

# Does Practicing Good Governance Enhance the Public Trust Towards the Lebanese Government?

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**Abstract-** The objective of this paper is to examine empirically the influence of good governance practices on the public trust in Lebanon. It presents a theoretical research framework to understand this relationship supported by literature review from recent studies. A survey was conducted among SMEs in the capital Beirut, where 400 questionnaires were distributed among managers and employees resulting 94 percent usable response rate. The research hypothesis was accepted through analyzing the data by SPSS and SEM. The main findings indicate that good governance practices have a positive and significant influence on public trust in Lebanon ( $p < 0.001$ ). Future studies are recommended to extend the empirical research in terms of good governance practices and more specifically at the level of sample and geographical distribution.

**Index Terms-** Good governance, Public trust, Lebanon

## I. INTRODUCTION

Trust is considered as one of the most significant aspects in the implementation of government strategies for any country. In order for citizens to trust their government, the latter must achieve its ambitious targets to develop and provide the efficient quality of public services. In the absence of trust, citizens become suspicious about their political system and disaffected with the existing order (Diamond, 2007).

According to Kim and Kim (2007), trust in government is influenced by numerous factors mainly efficiency and effectiveness, responsibility, integrity and accountability, openness, participation and transparency. However, no reform will build trust unless governments change their way of governance in a more efficient, transparent and accountable manner that respect law and public interest as well (Diamond, 2007).

As most of developing countries in the Middle East region, Lebanon suffers from weakness in the good governance level. This is because of the high corruption index that indicates lack of transparency as reported by different studies (Marcel, 2013; IIF, 2005). In 2012, Lebanon was ranked at the 128 position among 176 countries regarding the corruption perception index (Bank Med, 2013; CPI, 2012; The Daily Star, 2011) and it was also reported that the government's transparency of policymaking in Lebanon was listed the 104<sup>th</sup> among 135 countries in the world (The Heritage Foundation, 2013).

Moreover, other aspects of good governance such as efficiency and accountability are not presented properly within the Lebanese government because of different reasons mainly

insufficient and unqualified employees, outdated offices' equipment and over centralized procedures (Dawlati, 2013).

However, the Lebanese government has been implementing recently a series of reforms to fight the widespread of corruption and enhance the good governance which in turn increases the efficiency of government sector and advance the public trust towards it (US Commercial Services, 2012; Kefela, 2011; IIF, 2005).

Consequently, the aim of this paper is to determine empirically the influence of good governance practices on the public trust in Lebanon and present a practical case study that can be advantageous for developing more reforms not only in Lebanon, but in the surrounding region as well.

## II. LITERATURE REVIEW

Conceptually, trust is perceived at interpersonal and organizational levels in which fairness, confidence, risk taking and expectations are considered its main constructs (Colesca, 2009; Erturk, 2008). Trust in public sector is essential for the functioning of government especially that it has become increasingly associated with governance. Public administration has examined trust as a basic ingredient of social capital in that it helps create networks between people in a community and helps to make these networks function smoothly (Walker et al., 2008).

In addition, Welch et al. (2005) argued that trust in government is typically measured in terms of citizens' subjective judgments based on their experience. They have also suggested that citizens' trust will arise when they touch the government's competency, reliability and honesty while meeting their needs. Thus, good governance is how the governments interact with the citizens and who will be involved in the process. It is an exercise of transformative, administrative, political, social and economical authority to meet the requirements of the law, openness regulations, transparency and accountability (UNESCAP, 2012; Ferguson & Popescu, 2006; ANAO, 2003).

Thus, governments are always in need to respond the demands of citizens to improve the efficiency and boost the effectiveness of their public services (Siddiquee, 2008). Lot of studies has been conducted in terms of different dimensions of good governance. For instance, Egwuonwu (2011) focused on the behavioral aspects of governance which consists of accountability, justice, transparency, genuine disclosures, integrity and high performance. Others discussed good governance in terms of equity, efficiency, sustainability, transparency, accountability and security (Khan, 2013, Kefela, 2011). Since these dimensions are applicable in various perceptions of good governance, it is

significant to study their implementation in the government sector as to achieve the objectives of this research.

*A. Efficiency*

In the meaning of good governance, it is saving and protecting the environment by manageable use of the natural resources (UNESCAP, 2012).

*B. Transparency*

Transparency is the process of making decision and it is properly implemented through the regulations and rules (UNESCAP, 2012). In other words, it is the disclosure of any related information to the interested stakeholder on timely manner (Salin & Abidin, 2011).

*C. Accountability*

Accountability is considered as a key prerequisite of good governance for both public and private institutions (UNESCAP, 2012). Accordingly, Khan (2013) described accountability as an open government that support good level of social and political objectives of authority, sharing, respecting the rights and empowering the equity. Thus, governments must find a balance between the requirements of accountability to the society and those of state governments (Kluvers, 2010).

By practicing these dimensions of good governance, governments can improve the public trust by making the processes throughout their institutions more efficient, transparent and accountable (Park & Blenkinsopp, 2011). Such institutional enablers for enhancing trust are theoretically derived from the institutional trust theory which is primarily conceptualized as trust in the rules, roles and norms of an institution independent of the people occupying those roles (Smith, 2011; Zucker, 1986).

Based on the above discussion, the theoretical framework of this research is developed as shown in figure I and the main research hypothesis is proposed.

H<sub>1</sub>: good governance has a positive and significant impact on public trust in government

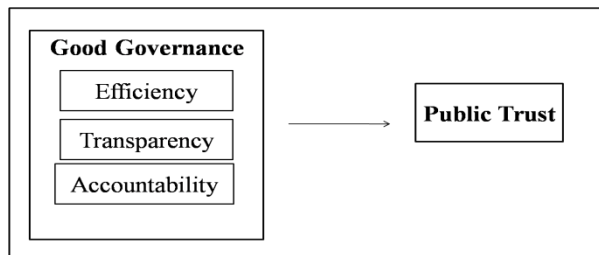


FIGURE I: THEORETICAL RESEARCH FRAMEWORK

III. METHODOLOGY

To achieve the research objectives, a quantitative methodology was applied through conducting a survey among the public of Lebanon. According to previous studies, selecting the target population is highly influenced by the respondents' characteristics such as education, career, skills and to which extent they are interacting with the research concepts. Therefore, a sample of educated and skilled employees from small and

medium sized enterprises (SMEs) who are in regular contact with government services would be a representative sample for survey.

Consequently, 400 questionnaires were distributed randomly among the SMEs in the capital Beirut. Out of the returned questionnaires, only 375 questionnaires were usable and applicable for analysis presenting 94% response rate. A total of 36 items were derived from valid and reliable previous studies constituting the questionnaire used in this survey (Jalali & Khorasani, 2012; Grimmelikhuijsen, 2012; Park & Blenkinsopp, 2011; Al-Zoubi et al., 2011; Agrawal et al., 2007; Welch & Hinnant, 2003). The respondents were asked to rate their level of agreement based on 6-likert scale that ranged from strongly disagree to strongly agree.

IV. RESULTS

The collected data were analyzed using SPSS and AMOS software. Primarily, the demographic statistics of respondents showed that the 60% of respondents were males and 49.3 % were between 41 and 50 years old. Moreover, 49.6% of the respondents have a master degree and 45.1% with very good information and communication technology (ICT) skills. This indicates that the selected sample for this research is highly representative with educated and qualified respondents.

The descriptive statistics of the research variables illustrated that the public of Lebanon fairly agree on how the government is practicing good governance and the extent to which they trust this government since the average mean is around 4 for all variables (PT: 4.4; EF: 4.2; TRN: 3.9; ACC: 4.5).

The items used in this study consistently represented their corresponding latent constructs with composite reliability and cronbach's alpha coefficients greater than 0.7 (0.77 <math>\alpha</math> <math>0.93</math>) as suggested by Hair et al. (2010). In addition, the validity of items was confirmed by explanatory factor analysis (EFA) where the measured items had loadings on their corresponding components and above 0.5 as suggested by Hair et al. (2010). Confirmatory factor analysis (CFA) was also used to detect the convergent validity where items having loadings greater than 0.5 were deleted. The developed structural model of this study which is shown in figure II has revealed goodness of fit indices above thresholds that were suggested by Hair et al. (2006) and presented in Table I.

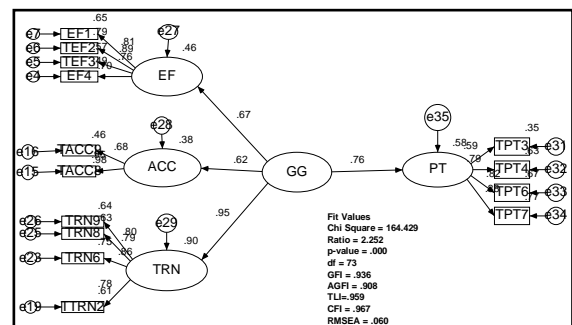


FIGURE II: THE RESEARCH STRUCTURAL MODEL

**TABLE I: THE GOODNESS OF FIT INDICES OF THE STRUCTURAL MODEL**

|                                | CFI<br>>0.90 | GFI<br>>0.90 | AGFI<br>> 0.90 | TLI<br>> 0.90 | RMSEA<br>< 0.08 |
|--------------------------------|--------------|--------------|----------------|---------------|-----------------|
| <b>Goodness of Fit Indices</b> | 0.967        | 0.936        | 0.908          | 0.959         | 0.060           |

The proposed hypothesis was tested through SEM tool where the results obtained are illustrated in Table II.

**TABLE II: HYPOTHESIS TEST RESULTS (REGRESSION WEIGHTS)**

|           |                |           | Estimate     | S.E.         | C.R.         | P          |
|-----------|----------------|-----------|--------------|--------------|--------------|------------|
| EF        | <---           | GG        | 1.000        |              |              |            |
| ACC       | <---           | GG        | 0.633        | 0.093        | 6.791        | ***        |
| TRN       | <---           | GG        | 1.209        | 0.119        | 10.133       | ***        |
| <b>PT</b> | <b>&lt;---</b> | <b>GG</b> | <b>0.741</b> | <b>0.090</b> | <b>8.227</b> | <b>***</b> |

\* P < 0.001

The results showed that the regression weight for good governance in the prediction of public trust is significantly different from zero at the 0.001 level. Thus, the research hypothesis is accepted.

## V. DISCUSSION

The results obtained from this survey have shown a significant relationship between practicing good governance and the public trust in the Lebanese government. The respondents have fairly agreed on the application of good governance in Lebanon especially at the level of accountability that showed the highest mean value with 4.54, followed by efficiency 4.23 and the lowest mean value for transparency 3.92.

Such results are supported by previous studies (Kim & Kim, 2007; Welch & Hinnant, 2003; Bouckaert & Walle, 2003) who asserted the significant effect of good governance on public trust. For example, some researchers found several important interdependencies between trust and accountability (Ammeter et al., 2004; Thoms & Scott, 2002).

In addition, Bouckaert and Walle (2003) found that participation, accountability and transparency build trust because it identifies the public interests and makes actions more predictable. Welch and Hinnant (2003) also suggested that people who are using internet more frequently are more satisfied with transparent government web sites which contribute to higher levels of trust in government.

Particularly, good governance has shown lot of enhancement efforts in Lebanon in terms of accountability such as measuring citizens' ability to participate in government selection, freedom

of expression, freedom of association and free media. Also, government effectiveness and regulatory quality was achieved through measuring market-friendly policies and laws. Moreover, the civil society and public authorities are cooperating on specific reform activities in terms of control of corruption and enhancing transparency (Mansour, 2012; Saidi, 2012; TI, 2010).

Overall, Lebanon has come close to attain good governance as a whole, where Lebanese government must manage and govern efficiently to reform civil services by introducing greater public transparency requirements and expanding the opportunities for citizen involvement in monitoring public sector activities. This in turns enhance the public trust in government through achieving a set of ultimate goals within the reform of government sectors.

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