



## Evaluating Project Using Qualitative Perception of Collective Rationality Approach of the Theory of Rational Choice Institution **CASE STUDY OF THE MOTHER CHILD HEALTH AND FAMILY PLANNING CENTER, NGHỆ AN, VIETNAM**

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### Abstract

The research is a case study, in which I describe the process of data mining and knowledge discovery on the application of the theory of rational choice institution, collective rationality approach and project evaluation technology, efficiency criterion in a case study.

Doing the research the author evaluates that of the Mother and Child Health / Family Planning (MCH/FP) Center, Nghệ An province, Vietnam has reached high level of efficiency, providing reasoning for the collective rationality approach of the theory of rational choice institution. The narrative contributes to the theory of new institutionalism as a useful addition, particularly, on the theory of rational choice institution as reasoning for collective organizations. The case study contributes to enlighten the theory of rational choice institution by empirical experience on collective components of the traditional theory of institution study.

### I. Theoretical issue

#### 1. Purpose statement

My purpose is to build the bridge between the science of rational choice institution [1] and technology of project evaluation [2]. To make the bridge piers I analyze the case of provincial hospital, Nghệ An province, Vietnam – my country. The initial purpose of mine is to evaluate the efficiency [3] of the reproductive health project of the provincial hospital. Later on, the

purpose of mine is to argue on the collective rationality [4] of an institution, meaning to contribute to enrich the theory of institution study with cognitive references from the practice.

#### 2. Research question

2.1. Case method: Which methods, tools, and criteria are applicable to evaluate the project?

2.2. Case data and analysis: What is the level of efficiency of the project: how are seven inputs are transformed to the outputs?

2.3. Argument method: Which approaches and methods and techniques are applicable to the argument on rational choice institution study?

2.4. Argument data and analysis: How does the case provide cognitive addition to rational choice institutionalism, collective rationality approach?

#### 3. Literature review

Literature review for the case consists of project materials including reports, books, pamphlets, brochures, etc. Some are made by the provincial hospitals. The Japan International Cooperation Agency (JICA) as the stakeholder of the project makes some documents. What we have gained from the documents for our research is data related to the efficiency of the project. By the data we evaluate how the hospital transforms the inputs to the outputs, in order to complete its social purpose of taking care of mothers and children.



What we need to develop further from the case literature review is the deeper argument on efficiency criterion if we see it from the approach of collective rationality of the theory of rational choice institution.

Literature review on argument development consists of several schools of authors and the major theoretical framework is taken from the theory of new institutionalism of Peter Guy. The theory of new institutionalism, particularly, rational choice institution approach is chosen for the research approach and argument development, understanding collective rationality or the logic of collectivization – the logic of institutionalization in institution is one of the strongest and most persuasive components of the theory of rational choice institution. The logic of collective rationality means to maximize the collective benefit - to better achieve institution's social goal in our case. To describe how an institution pursues rationality means to describe the institutionalization process. What we derive particularly from the literature review is the important competence of the theory of rational choice institution: collective rationality (organizations can make internally consistent with its principle in order to achieve its social goal and harmonize individual benefit with the collective benefit). We consistently develop this competence in our research.

#### 4. Approach, methodology, and assumption

4.1. The case: The tool of Project Cycle Management (PCM) evaluates the project. PCM is an effective tool for project management. It originates from Germany. Now it is widely used by ODA practitioners in developing countries. Let us see the logic of a popular project design matrix (PDM) for evaluation:

	Relevance	Effectiveness	Efficiency	Impact	Accountability
Overall goal					
Purpose Project					
Outputs					
Inputs					

Source: Akira Matsumoto, Project Cycle Management

The PDM of the reproductive health project follows this style particularly. PDM's efficiency criterion is chosen for evaluation in this part. Efficiency is the measurement of the level of transformation from inputs to outputs, which we evaluate on its process to achieve the social goal of the project: to improve reproductive health for women in Nghệ An province. From the case side, seven input – output pairs of the project: administration, safe and hygienic delivery, monitoring, information,

education, communication (IEC), abortion, reproductive route infection (RTI), and hospital management information system (HMIS) are to be discussed. It notes that only typical points of the input-output table are discussed when the evidence of collective efficiency is to be argued. It is different from the comprehensive evaluation report of practitioners.

4.2. Argument development: The approach of argument development bases on rational choice institution theory, collective rationality approach. The methodology bases on documentary analysis, photographing, interview, and observation. In this research, we provide the link and the interaction among the approach of collective rationality of rational choice institutionalism (science level) and the efficiency criterion of PDM tool of project evaluation (technology level) and the case of MCH/FP Center, Nghệ An province, Vietnam (material level). We assume that the case contributes to the argument on institution study by developing the collective rationality approach of new institutionalism to cope with the emerging importance of social institution with focus on social goal achievement recently, which traditional institution economics with the focus on reducing transaction cost cannot explain sufficiently.

Rationality contains much meaning; in this case, it means to base on the logic of collective efficiency in project evaluation technology and to base on logic of collective rationality in rational choice institution study science. Efficiency means collective rationality in this case because efficiency criterion is the measurement of transformation of project inputs to project outputs while rationality bases on the logic of change – the logic of involvement of a social structure, which is named with the terminology "institutionalization – collectivization". The case argues on efficiency criterion by the tool of evaluation (technology) and argues on collective rationality approach by the tool of institution study theory (science).

#### 5. Conclusion for theoretical framework:

The topic of our argument development is efficiency criterion of project evaluation technology and collective rationality approach of rational choice institution theory. By analyzing the case:

- We aim to improve the existing project evaluation technology by developing the criterion of efficiency: we assume that collective efficiency is different from economic efficiency, individual efficiency in this case and needs to be improved beyond the level of organizational efficiency to include communal, social efficiency in project evaluation.

- We aim to improve the rational choice institution



theory by developing social procedures: collective rationality is different from economic rationality, individual rationality and needs to be improved beyond the level of organizational rationality to include communal rationality, social rationality in rational choice institution theory.

## **II. Evaluation of the efficiency of the project and argument development on institution study (data and analysis)**

### **1. Evaluation of collective efficiency in management:**

Observing Doctor Tân's management principle, I can learn that his organization does pursue the fit with the collective efficiency to well complete the social goal of improving reproductive health for women in Nghệ An province, the particular expression of which is the balance between individual benefit and collective benefit in mobilizing human resources as inputs for the project – in salary arrangement. When we asked Doctor Tân how he regulated the relationship between individual benefit and the collective benefit of his hospital, he said that during the wartime, individual benefit was completely sacrificed for the collective benefit; however, it is contrast now. He tried to harmonize the individual benefit and collective benefit by making the rule and incentives, which decide the rights and responsibility of individuals of his hospital. He told us how he influenced the salary arrangement:

At the beginning of the project, we felt surprised because the project did not allocate official salary to project staffs, as other international projects do. I told my staffs the words of our Minister of Planning and Investment at the National Consultation Group Meeting in Nghệ An "Please try your best to complete your job. While we do not know how much money, we have in our pocket it is sure that we cannot know how much money they have in their hand. Do not think about your salary. Think about your responsibility and work. If you think you do the job only when project provides salary; it means when the project finishes, you do not continue to do your job".

By imposing this morality on the health providers, the managers hope that high sense of responsibility of working becomes tradition of the hospital: instead of complaining about many things, health providers concentrate on doing their job and get clients more satisfied. Provincial People Committee and Provincial Health Service also support this policy. They themselves encourage the health providers that allowance are not supplied but it is good opportunity to learn from foreign experts and good opportunity to go to Japan for study. I

think everybody feels happy and try to complete the job well.

This evidence of the case can contribute to confirm the strength of our argument on rational choice institutionalism. To say by philosophical words, this tendency of behavior fits well with the what institutionalism explains, as Peter says: Rational individuals become willing to accept constraints on their own behavior because they know that other actors are also constrained by the same rules, and that there is an organizational means of enforcing these limitations on individual utility maximization. Given that perspective on rationality, a good institution is one, which is capable of making rules that constraint individual maximization when maximization is collectively destructive, and which can enforce its rules once made. Evaluation provides us evidence how our studied subject – the hospital pursues collective efficiency – collective rationality.

### **2. Evaluation results in monitoring-collective efficiency:**

We have found the evidence of collective efficiency in changing the structure of the steering committee by the participating observation: the expenses (up to over US\$100,000) is decentralized to non-medical sector, particularly, population council to conduct the surveys for the project, which is described in the next paragraph.

There are some differences in the steering committee from the stage before 2000 (phase 1) to the stage after 2000 (phase 2). Regarding the staffing of the Joint Committee, (the highest decision making body of the institution) new member of population council was added. The project newly employs Doctor Nhân and Doctor Mai and other staffs from Population Council of provincial, district, and commune levels.

We see the increase in the number of staffs and increase in costs. Actually, as we observe, the change in organizational structure: Population Council was added as a cooperator, means an improvement, leading to success in all other activities such as package assistance to commune health center (CHC), abortion reduction, RTI, monitoring, IEC, and HMIS. This new addition to the institution's organizational structure brought much benefit in evaluating the plan and the plan implementation of the institution, resulting in much better accountability of the institution. The most apparent evidences are the products of Doctor Nhân and Doctor Mai – the three surveys, which bring the accountability to the stakeholders. Looking at the survey results of Doctor Nhân and Doctor Mai, people understand the project results, particularly, the level of readiness of facilities and the quality of services much more than looking at the reports. Right in the process of survey



learning by doing, Doctor Tân's decision to employ Doctor Nhân and Doctor Mai and to allocate finance to the three surveys (US\$40,000 each) in the project show the effort to pursue higher social efficiency for the project. The particular meaning of the social efficiency in this case is the decentralization, the sharing with other sector of the community to do the common work. We also can argue that collective efficiency means the community – the social efficiency. The meaning of collective efficiency can be extended. It also means social efficiency, communal efficiency, not only the organizational efficiency in social institutions.

### **3. Evaluation result in IEC – collective rationality**

I think the best thing the MCH/FP Center has done is to transfer the IEC wok to Women Union at all levels. We were surprised to find that commune Women Union members were much more skillful and anxious to do IEC than health staffs. They actively and voluntarily conducted the work, without any demand on allowance or compensation.

Actually, it would be the best way to move the IEC job to Women Union, in term of both economic efficiency and social efficiency. A larger number of staffs of the Women Union of all levels rather than a limited number of medical staffs, who are more specialized in technical work, can share the same allowance for IEC. They are much better to identify needs of the communes, formulate education plan, and conduct women education, particularly, IEC reproductive health, utilizing our IEC materials and based on the plan. It would conclude about the efficiency of the decentralization and socialization health education strategy of the Government by observing how the Women Union themselves conduct the initiative to organize reproductive health contest on utilization of IEC materials. The contests are organized at commune level first, after that, at district level, and finally, at provincial level. Nghệ An television participates, too to make the performances including songs, plays, poems, films (The birth of Tony, story of my friend, etc). IEC slide shows by MCH/FP staffs and Women Union staffs) become much more interesting, visualized, medialized, like art performances, which used to be one-way communication by overhead projector and micro before. Women really feel the necessity of the work and promised to disseminate the experience widely as well as continuation of activities.

The following paragraph says about my personal impression on IEC campaigns. Observing an IEC campaign in 2004, I really got impressed by the grand show of the campaign. I love their songs I sing those songs now everyday: I love my mother as much as

hundreds of moons and hundreds of suns; when we came, the land was just for living. When we left, the land induced a soul. Through my village flows a very blue river mom; in mirror water reflect bamboo hedges; summer noon means my soul; shining onto warm water; would water keep date and time; memories within her flow womb? Spider makes bride between two paddy buds; sunset makes bridge between day and night; letter makes bridge between innermost feelings, we make bridge between aiiku river banks. I am originally not a poet; today I could make a poem. If I were a train – a taxi – bus driver, who repeated the engine starter and the brake some hundred times a day; if I were a vegetable seller, who rode motorbike or bicycle some kilometers per day to transport meat and vegetable to the village market; if I were a hotel dish washer, who stood in front of the sink 6 hours a day; if I were a worker, who assembled 50 parts of a camera within 30 minutes, today I would be able to join the dance of with two-three year old children like I were just two or three years old. I have found great necessity and great enjoyment to be a social constructivist today.

### **III. Conclusion**

We do not wait up to conclusion to draw conclusion from our case study. The whole narrative is the process of description, analysis, and comment. The final comments include three parts: conclusion about the hospital organization, conclusion about the project evaluation technology, and conclusion about the theory of new institutionalism.

#### **1. Conclusion about the hospital organization:**

The process of pursuing collective efficiency really means the process of sacrificing individual benefit, which produces better job accomplishment of the hospital. Furthermore, collective efficiency goes over the organizational efficiency to include communal, social efficiency. Collective efficiency pursuing process is described as gradually changing in activities in order to transform the seven inputs into the seven outputs of the reproductive health project (administration, safe and hygienic delivery, monitoring, abortion, RTI, IEC, and HMIS) that lead to favorable outcome of improving reproductive health for women in Nghệ An province, Vietnam. Our fieldwork can contribute to clarify the criterion of effectiveness of PDM evaluation technology, which is widely applied in the development world in this way, I believe.

#### **2. Conclusion about the efficiency criterion of the evaluation technology:**

By studying the case, we can see that collective

efficiency is different from individual efficiency and collective efficiency also includes communal, social efficiency in project evaluation, thus collective rationality is different from individual rationality and collective rationality also includes communal, social rationality in rational choice institution theory. It is effective to measure the level of collective rationality by such qualitative tool as PDM with its criterion of efficiency, as shown in the case.

By analyzing some points of the case which is on the process of transforming from seven inputs to seven outputs, in order to achieve project purpose of improving reproductive health for women in Nghệ An province, we can improve the existing project evaluation technology by developing the criterion of efficiency. The measurement is how the studied subject pursues the collective efficiency with constraint to individual efficiency and with reference to communal, social efficiency. To say further in the later argument development part, to contribute to develop the theory of rational choice institution, we can improve the rational choice institution theory by developing collective rationality approach, which also measured by the level of achieving social goals of institutions, which is different from individual rationality, and much considers communal, social rationality.

### 3. Conclusion about science of rational choice institution theory:

The case contributes to improve the evaluation technology, and contributes to develop the rational choice institution theory. To say in philosophical terms, MCH/FP Center is a good institution, as Peter said: "An institution is created when a formal structure has meaning for the members, and when those members begin to believe that the structure is something more than a means to an end. The institution will therefore be able to motivate the members – though its logic of rationality – to a greater extent than would a simple, mechanical organization does". From 1993 to 2006, rationality or higher efficiency is step by step applied to become the principle of the institution, mobilizing all members in the course of collective construction – the common construction. Rationality, particular expression of which means collective efficiency in this case or the logic of change if we say by new institutionalism's word is the most persuasive component of our argument: the logic of rationality (to maximize the collective benefit in our case).

Observing the activities of the provincial hospital, we are able to understand the important competence of the theory of rational choice institution: collective rationality (organizations can make internally consistent

with its principle to achieve a social goal and harmonize individual benefit with the collective benefit, and extend the organizational benefit to communal, social benefit). Our studied subject shows that it is able to reproduce rational allocations of resources and appropriate organizational actions. We are able to answer the question raised by new institutionalism: Is it a good institution?

With the comprehensive description of "the theory of new institutionalism, the institutionalization approach, the collective rationality competence, and the logic of change", we enrich the theory of new institutionalism, which explains the structural equilibrium of social organizations.

Our conclusion is that the health institution has reached its social purpose: to improve reproductive health for women in Nghệ An province. Doctor Phương, Doctor Mùi, Doctor Tân, midwife An, midwife Văn Anh, Doctor Hào, Doctor Nhân, Doctor Mai are our studied subjects showing great efforts as institutional rationalists. I would like to say thank you to those Doctors who share their life with me in this study. As the song we heart in the IEC campaign, how many years next to the aiiku fire; you keep the habit to get up early; you put the fire with the endless love; you burn sweet potato dear; you cook the sticky rice happiness; you fire the children feelings. How marvelous your kitchen is.

By the description of the information based on particular contexts of the institutional reform of Nghệ An MCH/FP center, we try to provide readers a "bridge construction style" - grounded style, which may fill the gap between the abstract and theoretical research with the concrete reality of the case. This style is not for policy recommendation; it attempts to bring the saturation to the argument on the new institutionalism theory.

At first, I wanted to become a practitioner – an evaluator. The context of locality changes my intention to a researcher. I do not intend to impose policy application to the institution because the institution exists and grows without considering my intention. What meaningful I can do is to observe this institution and provide my comment, as everybody can do, on social meaning of rational choice institutionalism ■

#### NOTES

[1] The theory to help institution achieve its social goal, explained in Peter Guy 2005.

[2] Project evaluation or project cycle management (PCM) method, explained by Akira Matsumoto 2000.

[3] A criterion of PCM to measure the transformation from inputs to outputs of a project.

[4] An approach of rational choice institution theory, which harmonizes individual and collective benefits to help the institution achieve its social goal.

#### REFERENCES

MCH/FP Center and JICA, Final evaluation Report, 2005

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