interrelated nature of the problem, but the way in which values play a role in the way in which they are perceived by the different stakeholders. So these inter-related problems need ongoing strong coordination and collaboration across departments of various stakeholders such as non-government organizations and business sectors. One approach to governance and complex problems solving suggested by McIntyre (2003, 2004, 2006) is the systemic governance, particularly the application of subsidiarity principles which means that decisions need to be taken by the people and at the lowest level possible to ensure that those who are involved in the process understand the lived experiences of the people.

Despite the existence of an internal platform (among sectors and authority levels), the contribution of sector agencies and local authorities to the investment plan is really superficial (like giving opinion). The decision on project identification and approval are made mainly by a small group of the highest authorities of PPC and DPI. According to an official respondent, DPI does not share the power and responsibility for project identification and assessment with other departments. Appraisal of technical construction standards is often omitted in the process of investment approval given the absence of Construction Department. In addition as the sectors are competing with each other to attract investment attraction, their collaboration on the planning process becomes formal. This indicates that whether sector participants agree or not, the 'integrated' development plans will be approved and implemented.

Similar problems of sharing planning responsibilities occur at different levels of administration. Lower planning authorities frequently have to follow superior directives and targets since they are subject to funding from higher levels. In particular, the commune level, which are the terminal places for the implementation of plans and direct beneficiaries, are not consulted to express expectations and requests for the planned development. According to a commune official (LGC2), the commune has a very limited role in the preparation of the district socioeconomic development plan. Sometimes, provincial decisions for the land allocation to businesses are adopted without consulting with the local authorities and community. This problem has frequently led to conflicting interests between the new and former land users.

The other weakness in the governance is the lack of clear-cut governance across three spheres of governance namely: the Party Committee, the People's Council and the People's Committee in terms of personnel. The figure 4 described this overlapping of governance among the three spheres in the planning process.

The People's Committee is responsible for preparing and implementing the plans. The Communist party and People's Council play a critical role in the planning process in which they give vision, directions and policy to the community and to the People's Committee. Planning staff need to wait for decrees and directions from the higher level, particularly from the Communist Party and People's Council, before conducting any task in the planning issue. The community are able to influence the planning process through the Communist Party and through the People's Council, however they can only indirectly influence the Management of the People's Committee which is effectively controlled by the Communist Party and People's Council.

In the Section 4 of 2003 law Article 30 to Article 47 covers the elected members of People Council but does not mention the people who are working for the government at the same level or at other government level should not be elected members of the People's Council to avoid conflicts of interest. Therefore, in practice, the Chair of People's Council is also often the Chair of Party Committee. Chair and Vice-Chair of People's Committee have to be in Party Committee and elected members of People's Council. The planners who are developing plans and getting approval from the People's Council are also elected members of the People's Council (LGD 2).

No clear-cut difference exists across the bodies responsible for making decisions and those responsible for carrying out the decision. This raises questions of: How can we solve the conflict of interest?, Which hat should we wear when are both decision makers and implementers? Who can confess to whom? These are all questions that cannot be answered in the scope of this research, but they are the considerable questions needed if the Vietnamese government is going to achieve better representation and accountability in governance matters.

5.2 Participation on the planning process

This research contributes to the literatures (Ingle and Halimi 2007; UNDP 2006; World Bank, 2005) about the positive progress of the Vietnamese government on strengthening the local democracy and public involvement in terms of policies and regulations, in other words in theory; but existing institutional barriers exist to constrain participation by citizens. For example, according to Ingle and Halimi (2007), there are three institutional barriers: (i) a lack of local awareness about existing and new policies, laws and regulations; (ii) reliance on mass organizations such as the Women's and Youth Unions; (iii) a lack of tools that facilitate participation along with useful detailed guidelines on

when, where and how to apply the tools (p.97). However, the findings identified by Vu (2008 forthcoming, Chapter 5) show that these are insufficient barriers and not the root of the lack of or without undertaking citizen participation in the planning process. Not only the executive modes but also the governance modes should be considered further in the implementation about what it is, to what extent the citizen can participate in the government's issues, particularly in the planning process. The executive modes such as tools facilitating participation can develop through capacity building and technical supports and this have been undertaken can be implemented through partnerships with NGOs and INGOs or transferred from the other countries. Thus this would not be a difficult task and a focal point of the participation problems. But the kind of governance which relates to political, cultural, and social issues needs to be institutionalized.

A systemic approach ensures that problems are seen and addressed holistically.   One of the ideological approaches to reforming governance is participation, this has been advocated widely in the literature (Peters, 2001, p.50).

In Vietnam, the participation of community and citizens on the government's issues has obtained a certain progress since the government incrementally pays more attention to the participatory planning approach. However, it also has some limitations. The SWOT analysis on Table 2 summarized the strengths, weakness, opportunities and threats of participation on the planning process. As shown on Table 2, one of the strengths of the planning process is the available legal frameworks and documents for enhancing participation in the planning process. One example is the promulgation of the grass-root democracy decree that requires community and households to participate, monitor and evaluate the development activities at commune level. In addition, during preparation stage of doing 5-year plan, the prime minister also created a decree in which enhance participation of the community on the plan. However, the constitution or legal documents may be the basic document that specifies the main structure of a governance system, but it is not a guarantee of practicing democratic governance. However, the executive of the participation is limited. The participation is happening in the internal organizations and indirectly through the General Party Congress. This participation is around the middle of the process and mainly on the basis of a discussion plans draft. This can raise difficulties for government when governments do not sufficiently consult on the nature of the problem as understood by others (Edwards, 2001, p.5).   The limited internal participation can restrict the motivation of employees' contribution to the organization because according to the USGAO (1995) the 'involvement and participation are the most effective means for motivating individual employees, even it those practices do have the potential to become manipulative' (as cited in Peters, 2001, p.53). Moreover, the lack of participation on the planning process could miss out benefits and advantages of participation.

The other strength on the planning process is the nature of hierarchical government structure. The findings show that this structure contributes to the strong upward accountability. The lower government levels are required to report to the higher levels and align with higher level governments' policies, guidelines and instructions. However, this vertical and top-down link between different levels of government make it harder to listen to the public at the bottom of the pyramid during plan preparation.

The weaknesses of the participation on the planning process are the negative attitudes and the lack of trust of administrators or governments officers in citizen participation. This prevents authentic public participation on the planning process and this is also echoed by King and Stivers (1998), and King, Feltey, and Susel (1998) as cited in Yang (2005). As shown in the case study of Dong Anh district government, the CEO said that conducting participation by the community or citizen in the governments issues would not be useful because their contribution would not valuable and useable. This is a big misunderstanding of citizen participation as it can ensure that planning is appropriate to the needs of the people. This can cause to a loss of public trust to government because 'citizens will not trust public administrators if they know or feel that public officials do not trust them' (Yang 2005, p. 273). Building mutual trust between government and citizen is essential for society development and for a condition of collective actions and intentions.

In summary, from the investigation of the data analysis, it can be concluded that governance in the planning process is top-down, dual and fragmented but centrally controlled. Government has achieved this control through institutional, hierarchical planning regulations and the rules governing local governments. The fragmentation in Vietnam planning system governance is not as what Rhodes (1997) summarizes which include the separation of free-standing agencies from government departments, contracting out and the by-passing of local government through special-purpose bodies. The fragmentation is unique which it is the thereof of the hierarchy and centralized system where the decisions are still expected to make by the state.

6. Policy recommendations for enhancing strategic planning by drawing on the literature informed by Mitcham's experiences

6.1 Systemic governance and participation design for strategic planning

Systemic governance strategic planning proposes to be a process of designing a blueprint to achieve a shared mission and vision, its contribution is to outline the organization's goals, with the strategies and processes the organization will

be used to close the gap between today and tomorrow. It is also a part of quality management. It helps the executive to manage the future, rather than be managed by it. It involves a disciplined effort to help shape and guide what an agency becomes, what it does, and why it does it. Because, strategic planning is the process of prioritizing, organizing systemically efforts and forming actions to achieve the vision under the limitation of scarce resources and is the process of evaluating and monitoring the outcomes of decisions and actions through the participative and systematic feedback.

This section begins with defining governance, what it means in strategic planning process and in the government context.

6.2 Governance

As the definition of strategic planning in Section 2, governance is a crucial component of the strategic planning process in which *governance* is making decision about *what needs to be done, when it needs to be done and how it needs to be done* through the implementation of collective intentions. Literatures (Rhodes, 1997 & Rosenau, 2000) has mentioned about why need to be changed from government to governance. According to Rhodes (1997), 'the term "governance" refers to a change in the meaning of government, referring to a new process of governing' (p.15). He claims that the change is due to failures of government in turbulent environment in which (1) government confronts self-steering Interorganisational networks. The relationship is asymmetric, but centralization must co-exist with interdependence; (2) policy making is not linear but recursive because interventions create unintended consequences, implementation gaps and 'policy mess'; (3) direct management (or control) of this organized social complexity multiple unintended consequences. Indirect management is the central challenge posed by governance for the operating code of central elites. He proposes that, a minimal state, corporate governance, new public management, good governance, socio cybernetic systems and self organizing networks are all elements of the term governance. By this proposal, 'the state becomes a collection of Interorganisational networks made up of governmental and societal actors with no sovereign actor able to steer of regulate' (Rhodes 1977, p.57). Thus, the current trend is toward a more bottom up form of government driven by economic and societal self organizing networks or a hollowed out form of government more about steering and less about rowing in order to make government for people and by people. And those citizens can be more controlling of government through greater participation in networks because they are 'increasingly capable of holding their own by knowing when where and how to engage in collective action' (Rosenau 1992 in Rhodes 1997, p.58).   Government is one of the actors of governance.

'Good governance' has been considered as 'a necessary component of effective economic modernization' (Hirst 2000, p.14). The World Bank is 'a leading advocate of promoting good governance, attaching various compliance conditions to its loans' (Hirst 2000, p.14) and recently, the World Bank is 'advocating building state capacity in developing countries' (Hirst 2000, p.14) to promote implementing 'good governance'. Being good governance, governments are seeking to reform their systems in the three strands as defined by Leftwich (Rhodes, 2000, p.57): political, systemic and administrative (Note 1). Even the 'good governance' is defined by the World Bank *people* need to have decision on whether *development* is good or not. Therefore, this needs to have a participatory design to encourage involvement and participation of *people* in government decision making process. This is also supported by Dunsire (1993), he points out that 'Government could never govern if the people-in their organizations, their families, their groups of all kinds-were not self-governing' (Dunsire 1993, p.26). In order to be self governing, Rhodes (2000) suggests that 'networks are a point of convergence for exercising that self-governing ability' (p.83).

A current trend is to prescribe characteristics or relationship frameworks as recipes for the achievement of good governance. The UNESCAP (2005) prescribes participation, consensus, accountability, transparency, responsiveness, effectiveness, equitability, exclusivity and the rule of law as prerequisite characteristics of good governance. It might also be argued that, as history shows, it is a community's capacity to influence the complex environment it inhabits that is the core prerequisite to good governance. In established governance systems leaders have the luxury of needing only to maintain or incrementally improve on existing systems, for less fortunate communities their capacity to bring about change needs to be built. This 'chicken or the egg' argument seeks to emphasis that the practice of good government should be all about maximizing community capacity, its ability to interact and influence its chosen governance system.

If participatory democracy is about inclusion and embracing the complexity of social, economic and environmental issues then we do need a governance framework that will represent the complexity in this context to make efficient and effective policy and decisions. That why, it is important for strategic planning to take the   triple bottom line (Environment, Economic, Social) further and to ensure that systemic governance makes participation in creating the indicators and co-ordination possible. Hence the argument in the research is that Governance and Strategic Planning based on open checks and balances is essential. This has been mentioned and designed in the strategic planning in Marion and Mitcham council. This is ignored in the Vietnam planning system.

For Coghill (2004), if Good Governance aims to produce the best outcomes for the members of a community (World Conference on Governance, 1999 as cited in Coghill 2004) and Complex adaptive systems produce their best outcomes in the transition zone between order and chaos then it is best for society to exist in a transition between chaos and order,

a state of constant change between 'stagnation and anarchy. This means that governance systems need to continue to evolve in order to adapt to changing circumstances.

The practical applications of this discussion are that flexibility and adaptability are possible elements of a governance cycle and essential in any governance system seeking to facilitate outcomes in an environment in which 'change is certain and only the rate of change is uncertain'. It might be argued that it is a generational problem of older management techniques (out dated forms of bureaucracy) failing to translate into a new public order of Interconnectedness, Interdependence and Interaction. It may also be argued that the pursuit of the three I s has led to a dearth of leadership and goal achievement at all levels a form of 'paralysis by analysis'.

6.3 Systemic governance strategic planning

The reason why participation is vital is because of the need to test out ideas with the people who are to be at the receiving end of the decision (see McIntyre-Mills, 2006).

Some of the essential characteristics for systemic governance strategic planning process are:

(1) Inclusion of values, knowledge, ideas and aspirations that provides the requisite variety required for optional choices

(2) Openness to many people and many ideas (Gaventa 2001; Gaventa and Cornwell 2001; Gaventa and Valderrama 1999 as cited in McIntyre 2007, p.37) and taking into account of their voices and ideas.

(3) Working upwards, outwards and downwards (Pierre and Peters 2000) and cooperating and coordinating across sectors.

(4) Participative process based on the principle that decisions made must be representative and must meet the needs of local community and based on subsidiarity (see McIntyre-Mills, 2003) and recursiveness (continuous learning process) to ensure that plans are tested out by decision makers who have lived experience of the issues.

6.3.1 Participation

The inclusion of values, knowledge, ideas and aspirations that provides the 'requisite variety' (Ashby, 1956) is a vital aspect of the planning process. In the public sector, thinking and acting strategically should be shaped by communities and citizens because local knowledge is the basis for creativity (McIntyre 2005 a; b). Indeed, Edgar (2001) stressed the need for diverse 'patches' to be fostered at the local level. However, diversity is not only the basis of creativity, but it needs to be reflected in the policy making process (McIntyre-Mills, 2006). Participation of the people is one of the most important requirements in the policy making process related to creating and crafting new links in the 'patchwork'. This should be done through systemic governance. According to McIntyre-Mills (2006), systemic governance is 'a process of matching services to needs and ensuring participation by users or people concerned about issues affecting life, death and future generations. …Systemic governance is both a process and structure, because its aim is to balance individualism and collectivism and that is the basis of democracy' (p. XXXVIII).

According to the New English Dictionary and Thesaurus (1999), democracy is a form of government by the people through elected representatives. Democracy means that there is a decentralization of authority to the stakeholders, an appropriate delegation of authority from the central to the local government. Based on the people's trust through this election, the government will craft and design their prospective future community. Local government has a key role to play in both forward planning and providing the means for people to have a say in designing their future community environment, prioritizing their needs and deciding on how the resources should be utilized.

Contributing to these, McIntyre-Mills added that decision-making, planning and risk management can be addressed better by including everyone in systemic governance process in which decisions are made for a sustainable future, but also establishing quick centralized responses to disaster planning and disaster response. She recognized that

……….participatory design is the goal for both pragmatic and idealistic reasons (Note 2). Complexity of decisions must match the complexity of the issues and the more arguments that are considered the better the testing out of ideas. Respectful communication energizes and builds hope and trust. Creating the conditions for enabling open questioning and expression of feeling is vital for communication that supports sustainable governance. This enables ideas, emotions, values and experiences to be shared on a regular basis, so that creative energy is not blocked. (McIntyre-Mills 2006, p. XLI)

6.3.2 Participatory process

As the definition of strategic planning mentioned in Section 2.2, strategic planning is convergence of collective intentions and efforts from various. It is a vision of the whole community. It requires involving all levels and functional units of an agency-top executives, middle managers and supervisors and employees, and participation of other various stakeholders such as business, communities and ordinary people.

The principle of participation derives from an acceptance that people are at the heart of development. At the broader, societal level, recent research has demonstrated that governments are often most effective when they operate within a

robust civil society. Participation of civil society offers an additional and complementary means of channelling the energies of private citizens. NGOs, for example, can be helpful in identifying people's interests, mobilizing public opinion in support of these interests, and organizing action accordingly. They can provide governments with a useful ally in enhancing participation at the community level and fostering a "bottom up" approach to economic and social development.

At the project level, a growing body of empirical evidence demonstrates that initiatives tend to be more successful when stakeholders and beneficiaries are integrated into the planning process. This principle also contains a normative component, in the belief that people have a right to be consulted about initiatives that will have a major impact upon their welfare and lifestyle. Participation implies that government structures are flexible enough to offer beneficiaries and others affected the opportunity to improve the design and implementation of public policies, programs, and projects. Examples of C&P in ADB's Operations Manual Activities that involve high social, economic, or environmental risks or central objectives promoting participation and empowerment will require more and deeper participation throughout the project cycle.

Indeed, participation can help for testing out ideas to *know that strategic plan is going on the right track* among various stakeholders. The testing is done by the people and the experts so that lived knowledge and professional knowledge are combined. According to McIntyre-Mills (2006 drawing on an adapted version of Polanyi and the work of Nonaka and Takeuchi), 'knowledge based on personal lived experiences' or 'tacit knowledge' can be made more widely useful if it is pooled and shared. She stressed that 'open debate and testing out ideas' not only by the experts, but those with lived experience is central to democracy and science. This means that all stakeholders, not just the experts or elected representatives' (McIntyre 2005b, p.224) need to be included in the decision making process. She added that 'openness to debate and to other ideas and possibilities is the basis for both enlightenment process of testing and for democracy and …for openness to occur there has to be some trust that voicing new ideas will not lead to subtle or overt marginalisation of oneself or one's associates' (2005a, p.198).

In summary, the systemic governance and participatory planning design approach is appropriate for creating their vision which accommodates their aspiration (needs and wants). The involvement of the stakeholders in making strategic decisions both in the central and local level is very important because it could increase the commitment and obedience of stakeholders, especially local people, to fulfil all the objectives of decisions made.

References

Ashby, W. Ross, 1956, *An Introduction to Cybernetics*, Chapma and Hall, London.

Ackoff, R.L. and Pourdehnad, J., 2001, "On misdirected systems", *Systems Research and Behavioural Science*, 18(3):199-205.

Ackoff, R. (1970). *A Concept of Corporate Planning*. John Wiley and Sons, USA.

Ansoff, I. (1987). *Corporate Strategy*. Homewood. Irwin.

Becker, U. (2005). Types of Democratic Governance. Beyond Inferences from Formal Structures. Paper presented at the conference "Shifting Relations in Governance in the EU: Winners and Losers of Informal Governance. Amsterdam, Amsterdam School for Social Science Research, 13-14 Jan.

Bogason, P. (2000). *Public Policy and Local Governance. Institutions in Post-modern Society.* Edward Elgar, Cheltenham, UK.

Bozeman, B & Straussman, J.D. (1990). *Public Management Strategies: Guidelines for Managerial Effectiveness*. San Francisco: Jossey-Bass.

Barry, B. (1998). *A beginner's guide to strategic planning*. The Futurist, p. 33-36.

Berry, F. S & Wechsler, B (1995). *State Agencies' Experience with Strategic Planning: Findings from a National Survey*. Public Administration Review, 55 (2): 159-167.

Bryson, M. J., Freeman, R. E & Roering, D. W. (1986). Strategic Planning in the Public Sector. Approaches and Directions. In   C. Barry (Ed.), *Strategic Perspectives on Planning Practice* (pp. 65-85). Lexington, MA: Lexington Books.

Bryson, J. M., A. H. Van de Ven, and W. D. Roering. (1987). Strategic Planning and the Revitalization of the Public Service. In R. Denhardt and E. Jennings (Ed), *Toward a New Public Service*, Columbia, MO: Extension Publications. Bryson, J. (1988). Strategic planning process for Public and Non-Profit Organizations. *Long Range Planning*, vol. 21, no. 1, pp. 73-81.

Bryson, J. M. (1995). *Strategic Planning for Public and Nonprofit Organizations: A Guide to strengthening and sustaining organizational achievement.* Jossey-Bass, London.

Coghill K. (2004). Federalism: Fuzzy Global Trends. *Australian Journal of Politics and History*, 50 (4), the University of Queensland and Blackwell Publishing Ltd.

Denhardt, R. B. (1985). *Strategic Planning and State Government Management*. State Government, 58(4):179-184.

Denhardt, J. V & Denhardt, R. B. (2003). *The New Public Service: Serving, not Steering*. M. E. Sharpe, New York.

Dunsire, A. (1993). Modes of governance, In J. Kooiman (Ed), *Modern governance: new government-society interactions* (pp.21-34), Sage. London.

Drucker, P. F. (1973). *Management*. New York, Harper & Row.

Eadie, D.C. (1983). Putting a Powerfull Tool to Practical Use: The Application of Strategic Planning in the Public Sector. *Public Administration Review*, 43. (September/Obtober): 447-452.

Edgar, D. (2001). *The Patchwork Nation: Rethinking Government-Rebuilding Community*. Harper, Sydney.

Edwards, M. (2001). Participatory Governance into the Future: Roles of the Government and Community Sectors. *Australian Journal of Public Administration*, vol.60, no.3, pp. 78-88.

Fukuyama, F. (2004). *State-building : governance and world order in the twenty-first century*. Profile Books, London.

Fung, A & Wright, E. O. (2003). *Deepening democracy: institutional innovations in empowered participatory governance*. Verso, London.

Galagan, P. A. (1997). *Strategic planning is back. Training and Development.* 51(4): 32-37.

Gaventa, J. (2001). Towards participatory local governance: six propositions for discussion. Paper presented to the Ford Foundation, LOGO Program with the Institute of Development Studies, June.

Gaventa, J & Cornwell, A. (2001). Power and Knowledge. In P. Reason & H. Bradbury (Ed). *Handbook of Action Research* (pp. 70-80). Sage, London.

Gaventa, J & Valderrama C. (1999). Participation, citizenship and local governance: Background note for workshop on 'Strengthening participation in local governance'. *Institute of Development Studies*, June.

Harry & Kunin, E. (1983). Formal Strategic Planning in the United States Today. *Long Range Planning*, 16(3): 12-17.

Henderson, D. B. (1989). The Origin of Strategy. *Harvard Business Review*, 67(6):139-144.

Hirst, P. (2000), Democracy and Governance. In J. Pierre (Ed). Debating Governance, Authority, Steering and Democracy (pp.13-35). Oxford University Press.

Ingle, M & Halimi, S. (2007). Community-Based Environmental Management in Vietnam: The Challenge of Sharing Power in a Politically Guided Society. *Public Administration and Development*, 27: 95-109.

Kjaer, A.N. (2004). *Governance.* Polity Press, Cambridge.

McIntyre-Mills, J. (2003). *Critical Systemic Praxis for Social and Environmental Justice: Participatory Policy Design and Governance for a Global Age.* Kluwer, London.

McIntyre-Mills, J. (2004). Democracy and participatory praxis for ethical systemic governance. Proceedings of *the 48th Annual International Society for the System Sciences Conference*, eds Wilby and Allen, International Society for the System Sciences, USA.

McIntyre-Mills, J. (2005a). Part 1: Working and Re-working the Conceptual and Geographical Boundaries of Governance and International Relations. *Systemic Practice and Action Research*. 18 (2): 173-220.

McIntyre-Mills, J. (2005b). Part 2: Critical Systemic Praxis to Address Fixed and Fluid Identity and Politics at the Local, National and International Level. *Systemic Practice and Action Research*, 18 (3): 223-258.

McIntyre-Mills, J. et al., 2006a, *Rescuing the Enlightenment from Itself: Critical and Systemic Implications for Democracy*, Springer, London, Boston, Vol. 1 of C. West Churchman Series. Preface 11-15 and Prologue 17-44.

McIntyre-Mills, J. et al., 2006b, *Systemic Governance and Accountability: working and reworking conceptual and spatial boundaries,* Springer, New York.

McIntyre-Mills, J. (2007). The Hijab and Systemic Governance: Transnational Policy Making and Human Rights. *Systems Research and Behavioral Science*. 24:37-58.

Mintzberg, H. (1987). Crafting strategy. *Harvard Business Review*, July-August, 66-75.

Mintzberg, H (1989). *Mintzberg on Management: Inside our strange world or organizations*. New York, Free Press.

Mintzberg, H (1994). *The Rise and Fall of Strategic Planning*. London, Prentice Hall.

Mintzberg, H & Quinn, J. B (1991). *The Strategy Process: Concepts, Contexts, Cases*. 2nd ed. Engelwood Cliffs, N.J., Prentice-Hall.

Ministry of Planning and Investment (2005). *Planning in Martket Economy: contents, approaches in making socio-economic development plan*. Hanoi, Vietnam.

Nonaka, I., & Takeuchi, H. (1995). *The Knowledge Creating Company: How Japanese Companies Create the Dynamics of Innovation.* Oxford University Press, Oxford.

Osborne, D & Gaebler. T (1992). *Reinventing Government. How the Entrepreneurial Spirit Is Transforming the Public Sector. Reading.* MA. Addison Wesley Publishing Co.

Pierre, J. (Eds). (2000). *Debating Governance, Authority, Steering and Democracy*. Oxford University Press.

Pierre, J & Peters, B. G. (2000). *Governance, Politics and the State*, St. Martin's Press, New York.

Porter, M. (1980). *Competitive Strategy*. New York, The Free Press

Polanyi, M. (1962). *Personal Knowledge*, Routledge & Kegan Paul, London.

Peters, B. G. (2001). *The Future of Governing*. Lawrence : University Press of Kansas.

Peters, B. G & Savoie, D. J. (2000). *Governance in the twenty-first century : revitalizing the public service*. Canadian Centre for Management Development, Montreal.

Rhodes, R. (1997). *Understanding Governance, Policy Networks, Governance, Reflexivity and Accountability*. Open University Press, Buckingham.

Rhodes, R. A. W. (1999). *Control and power in central-local government relations.* Aldershot and Brookfield, Vermont: Ashgate.

Rhodes, R. A. W.   (2000). Governance and Public Administration. In J. Pierre (Ed.). *Debating Governance, Authority, Steering and Democracy* (pp. 54-90). Oxford University Press.

Rittel, W. J. H & Webber, M. M. (1973). Dilemmas in a General Theory of Planning. *Policy Sciences*, 4:155-169.

Rosenau, J. (2000). Change, Complexity and Governance in Globalizing Space. In J. Pierre (Ed.). *Debating Governance, Authority, Steering and Democracy* (pp. 167-200). Oxford University Press.

Rubin, M. S (1988). Sagas, Ventures, Quests and Parleys: A typology of strategies in the public sector. In J. M. Bryson & Einsweiler, R. C. (Ed.). *Strategic Planning: Threats and Opportunities for Planners*. Chicago, Planners Press (American Planning Association), pp. 84-105.

Self, P. (1974). Is Comprehensive Planning Possible and Rational?. *Policy and Politics*, 2(3): 193-203.

Stacey, R. D (1996). *Strategic Management and Organizational Dynamics*. London, Pitman Publishing.

Steiner, G. A. (1979). *Strategic Planning-What Every Manager Must Know*. New York, The Free Press.

UNDP. (2006). *Deepening Democracy and Increasing Popular Participation in Vietnam*. UNDP, Hanoi.

United Nations Economic and Social Commission of Asia and the Pacific, UNESCAP. (2005). What is Good Governance, Retrieved August 15, 2007, from www.unescap.org/huset/governance.html.

Yang, K. (2005). Public Administrators' Trust in Citizens: A Missing Link in Citizen Involvement Efforts. *Public Administration Review*. May/June, 65(3).

Werlin, H. (2003). Poor Nations, Rich Nations: A Theory of Governance. *Public Administration Review*. 63(3): 329-342.

World Bank (2000). *Vietnam: Managing Public Resource Better, Public Expenditure Review 2000*.   The World Bank, Hanoi.

World Bank (2005). *Vietnam Development Report 2005: Governance*. The World Bank, Hanoi, Vietnam.

World Bank (2006). *Governance Matters*. The World Bank, Washington D.C.

Notes

Note 1. The political use of governance refers to 'a state enjoying both legitimacy and authority, derived from a democratic mandate'. The systemic use of governance is broader than government covering the 'distribution of both internal and external political and economic power'. The administrative use refers to 'an efficient, open accountable and audited public service' (p.611). And to achieve efficiency in the public services, the World bank seeks to: encourage competition and markets; privatize public enterprise; reform the civil service by reducing over-staffing; introduce budgetary discipline; decentralize administration; and make greater use of non-governmental organizations (Williams

and Young, 1994: 84 cited in Rhodes, 2000, p.57).

Note 2. The assumption that underpins this process is that good governance requires asking good questions and providing the conditions-not merely to allow-but to foster good conversations and the asking of good questions. Providing space for diversity and for convergence –to find the shared themes-is the challenge. Governance requires that decisions should be applied at the level at which they are made (Edgar 2001) and that the requisite variety of decision makers are involved in making decisions about the future, to apply Ashby's Law ,1956, cited in Lewis and Stewart 2003). Local areas of specialization can be developed drawing on the expertise or personnel knowledge of the people who have direct experience.

Table 1. SWOT analysis of governance in the planning process

DIAGNOSTIC ASPECT	PLANNING PROCESS: GOVERNANCE
STRENGTHS	Lawful and highly commitment for fulfillment of the plan. Central planning mechanism. Leadership process is strong. Bureaucratic structure
WEAKNESS	Linear, complex, sequences of steps and crafting purposefully toward objectives. Leadership varies. No defined clearly representative roles and functions of People's Council. No clear-cut governance among Party Committee, People's Council and People's Committee. Dual, downwards and fragmented centralized governance. Silos and lack of coordination across organizations. Lack of transparency.
OPPORTUNITIES	More capacity building Training and application of the Law
THREATS	Leadership will remain elitist and top-down in approach Corruption and strengthening local elites. Democratic matters.

Table 2. SWOT analysis of participation in the planning process

Strengths	Weakness	Opportunities	Threats
Constitution Grass-root Democracy Exercise Prime Minister Decrees	Interpretation varies. No defined clearly mechanism for implementation of participation. Window dressing and executive limitation.	They have a chance to improve capacity to interpret the laws	That the elites will follow the letter of the law and employ planners who will use off the shelf measures and not enhance participation.
Hierarchy government structure. Strong upward accountability.	Hard to listen to the public at the bottom of the pyramid. Limitation in downward and outward accountability. Omitted or neglected representative roles on planning process.	Training and application of the law.	Lack of transparency. Corruption and enhancing democracy.
Efficient developing plan. Staff commitment with fulfillment of the planning task.	No participation on the whole planning process of various stakeholders. Negative attitudes and the lacking of trust of administrators or government officers in citizen participation.	Involve people who are to be at the receiving end of the decisions in the process.	Losing public trust and social values.

Contributions of Stakeholders: Key Emergent Issues

A: Hierarchical system
- Hierarchy government structure.
- Unitary centralized planning structure.

B: Concepts
- Traditional unitary planning concept which is no longer suited to the planning environment.
- Existing central planning mindset.
- Party dominant.
- Emergent concept about strategic planning in practice.

C: Area of Concerns
The central planning mindset, as manifested in the prevalent top-down approach in relation to Governance, Management and Participation in 5-year Socio-Economic Development Plan (2006-2010) at the district government level.
- Explore three district local governments planning process in Hanoi: what are Strengths and Weakness.
- Reflection on South Australia experiences and potential lessons for Vietnam

D: Tasks
- Carried out by people who are 'hamstrung'.
- Lack of ownership.
- Party dominated content.
- Lack of strategic setting (objectives, analysis).
- Lack of skills, techniques.
- Lack of integration and linkage with other issues (budget).
- Intent-statement plan
- Local boundaries.
- Interplay of rationality and Politics.

E: Process
- Linear, top-down, state-centered, closed process.
- 1 way communication
- Upward accountability.
- Poor Responsiveness.
- Demotivation of local government staff, Not making best use of local knowledge.
- No based on people lived experiences.
- Erode local experiences and capacity.
- Not open for checking out ideas, evaluating and monitoring transparently and by the community.
- Needs systemic matching of responses to needs of people to 'narrow the gap between performance and outcomes.

F: Structure
- Unsystemic
- Centralized
- Silos
- Lack of coordination.
- Output oriented.

Arguments and Propositions developed from the literature

Vietnam has not implemented strategic planning yet:
Vietnam needs to have a more open process to test out the planning ideas with the people who are to be at the receiving end of the decisions, plans, budgets and policies.

1 Implementation of Strategic planning is threatened by top down decision making process.
2 Strategic Planning is essential to meet OECD Good Governance principles. Good Governance and Strategic planning based on collective intentions, open checks and balances from all stakeholders is essential.
3 The tasks, structures and process of the planning in Vietnam do notenable sufficiently participative governance (accountability, responsiveness) to ensure sustainable development and economic growth
4 Developing strategic planning in the public sector, particularly in the local government, needs to apply systemic governance to enable deep democracy (more participation by the community) and to deliver more sustainable society and development.

H: Literature Review (Chapter 2)
- Conventional strategic planning process.
Involves clarifying mission and values, developing a vision of the future, analysing external challenges and opportunities, assessing internal strengths and weaknesses, developing strategic goals and objectives, identifying strategic issues, developing and evaluating alternative strategies, and developing action plans.
Argue that the importance of implementing strategic plans by anchoring lower-level planning processes in the strategic plans themselves (Bryson 1988, 1995, 2004).
- added: -Strategic Management: Resource Allocation, budget (Vinzant& Vinzant 1996).
- Commitment (Mintzberg 1994).
- Performance management (Poister1999).
- Performance measurement (Franklin 2000)
- Participatory design (Sharp 2004, McIntyre-Mills 2003,2006).

I: Research Methodology (Chapter 3)
Qualitative methods
- Interviews
- Focus groups
- Observations
- Documentation
- Ethnography
Analysis of South Australia local government.

J: What changes going to be: Systemic governance for a strategic planning process (Chapter 7)
Some of the essential characteristics are:
- inclusivity of values, knowledge, ideas and aspirations that provides the requisite variety required for optional choices
- openness to many people and many ideas (Gaventa 2001; Gaventa and Cornwell 2001; Gaventa and Valderama 1999 as cited in McIntyre 2007, p 37) and taking into account of their voices and ideas.
- Working upwards, outwards and downwards (Pierre and Peters 2000) and cooperating and coordinating across sectors.
- Participative process
- Decisions made must be representative and meet the needs of local community and based on principles of subsidiarity (see McIntyre-Mills, 2003) and cyclicity (continuously learning process). To ensure that plans are tested out by decision makers who have lived experience of the issues.

Figure 1. Conceptualization of the Research Issues
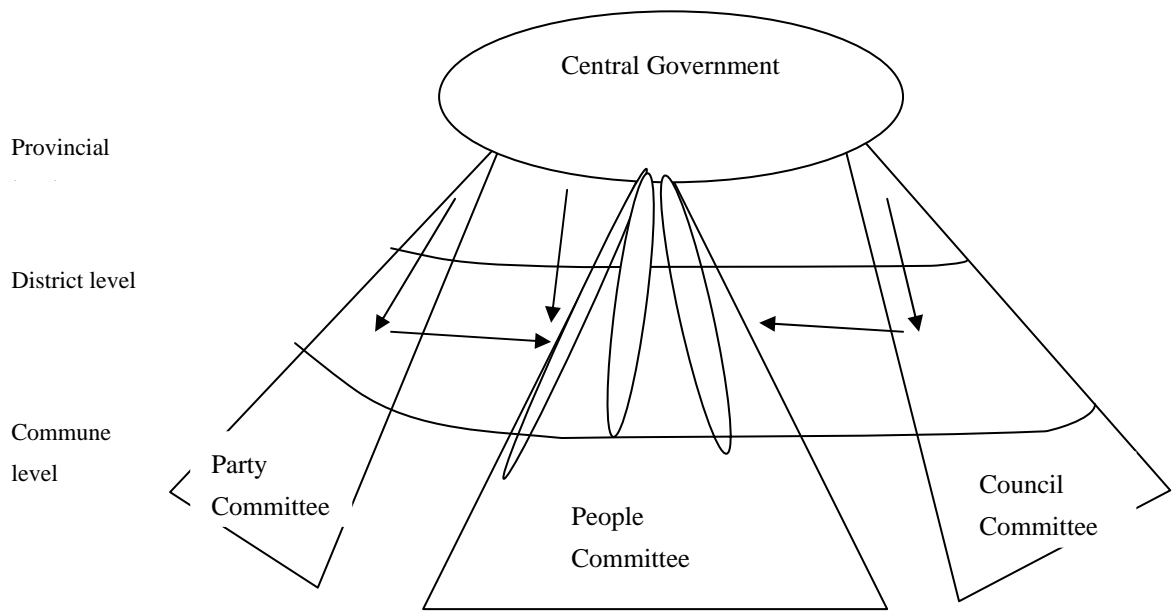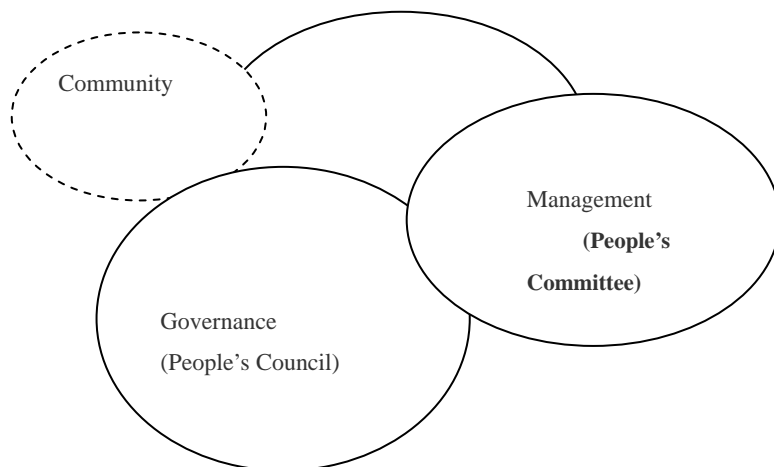
Figure 2. Strategic Planning process cycle

Figure 3. Governance framework

Figure 4. Spheres on governance in the 5-year SEDP