UNIVERSITY OF OKLAHOMA

GRADUATE COLLEGE

IS HUMAN RESOURCES MANAGEMENT IN THE LEADING STATES BEING REINVENTED?

A Dissertation

SUBMITTED TO THE GRADUATE FACULTY

in partial fulfillment of the requirements for the

degree of

Doctor of Philosophy in Political Science

By

Steven W. Housel
Norman, Oklahoma
2004

Downloaded from SHAREOK. Persistent Handle URL: https://hdl.handle.net/11244/762

UMI Number: 3138523

UMI®

UMI Microform 3138523

Copyright 2003 by ProQuest Information and Learning Company.

All rights reserved. This microform edition is protected against unauthorized copying under Title 17, United States Code.

ProQuest Information and Learning Company
300 North Zeeb Road
PO Box 1346
Ann Arbor, MI 48106-1346

© Copyright by STEVEN W. HOUSEL 2004
All Rights Reserved

IS HUMAN RESOURCES MANAGEMENT IN THE
LEADING STATES BEING REINVENTED?

A Dissertation APPROVED FOR THE
DEPARTMENT OF POLITICAL SCIENCE

BY

Dr. David G. Carnevale

Dr. Tim Davidson

Dr. Aimee L. Franklin

Dr. Thomas E. James

Dr. David H. Ray

Dedication

To my wife, Mary Hilburn-Housel, who was there every single day.

Table of Contents

Abstract vii
Introduction 1
A. Contributions of the Study 2
B. HRM As Public Policy 3
C. Strengths and Weaknesses of the Study 5
D. Overview of Paper 7
I. Human Resources Management 9
A. The Problem with Human Resources Management 10
B. Administrative Reform 13
C. The Merit System and Public Personnel Reforms 17
D. Organization and Management 20
E. Major Writings and Reform Recommendations 22
II. Reinventing Government 35
A. Reinvention Reports 35
B. Commonalities and Differences 39
III. Methods 45
A. Reinvention Paradigm As Guide 45
B. Integrating Recent HRM Surveys 46
C. The Survey Instrument 57
D. Interviewing 60
IV. Reform of the Central Personnel Departments 63
A. The Office of Personnel Management 64
B. Partnership Mentality 66
V. Reforms with Strong Support 78
A. Classification 78
B. Decentralization 94
C. Selection 105

VI. Reforms with Moderate Support 120
A. Employee Involvement 120
B. Performance Measurement 129
C. Labor-Management Relations 142
VII. Reforms with Weak Support 154
A. Performance Pay 154
B. Privatization 168
C. Poor Performers 176
D. Deregulation 186
E. Training and Development 197
VIII. The Status of Merit and Oversight 211
A. Merit Principles 211
B. Oversight 215
IX. Conclusion 219
A. Summary of the Research Findings 219
1. Positive Conclusions 220
2. Guarded Conclusions 222
B. Status of Reforms 228
C. Future Research 233
X. Reference List 235
XI. Appendix 263

Abstract

Reinventing government is an approach to public sector management theory that may be the most influential and significant in the past half century. It claims that the traditional government employment principles of fitness and merit can coexist with increased managerial discretion and greater employee independence. Reinvention also contends that flexibility and decentralization can be combined with a system that demands high levels of accountability and equity. Many of its recommendations for improving government are directed toward human resources management.

The purpose of this study is to learn about the degree to which reinvention has penetrated selected state civil service systems. Its point of departure was to select several of reinvention's major endorsements, then investigate their implementation in states known for supporting progressive personnel practices. Related inquiries were made regarding the evolving role of the states' central personnel departments and the status of merit principles and oversight.

Several recent nationwide surveys were used to identify states whose personnel systems are among the country's most progressive. Interviews were conducted with veteran personnel professionals who were selected based on their reputations for objectivity and professionalism. The findings from the research reveal that almost half of the selected reinvention recommendations have made very little progress in the past decade. However, the few that have been strongly embraced are among the most important.

Introduction

For decades the civil service, also known as the merit system,[1] has been accused of being too narrowly focused on protecting government employees from political or personal favoritism. It also has been criticized for not adequately supporting managerial objectives and organizational missions. These kinds of complaints constitute the motivating force behind reinventing government (REGO), which one notable scholar called the most energetic and robust reform movement in the past half century (Light 1994, 63). Reinventing government claims that the traditional public sector employment principles of fitness and merit can coexist with increased managerial discretion and greater employee independence. It also contends that flexibility and innovation can be combined with a system that demands high levels of accountability and equity. The reinvention critique extends to most areas of government, in addition to targeting many of its recommendations at the civil service.

Concern about personnel practices in state governments generally has taken a back seat to interest in human resources management (HRM)[2] at the federal level. The major reason has been a lack of information (Ban and Riccucci 1993, 72; Carnevale 1992, 24; Fox 1993, 12; Grady and Hunt 1993, 5; Hays and Kearney 1998, 47). This situation may be on the mend, since scholarly and practitioner interest is beginning to expand and take a more extensive account of state personnel systems (Brudney and Wright 2002;

---

[1] Technically, a merit system is not synonymous with civil service. As O. Glenn Stahl points out, "A civil service can literally be manned under either a patronage or a merit system" (1976, 41). Nevertheless, the terms are often used interchangeably, as they will be in this study.

[2] Other common ways of referring to human resources management are personnel management and personnel administration. For purposes of this study, they all will be treated as synonyms.

Carnevale and Housel 2001; Kellough and Selden 2003; Selden, Ingraham and Jacobson 2001).

A. Contributions of the Study

There are two broad audiences that can benefit from this study. The first consists of those who want to learn about the operational and functional side of HRM reinvention in the states. The other is comprised of people interested in REGO's possible impact on overall government performance. The potential audience includes HRM professionals, agency administrators and managers, leaders of public employee unions and associations, legislators, and public administration scholars. The study will:

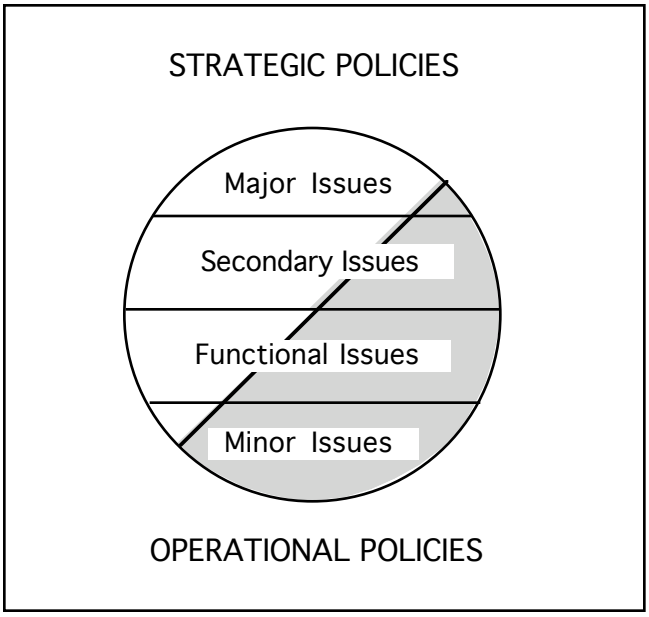
- Contrast REGO reform recommendations with traditional procedures, and explain why reform proposals are said to resolve problematic personnel issues.
- Provide a current report on how progressive states are dealing with widely recommended personnel practices, as well as a retrospective report on how dealing with them has changed in the past 10 years.
- Furnish states with the opportunity to identify where they stand relative to the most progressive states in terms of adopting the selected personnel reforms.
- Describe and assess the role of the leading states' central personnel departments in light of recommendations for decentralization.
- Report and evaluate their regard for merit principles and oversight mechanisms.
- Appraise the overall status of HRM reforms in the leading states and preview implications for the future.

In tandem with there being two broad audiences who stand to benefit from an investigation of HRM reforms in the leading states, there are two principal reasons to explain the genesis of reforms. According to Lloyd Nigro, they are political and technical. Political motivations revolve around controlling the allocation of human and material resources. The other reason concerns the desire to improve the methods and practices of human resources management, with the objective of enhancing organizational performance (Nigro 2003, 367-368). Benefits, audiences, and motivations are primary considerations when trying to understand the public policy dimensions of human resources management.

B. HRM As Public Policy

The formation and implementation of public policies constitute a vast literature in the study of government and public administration (Kingdon 1995; Meier 1994; Reagan 1987; Pressman and Wildavsky 1984; Ripley and Franklin 1986). The locus within government where policy issues are formulated can be divided into four hierarchical levels (Figure 1). Each level reflects the nature of the issue at hand and the type of government that usually deals with it. For example, major and secondary issues are formulated at the executive, legislative or agency levels, and involve questions about the purpose of government and program priorities. Problems related to administration and operating procedures generally concern functional and minor issues. Issues related to HRM involve procedural policies, which reflect *how* policies are to be carried out rather than *what* they are attempting to accomplish (Anderson 2000, 8). Therefore, personnel issues are dealt with at one of the two lower levels (Dunn 1990, 142-144).

Figure 1. Types of Policy Issues and
Levels of Government Involvement



Source: Dunn 1990, 144.

Policy problems that rise to the higher issue levels are accompanied by greater perils and doubts, and involve higher levels of government involvement. Strategic policies, which are brought to bear on these more complex policy issues, cannot be reversed or take a long time to change. Operational policies, on the other hand, deal with more discreet issues, which may involve only one level of government; their policy direction and effect usually are changeable. Concerns with personnel practices--such as recruitment, leave-sharing, or testing--are minor issues and seldom would be viewed as strategically important. On the other hand, problems relating to HRM's organizational mission would be considered on a par with those of finance and procurement;

yet, even those issues most often are dealt with as operational policies, not strategic ones. There are times, however, when even lower level issues may produce strategic policy solutions. A major attempt to reform the civil service is a good example (Dunn 1990, 144).

Reinvention recommendations for improving human resources management generally are not of a kind that will engender strategic solutions. They have thus far remained at the operational level. This largely is attributable to the reason given above, which is that reinvention deals with procedural issues. According to the National Performance Review (NPR), a Clinton Administration reform initiative which incorporated many REGO themes, "Our job was to improve performance in areas where policymakers had already decided government should play a role" (1993a, ii). Reinvention's aim is not to restructure government; rather its efforts are directed at removing barriers to incentive and innovation. Unlike most of its predecessors in a long line of reform proposals, reinvention attempts to improve public organizations from the inside out.

C. Strengths and Weaknesses of the Study

Matthew Miles and A. Michael Huberman put together 50 questions to help researchers judge the caliber or worthiness of a qualitative study (1994, 277-280). Even though this investigation is both qualitative (semi-structured interviews) and quantitative (Likert scale scores), most of Miles and Huberman's suggestions have universal relevance for critiquing social science research. Several of them have been borrowed and used below to guide a brief evaluation of the strengths and weaknesses of this study.

1. Strengths

(1) The findings and conclusions are linked with tables and charts that display much of the quantitative information. (2) A record exists of the study's methods and procedures, and is detailed enough to be followed as an audit trail. (3) Study data have been retained and are available for reanalysis by others.[3] (4) The research questions were clear, but there were two exceptions, both of which are noted later. (5) The basic paradigm (reinvention theory) is clearly specified. (6) In the opinion of the researcher, multiple observers' accounts (the six participants in each state) were generally consistent. The participants who represent unions or associations were not as well informed as the personnel professionals, but that was expected. (7) A supervisory review (dissertation committee) was in place throughout the investigation. (8) Negative evidence and areas of uncertainty were found and reported. The negative evidence contributed to the conclusions.

2. Weaknesses

(1) The conclusions were not shared with the survey participants. The study would have been strengthened if the informants had been given an opportunity to comment on the conclusions. Limited time is the primary reason this was not done. (2) The method used to condense and transform the qualitative data was described in brief, but the tabulating grids and the lists of issues and themes established for each question are not included in the final report.

[3] The interviewees were assured of confidentiality, therefore their permission would have to be obtained before research information could be released.

(3) The data were not collected across a full range of participants. Had resource considerations been different, a greater number of interviewees representing a broader range of professional backgrounds would have been selected. (4) A second rater did not check for coding accuracy. This is less important when inquiring about relatively straightforward subject matter than when, for example, investigating ethnocentric or subliminal behavior; nevertheless, a second rater would have strengthened internal validity by protecting against single rater bias. (5) The method of sample selection limits generalizability, but this is unavoidable in expert-driven investigation, especially when access is difficult and the number of potential subjects is limited.

D. Overview

Investigating whether many of reinvention's HRM recommendations have taken hold in the leading states is the focus of this study. This introductory chapter briefly reviewed the nature of the problem, the shortage of information about public personnel management in state governments, the study's potential benefits, HRM's place in the hierarchy of types of policy issues, and several of the strengths and weaknesses of the investigation. The next chapter, Chapter 1, explains why human resources management is important to organizations and why it is viewed as being problematic. It reviews public personnel management's political character, the values it reflects, a brief history of administrative reform, and the role of the merit system. It concludes with a reflection on the intellectual heritage of the public sector personnel practices which will be investigated in the study.

Chapter 2 is an introduction to reinventing government. The three main reinvention reports are described, as well as several others, including a sampling of critiques from state governments. Also included is an exposition on the purpose of reinvention, some of the differences among the reinvention reports, and examples of criticisms directed toward the REGO paradigm itself. The investigation's methods are described in Chapter 3, which sets out the study's overall research plan, information about how the leading states and the survey participants were identified, and how the interviews were conducted, coded and analyzed.

The next five chapters (chapters 4-8) comprise the research review, which chronicles the investigation's findings and provides analyses. Chapter 4 explains how the central personnel offices of the participating states have undergone a cultural change that has transformed their organizations. The topics of the next three chapters (chapters 5-7) are the specific reinvention recommendations that were selected for investigation. Chapter 5 reports on classification, decentralization, and selection. Chapter 6 reviews employee involvement, performance measurement, and labor-management relations. And Chapter 7 deals with performance pay, privatization, discipline, deregulation, and training. Chapter 8 completes the review and analysis of the research. It reports on the status of merit principles and their oversight mechanisms. The study concludes with Chapter 9, which attempts a cumulative assessment of what the findings mean for reinvention of the public personnel systems of the leading states.

I. Human Resources Management

This chapter raises the curtain on human resources management and sets the stage for the next chapter on reinventing government. It attempts to place contemporary public personnel management in context by briefly delving into the societal values that distinguish it from its private sector counterpart, presenting a short history of administrative reform, reviewing the meaning and history of the merit system, and setting out some of the organizational theories that underpin reinvention recommendations.

Human resources constitute the most influential of all factors that bear on the quality of an organization's products and services. If employees are not well trained, focused, and committed, then high quality organizational performance is not likely to materialize. This is the basic reasoning that underpins organizational concern for how human resources are managed. It is a logic that applies to both the private and public sectors.

The term human resources management refers to the philosophy, policies and procedures used in managing people (French 1986, 6; Scarpello and Ledvinka 1988, 4). All HRM practices are subsumed by this definition. Many are developed and implemented by personnel professionals, while others emanate from other sources, which range from line mangers to high level administrators. A growing body of literature is discovering that human resources practices exert a positive influence on employee and organizational performance (Delaney and Huselid 1996, 950-951).

A. The Problem with Human Resources Management

The role of HRM traditionally has been oriented toward process. It entails contributions such as deciding on selection standards, recruiting, choosing training methods, and determining pay rates. If these functions are performed efficiently and skillfully, they contribute to improved organizational performance.

1. The Generic Problem

The generic problem confronting HRM transcends sectors. Human resources management generally is seen as being too narrowly focused on taking care of personnel related processes and not addressing larger organizational needs. As such, it often is held in rather low regard by organizational leadership. A well known author and consultant on human resources wrote that there is "good reason for HRM's beleaguered reputation" (Ulrich 1998, 29). He believes the traditional role constitutes the dominant model:

> In most companies today, HRM is sanctioned mainly to play policy police and regulatory watchdog. It handles the paperwork involved in hiring and firing, manages the bureaucratic aspects of benefits, and administers compensation decisions made by others. When it is more empowered by senior management, it might oversee recruiting, manage training and development programs, or design initiatives to increase workplace diversity. But the fact remains: the activities of HRM appear to be--and often are--disconnected from the real work of the organization (Ulrich 1998, 32).

Other close observers assert that HRM has made more progress toward embracing an expanded role. Its activities today may span a continuum that is anchored on one end by its traditional role and on the other by an emerging,

more progressive function. Edward Lawler believes that personnel management should be both "follower and leader, reactive and proactive, administrator and strategist, controller and organizational partner, employee advocate and manager, and doer and consultant" (Laabs 1998, 66). Clifford Ehrlich thinks HRM continues to provide traditional services, but is making other contributions, too.

> It continues to be necessary for HRM to provide control, compliance, and consistency when they are appropriate, but they are no longer the extent of HRM's role. The challenges faced by employers also require HRM to be flexible, resourceful, and creative. On some occasions, all these qualities may be required simultaneously (1997, 86).

There may be debate about the extent to which human resources management has embraced a more progressive role, but no disagreement seems to exist about the transformation HRM should be striving to achieve.

There also is a consensus about the impetus forcing a new approach. Ehrlich cites several environmental influences that have increased the importance of effectively managing employees. They include global competition, the rise in customer expectations for better performance, the mobile workforce, fast-paced technological and scientific change, and the advance into the private sector workplace of the just cause principle (1997, 85-86).[4]

2. The Public Sector Problem

The generic definition of HRM fits both public and private organizations, and they share many of the same problems, yet there is an inalterable distinction

---

[4] The term "just cause" means that employees cannot be disciplined or dismissed without good reason. Generally, it requires employers to plainly stipulate, specifically communicate, and fairly apply standards for discipline or dismissal (Hindera and Josephson 1998, 100).

between the two. The "crucial difference," according to Joseph Cayer, is the greater pressure imposed on public personnel administration by the political environment. The elements with which public sector HRM must contend include governmental institutions, interest groups, political parties, elected officials, the media, governmental policies, legal restrictions, various clientele, and the general public (1975, 3). Mary Guy says the difference between private and public sector organizations is that the latter is driven by constraints which are designed to "ensure public accountability, predictability, and reliance on routines rather than arbitrary decision making" (1997, 122). This awareness--that the public sector environment is replete with values and requisites exerting demands on administrators as well as policymakers--overturns one of the fundamental assumptions of early American pubic administration, which is that politics and administration are separate (Gordon and Milakovich 1998, 38).

The debunking of the dichotomy myth began in earnest during the years of the New Deal and World War Two. As thousands of men and women flocked to Washington to work in the management of public programs, they bore witness to the interplay and overlap of politics and administration. Frederick Mosher writes about how they found themselves probing and participating in policy development at every turn (1968, 83-84). They also watched how Congress constantly involved itself in the issues and interests of the bureaucracy.

Once the war was over, public administration literature began to reflect the lessons of these experiences. As Norton Long wrote in 1949, "The bureaucracy under the American political system has a large share of responsibility for the public promotion of policy and even more in organizing the political basis for its

survival and growth" (1992, 104). He understood that the power sharing character of the governments in America and the pluralism of the country's political system create an imperative for administrators to work within a system of values and power relationships. "The ideological crutch which segregated policy and politics from administration can today hardly satisfy any but the blind or those who willfully close their eyes" (Mosher 1968, 209).

The formal establishment of the federal civil service in 1883 was founded in part on a conscious attempt to separate politics and administration; therefore, it might seem that public personnel management is shielded from the influence of political values and power relationships. Not so. For centuries reforming the composition and management of a government's workforce has been used to effect administrative *and* political change (Rosenbloom 1986, 361).

B. Administrative Reform

The contemporary summons for reform of public personnel administration did not spring from whole cloth. At least a dozen noteworthy administrative reform efforts, scattered over the past 100 years, preceded reinvention proposals (Arnold 1995, 407). A broad review of previous attempts will help to understand better the historical and conceptual roots of this recent reform paradigm. The first step, however, is to elaborate on the societal values that underlie human resources management.

1. Foundational Values

The core values of the public sector set out by Herbert Kaufman (1956) are neutral competence, representativeness, and executive leadership. Neutral

competence constitutes the proposition that government work should be done objectively, expertly, and fairly. Representativeness refers to government authority that is structured so that it reflects the will of the people. Executive leadership holds that central direction is necessary to thwart fragmentation and inaction. Various supportive mechanisms enhance the power of these values, such as the role of administrative reorganization in boosting executive authority and the creation of boards or commissions in extending neutral competence. Kaufman concludes that the three values emerge and subside in a dialectical process, with reform occurring when one set of values threatens to overwhelm the others. "The story is thus one of changing balance among the values, not of total displacement" (1956, 1067).

David Rosenbloom (1986) extends Kaufman's typology by associating each set of values with one of the three branches of government and connecting them with different organizational arrangements. He also describes how each reflects an alternative way of thinking about government personnel. Rosenbloom draws a conclusion similar to that of Kaufman. "Reforms promoting the dominance of one approach or another eventually become vulnerable to demands for change stressing other values, the need for different structural arrangements, and the desirability of considering the individual public employee in different terms" (1986, 366).

Other observers have extended or elaborated on the Kaufman-Rosenbloom triad of values. For example, Melvin Dubnick asserts that there are four "primary values" of the administrative state: political responsiveness, the rule of law, efficiency, and deference to expertise (1994, 276). Donald Klingner lists

four “fundamental societal values” that influence public personnel management, which are responsiveness, efficiency, employee rights, and social equity (1998, 57).

2. Historical Perspective

Having argued that public administration, including personnel management, is essentially a competition of values, this section turns to the major reform initiatives of the past 100 years. For the most part, the observations that follow will treat administrative and personnel management reforms as one. Whereas human resources management is a function of administration, it is difficult to separate the two because there is so much overlap (Rainey 1998, 189). Besides, the broad themes of reform recommendations generally are applicable to both. As A.T. Rafiqur Rahman notes, “Historically, administrative reform and civil service reform have been almost interchangeable. . .” (2001, 12).

The ensuing review is based mostly on the experience of the federal government. At first blush this may seem unusual, since this study focuses on HRM reforms in state governments. However, in the opinion of most scholars, the structures and procedures established for human resources management in the federal government have been emulated by state personnel systems (Ban and Riccucci 1993, 73-74; Dresang 1982, 45; Reagan and Sanzone 1981, 56; Shafritz et al. 2001, 34; Shapek 1976).[5] Even regarding the most recent wave of reforms, the federal government has led the way. As Carolyn Ban observes, “States have generally followed an incremental reform strategy, whereas the

[5] For a different view, see Hyde 1995, 287.

federal government has attempted to implement far-reaching, comprehensive changes . . ." (1997, 193).

At least one major administrative reform report was launched in each decade of the twentieth century. Gerald Caiden (1995) places them in two groups--those that embrace a classical bureaucratic structure and those that tend to reject it. Examples of the former are the earliest reports, such as the Keep Commission (1909), the Brownlow Committee(1937), and the first Hoover Commission (1949).[6] The thrust of their concerns center on the role of the president in relation to Congress. Their focus is geared toward reorganizing the executive branch in order to improve administrative efficiency and effectiveness.[7] They advocate a bureaucratic structure upon which both to build state capacity and maintain democratic control. Caiden describes the model as "a pyramidal executive branch with a strong president exerting control over a bureaucracy rationally organized along functional lines and through a narrow-span set of subordinates" (1995, 100).

The other series of reports, which date to the mid-1950s, focuses concern on the president's relationship with the bureaucracy, rather than with Congress. Included in this group are the second Hoover Commission (1955), the Ash Council (1971), the Reorganization Project (1978), the Grace Commission (1984), and the National Performance Review (1993). Unlike those of the classical phase, these reports are notable for their gradual move away from "the very federal bureaucracy that the earlier reports had actually done

---

[6] These reform efforts generally are referenced by their popular, rather than their formal, titles. For example, the Brownlow Committee is officially known as the Committee on Administrative Management. Its popular title is derived from the surname of its chairman, which is true of most such reports.

[7] These reform efforts generally resulted in at least a few executive branch changes, either through administrative rule, executive order, or legislation.

much to strengthen" (Caiden 1995, 98). By the mid-1970s, government reorganization efforts began to take on an anti-bureaucratic tone. According to Peri Arnold, they indicted government "as having failed to serve the people" (1995, 413).

C. The Merit System and Public Personnel Reforms

Among the past century's reform reports, the merit system is the area of public sector management that drew the most attention (Pfiffner 1998, 6). Much of the notice was unfavorable. Reinvention proponents criticize it for many of the same reasons, which will be discussed in the next chapter. First, however, it is important to understand the origins and principles of the merit system.

Established in 1883 by the Pendleton Act, it "created a neutral public service in which employees are chosen and dealt with on the basis of competence and ability to perform" (Cayer 1996, 35). Hugh Heclo has distilled the merit system into three basic principles:

- the selection of subordinate government officials should be based on merit--the ability to perform the work rather than any form of personal or political favoritism;
- since jobs are to be filled by weighing the merits of applicants, those hired should have tenure regardless of political changes at the top of organizations; and,
- the price of job security should be a willing responsiveness to the legitimate political leaders of the day (1991, 41).

Only about 10 percent of federal workers were initially covered by the law, but more employees continually have been added to the system. Today, virtually all federal workers are covered (Shafritz et al. 2001, 14). Most state and municipal governments support employment arrangements similar to the merit system.

Prior to 1883 employees at all levels of government owed their continuing employment to the office holders who appointed them. This approach was known as the patronage or spoils system. Its staffing method proved to be chaotic in municipal and state governments because appointments at these levels were largely based on political and personal considerations. At the federal level the system worked fairly well for about 40 years because ability remained an abiding consideration in appointments (Mosher, Kingsley and Stahl 1950, 17-19). When President Jackson was elected in 1829 the national government began to emulate the practices of its state and local counterparts. Paul Van Riper explains the significance of the change:

> From the first days of the Constitution there had always been a certain mutuality of political interest among politicians, administrators, and employees. This the Jacksonians had sought, with signal success, to turn to patent partisan ends (1958, 45-46).

By the time of the Civil War the patronage system had descended to such depths of inefficiency and corruption that President Lincoln remarked, only partly in jest, that "the spoils system might in the course of time become far more dangerous to the Republic than the rebellion itself" (Nigro and Nigro 1989, 227).

Early efforts toward reforming patronage began shortly after the war and continued fitfully until the passage of the Pendleton Act. Its structural foundation was the Civil Service Commission, which constituted the administrative machinery that would protect merit by keeping partisanship out of the system. Its three commissioners were appointed by the President and confirmed by the Senate. According to Stephen Skowronek, the new system represented a huge potential to impact government capacity in the United States.

> With the merit system as its instrument, the Civil Service Commission set out on a task that amounted to nothing less than recasting the foundations of national institutional power. A professional, nonpartisan discipline might now take hold of governmental operations (1990, 67).

The period from 1883 until about 1906 is noted for its supporters' continued strong opposition to patronage, which was being replaced only slowly by merit practices. Otherwise, noted Frederick Mosher, civil service development during this time did not reflect "much original thought . . . beyond competitive entrance examinations and security of tenure" (Mosher 1968, 65). It was during the next 100 years that HRM reforms pursued organizational structures upon which to build administrative capacity. Over this same period, important changes occurred to the merit system.

The Pendleton Act set out basic principles, which represented the early establishment of an ideal; but many were unrefined and not supported by law. For example, at the beginning of the last century federal employees did not have due process rights. The Lloyd-LaFollette Act of 1912 codified

such protections, but the law did not specify appeal procedures. According to the U.S. Merit Systems Protection Board (MSPB),[8] it took another 60 years and "a combination of congressional, presidential, and judicial actions . . . [to fully establish] significant protections against arbitrary dismissals" (1997b, 6). This example represents the evolutionary pattern by which the statutory and constitutional framework of the merit system has evolved since the Pendleton Act. It also could be described as a reflection of the ebb and flow of societal values associated with public personnel management. As the MSPB noted regarding the establishment of due process rights, "Given this evolution, it is reasonable to assume that . . . [these rights] are not set in stone and that one or more of the branches of government will be actively involved in the coming years in reshaping them" (1997b, 6). For the moment, in any case, the nine fundamental principles that govern the merit system have been codified in Title 5 of the U.S. Code (Appendix 1).

D. Organization and Management

The gradual maturation of the merit system during the past 100 years has occurred in tandem with the organizational development of the executive branch. The bureaucratic model, emphasizing central direction, hierarchy, and uniform procedures, has long represented the gold standard for both organizations. It is defended on the grounds that it provides superior control, accountability, direction and efficiency. Frederick Taylor (1919) and Max Weber (Gerth and Mills 1946) are among

[8] The U.S. Merit Systems Protection Board is an independent executive branch agency of the federal government that serves as the guardian of federal merit systems.

the theorists most often credited with developing a scientific or rationally purposive approach to organizational arrangements. Weber described the structural characteristics of the classical bureaucratic form, whereas Taylor focused more narrowly on the methods of production. Taylor's influence exerted a greater initial impact on managerial thinking, primarily because he convincingly championed the idea that research and investigation could uncover the "one best way" of designing work processes. He also has been credited with influencing managerial arrangements, but this recognition more properly should be attributed to the architects of the administrative management or principles school of administration, such as Henri Fayol (1949) and Luther Gullick (1937). Similar to Weber, they emphasized hierarchy, specialization and organizational control. They also delineated many of the functional and relational details of supervision and management. The principles approach has been credited with delivering on Woodrow Wilson's 1887 appeal for a "science of administration" (Nigro and Nigro 1989, 111).[9]

The influences of scientific management and the bureaucratic model are among those most frequently mentioned in the polemics about reinvention. Indeed, these models are often referred to as comprising the classical school of organization thinking (Mullins 1993, 34). Human relations theories also are said to be important in REGO themes. For example, decentralization and deregulation, which are among the preeminent recommendations for reforming public personnel systems (Ban 1998a, 22), are founded on a positive view of human nature. As Gerald Garvey

[9] Woodrow Wilson's famous essay, "The Study of Administration," appeared in *Political Science Quarterly*, vol. 2 (June 1887).

explains, reinvention is largely based on the theory that "state capacity in the public sector, as in the private, originates in human energy, creativity, and motivation" (1995, 102). This view echoes the humanistic philosophies of Abraham Maslow (1954), Douglas McGregor (1978) and Carl Rogers (1961), which compel managers to consider the social context of employment. Their creeds assert that human beings are innately directed toward growth and development, creativity and innovation. However, these traits do not emerge in full flower; they require environmental support, which critics charge is not likely to be found in restrictive and controlling bureaucracies. Therefore, as Robert Simmons and Eugene Dvorin argue, "alternative modes of organization and coordination are required. Hierarchy need no longer dominate organization rationale in light of what we know about human nature and human needs" (1977, 510).

E. Major Writings and Reform Recommendations

Reinvention is often described as being atheoretical. The reform movement's principal publications, such as Osborne and Gaebler's *Reinventing Government* (1992) and the National Performance Review's *From Red Tape to Results* (1993a), virtually ignore the classic writings in management and organization theory. The same criticism has been leveled at public personnel administration. "Its linkages to theories in organization behavior and organization theory are still minimal" (Denhardt and deLeon 1995, 36). In this section, therefore, several contributors, whose work helped to build a body of knowledge about organizations, will be brought to bear on the reinvention reform recommendations.

1. Decentralization

Reinvention theory is premised on the notion that employees are an untapped resource. Their current circumstance too often finds them frustrated by an overly regulated, risk-averse centralized environment. If they are given greater discretion to engage in meaningful and challenging work, then they will respond by performing at a higher, more productive and innovative level. Decentralization, which distributes responsibilities to lower organizational levels, can be viewed as a form of work redesign. It adjusts the interaction of job and employee characteristics to improve productivity and enhance the work experience (Hackman and Oldham 1989, 328). One of the most influential theorists of the genre, Frederick Herzberg (1978), argues that improving employee motivation is contingent on satisfying two broad sets of factors related to the job environment and the work itself. The first set includes elements that are necessary, but not sufficient, conditions for improving motivation. Examples include employer policies, organizational administration, and level of supervision. Factors directly related to *doing* the work, such as the nature of the work, sense of achievement, and personal growth, constitute the real motivators.

Even though Herzberg may have been the first theorist specifically to apply a hierarchical theory of motivation to a work context, his ideas built on the concepts of Abraham Maslow, who helped create the foundation upon which motivation theories have been built (Mullins 1993, 451). Maslow (1980) argues that human beings are possessed of a hierarchical set of needs, beginning with basic physical requirements and culminating in high-order psychological necessities. Once the needs at one level are met, individuals seek satisfaction

at a higher level. In contrast to Maslow's need hierarchy theory, David McClelland introduces an achievement motivation theory, which includes several motivating factors, such as needs for affiliation, power, and success (Miner 2002, 145). Motivational context also is a relevant factor, such as whether the individual believes his or her behavior can influence outcomes.

These theorists agree that employees are motivated by being challenged in ways that direct them toward ever greater levels of satisfaction or by being placed in situations in which they believe they can achieve. If judgment and discretion are held back by a centralized structure which is oriented toward restraining action rather than liberating it, then motivation is likely to be reduced.

2. Deregulation[10]

Reinvention proponents contend that most public sector HRM practices are not contributing to organizational productivity and effectiveness. Selection procedures usually top the list of culprits, with classification close behind. Robert Merton explains why, arguing that bureaucratic organizations are structured for precision, reliability and efficiency. In order to maintain those qualities, a high degree of disciplined behavior is necessary. Ultimately, "adherence to the rules, originally conceived as means, becomes transformed into an end-in-itself . . . [thus] concern with conformity to the rules interferes with the achievement of the purpose of the organization" (1952, 365-366). Citing the very same reasons, Max Weber also expresses concern about the

[10] The underlying theme of REGO's recommendations for selection and classification is fundamentally the same as the one underlying deregulation. For that reason, and because selection and classification are highly technical and specialized personnel procedures, they are considered together with deregulation.

effects of bureaucracy (Davis 1996, 39).

Reinvention offers an alternative. One of its principal remedies for bureaucratic excess is deregulation, which is a relaxation of standardization and control (Rainey 1994, 131). Its purpose is to "enlarge the discretion of government employees" (Dilulio 1994, 2). Almost 40 years ago Warren Bennis made equivalent assertions, except he enlarges the critique by predicting an "end to bureaucracy as we know it" (1989, 300),[11] which is the logical extension of the kind of deregulation that reinvention advocates. Bennis argues that complex, uncertain, changing environmental conditions require an organizational form that facilitates integrative, collaborative and adaptive approaches to solving problems (1989, 302-305), which is the opposite of the highly controlled, highly regulated approach. Carl Friedrich, writing 15 years before Bennis, contrasts the controlling, absolutist quality of Weberian bureaucracy with a "higher type" of organization, one that could respond to "dynamic, highly fluid" environments. He says the discipline and control mindset cannot conceive of an administrative organization which emphasizes consultation and cooperation, extols humanitarian values, and, at the same time, achieves results (1952, 31).

Rensis Likert agrees, but he emphasizes management systems rather than structure and design considerations. He argues that high-producing managers "use all the technical resources of classical theories of management . . . but in quite different ways" (1980, 228). The "underlying principle" which distinguishes successful managerial styles is thinking and relating to employees "as human beings rather than just as persons to get the work done" (Likert 1980, 231).

---

[11] Bennis' article originally appeared in the September-October 1967 edition of the journal *Personnel Administration*.

Deregulating public personnel management is a work in progress (Dilulio 1994, 4); but this much is known, it is incompatible with rigid, restrictive approaches to organization and management.

3. Employee Involvement

Reinvention proponents consistently argue that involving employees in decisionmaking will release the creative and productive energy needed by high-performance organizations (National Performance Review 1993a, 91). This point of view has long been a staple of progressive management theorists. For example, Mary Parker Follett, writing in the 1920s, argues that organizational decisions should be guided by cooperative analysis. "One person should not give orders to another person, but both should take their orders from the situation" (1971, 154-5). She believes that when decisions are authoritarian or arbitrary, valuable input and cooperation are lost, only to be replaced by friction and hostility (Miner 2002, 54). Rensis Likert claims that whenever participation increases, motivation and performance improve. His research discovered that the patterns of leadership associated with high-performing organizations are similar. One of their dominant characteristics is that "participation and involvement in decisions is a habitual part of the leadership process . . . [and it] applies to all aspects of the job and work." (1980, 228-9). Douglas McGregor is also a proponent of participation management. He believes it tends to fulfill workers' higher-order psychological needs, as well as to encourage them "to direct their creative energies toward organizational objectives . . ." (1978, 18).

4. Labor-Management Relations

Reinvention's principal concern with labor-management relations is that the tradition of antagonism cannot support an organizational culture oriented toward customer service and high performance (National Performance Review 1993a, 87). Management bears most of the responsibility because it exerts the greatest influence on relations with employees. Thus, Osborne and Gaebler argue that labor problems usually are "a symptom of bad management" (1992, 263). The basic problem boils down to what Douglas McGregor calls management's "conventional" assumptions about workers, which is that they will resist change and tend toward self-centeredness and indolence; therefore, they must be directed and controlled (1978, 13). Some observers claim the conventional attitude reflects the legacy of Frederick Taylor's scientific management, which so enhanced the value of rationality in the workplace that workers were reduced to piece-rate mechanics, and management's role as controlling agent was legitimized (Hatch 1997, 30-31). McGregor challenges those premises with alternative interpretations of human nature and workplace potential. He argues that employees will embrace challenge and opportunity if the working environment reflects a respectful and cooperative attitude by management.

Most interpretations of the Hawthorne experiments of the 1920s and 1930s concur. They contend that employees are motivated in large part by what Fritz Roethlisberger refers to as "attitudes and sentiments" (1989, 7). That is, the meanings a worker attaches to the job reflects a rich personal, social and employment context which cannot be understood by straight-line logic or unidimensional managerial thinking. If industry persists in responding to

workers in its traditional manner, then, as Roethlisberger writes, “a labor contract can do little to make cooperation possible” (1989, 12).

5. Performance Measurement

Reinvention proponents believe more attention needs to be paid to results and outcomes so that the administration of public programs can be directed better toward achievement, which is a reaction to government’s historic emphasis on inputs and processes. Many of the approaches to evaluation have not yet fully matured or, more importantly, become accepted as standard tools of managing an organization. Early approaches to evaluation go back centuries, yet the emergence of sophisticated methods and know-how date from about the 1950s. W. Edward Deming’s (1986) Total Quality Management, which stresses the need for performance measurement, emerged in Japan during this time, but did not transfer to the United States for another quarter century. The same gradual process occurred among U.S. governments. In 1971 Orville Poland observed that the practice of evaluation, at least in public administration, was yet in its “formative stages” (1971, 201).

Still, the early-1970s represented a time when much intellectual spadework and sorting out had been accomplished, and more would be added by the end of the decade. Michael Scriven provided the basic distinction between assessing programmatic results versus evaluating them while in process (1967). Joseph Wholey et al. added other refinements, such as differentiating among purposes, which include monitoring programs, measuring impacts, and evaluating overall strategies (1970). Carol Weiss contributed a seminal article on the various ways in which evaluations may be used by decision makers (1977). A well known differentiation for measuring performance levels within an

organization was described by Stanley Seashore (1980), who distinguished among immediate, penultimate and formal objectives.

These are a few of the contributions that have advanced performance, program, and policy measurement. They exemplify the central themes of the works of major thinkers in social science, such as Harold Lasswell and Daniel Bell. Lasswell's early call for developing and using knowledge in service of public policies provided the intellectual justification for incorporating scientific methods with social policy (1951). Later, Bell reinforced the idea by insisting that society is increasingly reliant on knowledge and information as a means of furthering social and technical change (1976).[12]

6. Performance Pay

Most of the principal reinvention publications and proponents endorse performance pay as a means of boosting or rewarding productivity. This reflects what has been described as the rational-economic concept of motivation (Mullins 1993, 448). Discussions about this approach often begin with Frederick Taylor and scientific management. Taylor attempts to rationalize the work process, which includes selecting employees, developing research processes, and monitoring and measuring performance. He believes the ultimate stimulus is monetary. Management and labor exist for "justification of a profit" (1980, 51); furthermore, if "scientific management . . . does not pay in dollars and cents, it is the rankest kind of nonsense" (1980, 50).

Taylor also can be termed an early proponent of expectancy theory. This is the name given to motivation theories premised on the idea that people are

[12] In a 1999 reprint with a new foreword, Bell restates his original themes.

driven by their perception of what will result from their behavior, which includes calculation of the amount of effort required and the likelihood of reward. Victor Vroom (1964) is credited with being the first to apply the theory to the work setting (Mullins 1993, 465). He refined the understanding of motivation by recognizing that preferences and outcomes can be valued in various ways, including negative and mixed assessments. Others have contributed to Vroom's work by expanding and more clearly defining the pertinent variables and how they interact. For instance, Lyman Porter and Edward Lawler (1968) made the theory more dynamic by introducing system feedback loops; they also distinguished between extrinsic and intrinsic outcomes (Miner 2002, 193), which are conceptually similar to Herzberg's two-factor theory.

7. Discipline (Poor Performers)

Reinvention proponents are concerned about poor performing employees because of their impact on the organizational environment. A federal study concluded that "even a small number of poor performers, if not dealt with effectively, can have a negative impact . . . on the morale and motivation of other employees" (MSPB 1999a, 30). Theories of job satisfaction are relevant to this concern because their premises involve not only positive motivators, but negative ones as well. For example, contingency and two-factor theories include ample consideration of environmental factors, such as the performance of coworkers. A colleague's poor performance can influence another's expected rewards, thus lowering motivation (Srinika Jayaratne 1993, 117). Perhaps an even more applicable perspective is J. Stacy Adams' equity theory. His contribution to understanding the nature and character of job satisfaction is the idea that employees possess an expectation of "relative justice" (1989,

79). That is, workers evaluate themselves and their situations based on their notions about whether they and others are being treated similarly. Perceptions of inequity can lead to dissonance or other forms of unproductive behavior (Adams 1989, 85-88). In the case of poor performers, if employees believe others are not doing their share of the work, yet are not being called to task, then perceptions of inequity are likely to arise. By the same token, "all relevant actors should perceive the disciplinary procedures and sanctions to be fair" (Kearney and Whitaker 1988, 343). Robert Blake and Jane Mouton, who pioneered methods for identifying and improving management styles, have shown that how a manager approaches tasks (e.g., dealing with poor performers) influences "a person's desire to contribute to the organization's purpose" (1978, 332).

8. Privatization

Privatization and outsourcing introduce market-type mechanisms to government service delivery. Reinvention theory contends that competitive pressures will force public sector agencies to be more innovative and expedient about their methods and practices, which will result in heightened efficiency and effectiveness. This is the argument that rests at the core of what is known as public choice theory.[13] Exponents of public choice, such as Anthony Downs (1967) and William Niskanen (1971), believe that whenever possible, public services should be contracted to market-oriented, profit-seeking organizations. Emanuel Savas, another of the principal advocates, succinctly captures the public choice perspective when he writes that most agencies of government

[13] The trend in international public management to embrace the private sector model and to transfer public work to the private sector is known as New Public Management (NPM). It is highly influenced by public choice theory.

exert exclusive control over the service they provide, therefore "we have unwittingly built a system in which the public is at the mercy of its servants" (Savas 1974, 474). The public choice prescription represents one end of an administrative reform continuum; the other end is anchored by progressive management practices. As Jamil Jreisat explains:

> Modern management reforms promote the development of a culture of organizational learning and innovation while emphasizing greater attention to application and outcomes. Failures of past reform efforts are recognized as learning tools, feedback, and additions to the administrative knowledge base (2001, 542).

Toward the center of the continuum is a mergence of the two approaches, which takes the form of a contractual relationship. This is usually referred to as public-private partnership or third-party government. Observers note that all three approaches are well in evidence.

The irony of privatization, as Hal Rainey points out, is "that proponents tout it as a cure for bad government, but it takes excellent government to make it work" (1997, 371). This is because contract development, supervision, and auditing require substantive skills. Keon Chi (1994) and John Donahue (1990), among others, have contributed to the significant body of professional literature that has developed to guide public administrators in managing these relationships.

9. Training and Development

Reinvention proponents are unified in their views about training and development. They believe it to be absolutely essential. However, it is difficult to discern from the REGO publications what they mean by training, which is a

complex subject with many definitions and methods. The reinvention literature does not discuss how to approach training and ignores theories about individual and organizational learning. However, its assertion that reinvented organizations require "empowered" employees points the way toward what Montgomery Van Wart terms "advanced forms of learning . . . [which go beyond] learning for basic and intermediate knowledge, skills and abilities" (1998, 292). The traditional forms of learning are still important; indeed, they will gain in significance because changing environments and technologies require *continual* learning. The advanced forms, however, are needed for "solving totally new or complex problems, restructuring whole processes or systems, reanalyzing a job from a completely new perspective, or reengineering an organization to adapt to major environmental changes" (Van Wart 1998, 292).

Chris Argyris and Donald Schön's double-loop learning exemplifies a form of advanced learning. Double-loop learning involves critical reflection on common assumptions and conceptual frameworks, and is most appropriate in risk-taking environments (Miner 2002, 567-584). It occurs when an action involves "modification of an organization's underlying norms, policies and objectives" (Argyris and Schön 1978, 2-3). By way of contrast, single-loop learning is appropriate in relatively stable hierarchical organizations, and utilizes an individual's familiar beliefs and values. Schön (1983) later makes a similar distinction between reflection-on-action and reflection-in-action, the latter being the one associated with double-loop learning. Peter Senge uses systems theory to attempt an integration of these and other forms of advanced learning. He says all of the approaches are "concerned with a shift of mind from seeing

parts to seeing wholes, from seeing people as helpless reactors to seeing them as active participants in shaping their reality, from reacting to present to creating the future" (1990, 69). These contributions to learning differ from conventional training, which focuses on changing behavior or acquiring skills. Advanced forms of learning emphasize the ways in which people "understand, or experience, or conceptualize the world around them" (Ramsden 1992, 4). This reflects what reinvention's proponents have in mind when they speak of empowered employees.

II. Reinventing Government

This chapter introduces reinventing government. It begins with a description of the publications that most often have been associated with the reinvention movement. Also included is a sampling of state reports, which accord with reinvention's critiques. The primary purpose of the chapter, however, is to review reinvention's assumptions, themes, and purposes. It concludes by presenting critical views of REGO's approach to reform.

A. Reinvention Reports

Management reform is not new to the federal government. At least one major reform initiative has been undertaken every decade of the twentieth century. As Shafritz et al. report, they "all began with an assumption that government . . . was broken, fragmented, badly organized, and incapable of performing at a level acceptable to the public" (2001, 61). The 1980s and 1990s were times during which an extraordinary amount of government reform activity took place (Peters 1996, vii). One leading scholar of public sector change says the period reflected the greatest pressure ever placed on the U.S. government to innovate (Light 1994, 63). The reform movement is not just a United States phenomenon. The National Academy of Public Administration claims that "government performance and accountability is an issue throughout the world" (1995, 61).

The most well known and influential of the recent reform ideas is captured by the word reinvention, which was popularized by David Osborne and Ted Gaebler in their book, *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Pubic Sector* (1992), which is a collection of ideas and best

practices of public administrators representing all national and subnational units of government. Richard Nathan, director of the Rockefeller Institute, says their book "launched a flotilla of reformers at every level of government" (1995, 213).

In announcing the creation of the National Performance Review, President Clinton stated that one of its principal goals was "to change the culture of our national bureaucracy away from complacency and entitlement toward initiative and empowerment" (National Performance Review 1993a, 1). This may be as succinct a summary of reinvention as can be found. It contains the theme of change, acknowledges the unsatisfactory condition of the status quo, projects a new and compelling vision, and identifies the essential role of organizational culture in making things different.

Reinvention's principal theme contends that too much managerial discretion is circumscribed by unnecessary remnants of the overly bureaucratic form of organization. Osborne and Gaebler's critique champions initiative and freedom of action, which are subsumed under their principal managerial value, entrepreneurialism. Even though *Reinventing Government* does not set the private sector against or above government, it nevertheless seems to be the source of most of reinvention's themes. A sampling of the book's chapters reveals as much: "Catalytic Government," "Competitive Government," "Mission-Driven Government," "Customer-Driven Government," "Enterprising Government" and "Market-Oriented Government" (1992, ix-x). According to John Micklethwait and Adrian Wooldridge, "*Reinventing Government* simply explains how private-sector management theory can be applied to the public sector" (1996, 45).

Two other publications expressing similar themes appeared a year later. *From Red Tape to Results: Creating a Government That Works Better and Costs Less* (1993a)[14] was written by the National Performance Review, which, as mentioned earlier, was established by President Clinton in early 1993 to study the performance of the agencies of the federal government. It was led by Vice President Al Gore and staffed by federal employees. The other report is *Hard Truths/Tough Choices: An Agenda for State and Local Reform* (1993). It was prepared by the National Commission on the State and Local Public Service. It often is referred to as the Winter Commission, after its chairman, William Winter. The Commission was created to examine the structure and performance of subnational governments and was composed of elected officials, public administrators, journalists and academics. Taken together, these three publications will be referred to in this study as the reinvention reports or the reinvention publications.

Other publications whose themes have been linked to reinvention, and which also will be referenced in this study, are *Leadership for America: Rebuilding the Public Service* (1989), *An Action Agenda to Redesign State Government* (1993), and *Banishing Bureaucracy: The Five Strategies for Reinventing Government* (1997). *Leadership for America* was published by the National Commission on the Public Service, also known as the Volcker Commission, after its chairman, Paul Volcker. The report focuses on a "quiet crisis" emerging in the federal government caused by senior executives nearing retirement and not enough capable and qualified replacements being drawn to the public sector. "It is

[14] The National Performance Review also published several accompanying systems reports, one of which is cited several times in this study. It is titled *From Red Tape to Results: Creating a Government That Works Better and Costs Less: Reinventing Human Resources Management* (1993b).

evident," the report notes, "that public service is neither as attractive as it once was nor as effective in meeting perceived needs" (1989, 2).

An Action Agenda is not as well known as the others. It was published by the National Governors' Association (NGA) and contends that government is not meeting the challenges it faces. It argues that citizens want government to be more customer-oriented and to be held more accountable for results. "The challenge," as stated in the preface, "is not to dismantle, but to transform state government--its culture, roles, and systems" (1993, vii).

In *Banishing Bureaucracy* David Osborne and Peter Plastrik further develop the idea of reinvention by setting out five fundamental prescriptions for transforming bureaucratic organizations into being more efficient, effective and adaptable. Borrowing from Thomas Kuhn (1962), the authors argue that bureaucratic paradigms are running into practical problems that seem anomalous because they do not fit with orthodox prescriptions. They assert that contemporary public organizations are faced with challenges that cannot be met with the traditional approaches to management. To break through the "paradigm blindness" (Osborne and Plastrik 1997, 266) a variety of new strategies must be introduced to government management, including clear purpose, increased accountability, customer service, entrepreneurialism, and decentralization.

1. Reports from the States

Several other reform-oriented reports were issued in the 1990s by individual state governments. Many of them directed some of their criticism at human resources management. California's Little Hoover Commission, for example,

concludes that the state's civil service system "has mutated into a bureaucracy within a bureaucracy--one that is rigid, duplicative and unresponsive" (1995, iii). In New York, the State Academy for Public Administration advises that "a more efficient and productive way to select and manage our public employees must be found" (1995, 2). The chairperson writes:

> The civil service system was developed for a noble reason . . . However, that system today is a morass of overlapping and unworkable regulations . . . that hinder management from using employees effectively and provides no motivation for worker productivity. Reform of New York's human resources management system is desperately needed (1995, i).

A report submitted to Michigan's governor states, "The current civil service system is outdated and dysfunctional, stifling efficiency and effectiveness in personnel recruitment, deployment, empowerment and promotion . . ." (Secchia Commission 1994, 6). A recent white paper on personnel reform in Massachusetts describes the state's current system as being "overly bureaucratic, unresponsive, rule-bound, and control-oriented" (Walters 2000, v).

B. Commonalities and Differences

As stated above, this study selected three publications to comprise the main reinvention documents. According to Frank Thompson and Norma Riccucci, they "possess much in common and suggest four themes that comprise the core or reinvention thinking" (1998, 235). The four basic ideas are: (1) deregulation will remove many internal prescriptions that limit managerial discretion; (2) performance measures will help managers to be more accountable for results; (3) decentralization will remove hierarchical

structures and controls that preclude empowering employees; and (4) customer-oriented standards and market-like mechanisms will enhance customer service (1998, 237-238). Various distinctions can also be found among the reinvention reports, but on balance there are more similarities than differences. One well regarded pair of observers writes that a "thematic flavor" permeates the findings of the three reports (Thompson and Radin 1997, 3). If a common theme were to be singled out, it would entrepreneurialism.[15]

1. Purpose of Reinvention

Reinvented government is entrepreneurial government. Several observers agree this is the reigning idea behind reinvention (Carnevale and Housel 2001, 153; Moe 1994, 112; Shafritz et al. 2001, 61). Entrepreneurialism is a market oriented term, even though the energy, creativity, and problem solving it connotes are valued in both the private and public sectors. Perhaps this is why Richard Elling refers to the similarities running through the reinvention literature as "soft core" public choice theory (1994, 107).

The concepts denoted by reinvention and entrepreneurialism are tightly linked, but they are not synonymous. The former precedes and is a necessary condition for the latter. Specifically, traditional approaches to public administration must be reinvented in order for governments to become entrepreneurial. As the deputy project director for the NPR writes, the “basic premises of orthodox public administration” reflect a fading paradigm, which is characterized by “hierarchical control, specialization, efficiency, reduced

[15] Some parts of this report appeared previously in a book chapter (Carnevale and Housel 2001).

duplication, and clearly defined rules and procedures" (Kamensky 1996, 250). As for the evolving paradigm, Osborne and Gaebler write: "We use the phrase *entrepreneurial government* to describe the new model we see emerging across America" (original emphasis) (1992, xix).

> Reinvention is about replacing bureaucratic systems with entrepreneurial systems. It is about creating public organizations and systems that habitually innovate, that continually improve their quality, without having to be pushed from outside. It is creating a public sector that has a built-in desire to improve (Osborne and Plastrik 1997, 14).

The NPR states that entrepreneurial governments "empower those who work on the front lines to make more of their own decisions and solve more of their own problems" (1993a, 7). And the Winter Commission, which does not use the word entrepreneurial, vigorously supports decentralization, which will be "staffed by a new kind of employee . . . [who will] be strongly encouraged to abandon the play-it-safe style of working in favor of taking risks" (1993, 39).

The objective of the REGO reports is the refashioning of government so as to create a culture for entrepreneurialism. The publications endorse efforts to create an environment compatible with enterprising action, one in which the pathways between service providers and customers are much less cluttered than generally are thought to be found in traditional, monopolistic bureaucratic institutions. A report by the U.S. General Accounting Office (GAO), which draws lessons from the private sector, echoes the mantra of the reinvention reports.

> [Organizations must] change their cultures and processes to survive in a rapidly changing world. As a result, they have decentralized authority, flattened organizational structures, increased employees' involvement in and control over the workplace, and focused more on

> the needs of their customers. These trends are improving quality and quickening response to customers' needs (1992, 11).

In a similar vein, the National Performance Review states, "The mission of the review is to reinvent the system of government, redesign agencies and programs to make them more responsive to their customers, and streamline the government" (1993c).

2. Criticisms of Reinvention

Ronald Moe (1994) charged that the NPR follows the pattern of many government reform efforts of not explicitly enunciating the theories or assumptions that underlie their recommendations. Instead, the supporting paradigms must be gleaned from the actions sanctioned by the reports. He alleged the same reform motif characterizes Osborne and Gaebler's appeal to reinvent government. There can be real value in such an approach: the anecdotes of success are compelling, tidy and uncomplicated; the call to action is vivid; and the philosophy is hidden. However, in unwrapping the assumptions, Moe discovered unfounded premises about the expendability of middle managers and the preference for an alternative to the traditional administrative paradigm.

He argued against NPR's recommendation that approximately 250,000 federal employees be eliminated from the ranks of middle managers, the largest proportion to be taken from human resources management. In his view, this will reduce agencies' capacity to properly manage their programs, including the growing ranks of government contractors. Further, Moe railed at the method of determining the appropriate span on control ratio, which he charged was accomplished by quixotic fiat (1994, 114).

Marching hand in hand with the expanded supervisor-to-employee ratio is the recommendation that management functions be devolved to the customer/line level of departments and agencies. Moe said this runs counter to the traditional administrative management paradigm; in fact, it replaces it with the entrepreneurial paradigm, which he said debilitates management capacity rather than develops it (1994 116). The alternative model turns the administrative management approach on its head by shifting accountability away from the center, which is another way of asserting the rejection of bureaucracy. "There is much room for creative management within the administrative management paradigm, but this paradigm does require both sustained and intelligent leadership, qualities in short supply in recent years" (Moe 1994, 118).

Jamil Jreisat and Frank Sherwood pointed out another inconsistency. "There are two organization theories, inherently contradictory, that pervade both [NPR and Winter Commission] reports: a strong central leadership and decentralization" (1994, 6). Christine Gibbs argued that REGO's management reforms often are long on recommendations for change, but short on their implications for governance. For example, she does not believe the "trust and lead" philosophy of reinvention is appropriate until openness and accountability have been adequately demonstrated (1994, 106). Barbara Romzek warns HRM professionals of the need to make adjustments when administrative changes occur without consideration of how accountability relationships will be affected (1997, 50).

Gerald Garvey questions employee empowerment. The theme of empowered employees appears in the three principal reinvention publications. The idea

proclaims that employees, once restrictions and barriers have been removed, will suffuse an organization with innovative and productive energy. How does executive leadership manipulate the levers of control and direction in such a bottom-up structure? Just as important, how do "thousands of innovations by members of an energized workforce integrate to create constructive change across the bureaucracy at large" (Garvey 1995, 103)?

Louis Gawthrop sympathizes with both REGO proponents and critics, believing as he does that entrepreneurialism and reinvention are closely associated, and that the entrepreneurial spirit in public administration is not necessarily antithetical to the ethical-moral values of the spirit of democracy (1999, 75-76). The basic question he poses, however, reflects the concern of many reinvention critics (Box 1999; Frederickson 1992). "To what extent does entrepreneurship engage the public sector in a process that sharply attenuates and jeopardizes the primary function of public servants in a democratic polity" (Gawthrop 1999, 75)? The problem between entrepreneurialism and democracy rests with the tendency of entrepreneurialism to overshadow the goals of democracy. Striving for profit, efficiency, and performance quotas are prone to becloud the ultimate values of democracy, such as benevolence, justice, and unselfishness. Gawthrop also believes that entrepreneurial government is likely to degrade both citizens and civil servants. Citizens and bureaucrats are partners and participants in the democratic process of daily governance, which carries a greater responsibility than simply being consumers and providers of services (1999, 77-82).

III. Methods

Many of the most progressive state public personnel systems in the country were identified by this research. The purpose was to examine the extent to which they are pursuing REGO recommended HRM practices. This chapter explains how four investigations were selected to create a reinvention index, and how six states were chosen to serve as the focus of inquiry. It also details the procedures used to locate 36 veteran personnel professionals, conduct interviews, and organize and assess the resulting data.

A. Reinvention Paradigm As a Guide

This study uses the reinvention paradigm to analyze changes in the HRM practices of the most progressive states. Reinvention was selected because of its decade-long dominance of the literature in the field of public personnel management. The first methodological task of this investigation was to establish a set of reasonably explicit HRM reform recommendations, which would be used to judge state personnel practices. Accordingly, two selection standards were chosen. First, the reinvention recommendation must represent a concern of long standing significance to public personnel management. Second, it must be expressly supported by at least two of the principal reinvention reports.

Eleven areas of concern for which reinvention recommends changes were selected. They are classification, decentralization, deregulation, discipline (poor performers), employee participation, labor relations, performance appraisal, performance pay, privatization, selection, and training. The background of each area, the problems associated with it, and reinvention's recommended

changes are explained in later chapters.

The sources of evidence that have been collected and reviewed to inform this study are: (1) scholarly, professional and practitioner literature; (2) state and federal government reports; and (3) expert opinion. The principal source of information is interviews with experts in the field.

B. Integrating Recent HRM Surveys

Research data were gathered by interviewing personnel experts in the leading states. The first step was to identify the most progressive states. The second was to use reliable informants to locate men and women who are thought to be among the most qualified HRM experts in those states' governments. The two concluding steps were to conduct the interviews and analyze the data. The sections that follow provide detailed explanations.

1. Identifying Leading States

Which states are leading in the implementation of personnel reforms? This is a question that can be addressed with more confidence than at any other time. It only has been within the past five or six years that a few studies have attempted to put together a comprehensive picture of state personnel practices. Until recently, discussions about human resources management in the states either focused on narrow personnel issues, were largely anecdotal, or risked being overly speculative.

The results of four nationwide surveys were combined to provide an index of states that are leading in reform of their human resources management. Each investigation sought to measure one or more areas of reform activity. The

results formed the basis of a state personnel reform index, which this investigation used to select its six target states. The following is a description of the four surveys and an explanation of why they can be used to create a trustworthy guide to state personnel reform. The reason why the details are important is twofold. First, the index is the sole mechanism for identifying the leading states. Second, it is unique in the history of the study of public personnel management in the states. Seldom, if ever, have four nationwide investigations of this caliber been combined to form as robust an index of personnel practices as is being presented in this study.

a) Kellough-Selden Index

Two prominent public personnel scholars, J. Edward Kellough and Sally Coleman Selden, constructed an index to gauge the extent of implementation of HRM reforms in state governments (2003). They included six reform categories, each of which is associated with HRM reinvention recommendations. The categories are:

1. decentralizing authority for personnel functions
2. using a relatively small number of job classes
3. contracting out personnel functions
4. using labor-management partnerships
5. implementing a system of broad pay bands
6. using strategic workforce planning

Kellough and Selden operationalized the categories with information culled from two nationwide surveys of state personnel practices. A table of the

indicators they used and how they measured them is reproduced in an appendix (Appendix 2).

Most of the indicators were drawn from survey results published in 2000 by the National Association of State Personnel Executives (NASPE), which is an organization that provides state personnel executives with information about HRM issues, trends, policies and practices (NASPE 2003). The data Kellough and Selden used to operationalize the workforce planning category was taken from another nationwide survey, which is known as the Government Performance Project (GPP) and is described below.

Using mean and standard deviation scores, Kellough and Selden calculated z or standardized scores for each state for each of the six categories. They then summed the standardized scores for the individual states to arrive at a public personnel reform index.

b) Coggburn Scale

In 1999 Jerrell Coggburn conducted a nationwide investigation into the deregulation of state personnel practices.[16] He distributed the survey to the directors of central personnel departments in every state. Ninety percent of the directors completed and returned the questionnaires. Each of the survey's 25 questions inquired about whether some facet of deregulation had been implemented. The framework of the survey was based on a format which gave the directors a choice of answering either yes or no to each question. One point was assigned for each affirmative response. Therefore, a state with a score of 13 denotes that the personnel director answered in the affirmative

[16] Coggburn's research also sought to measure deregulation in the states' procurement and budgeting practices.

on 13 of the questions. The states' scores are listed in an appendix (Appendix 3).[17]

The value of Coggburn's study rests in large measure with his definition of deregulation. A more limited investigation might have been content to conceive of deregulation as generally reducing or eliminating rules, leaving out the managerial implications of such changes. He goes much further by including a great variety of personnel processes, which include recruiting, hiring, promoting, compensating, training, terminating, scheduling, and others. He asks a broad array of questions, which range from whether probationary periods for new employees had been increased to whether agencies could formulate their own training and development programs. His objective was to uncover the extent to which states had "adopted reforms that increase the discretion of line agencies over personnel" (1999, 153).

Coggburn defines deregulation of human resources management as "identifying, relaxing, and--where possible--eliminating personnel regulations that hinder government . . . [It] entails enlarging the discretion of government employees, while reversing tendencies to control administration through the proliferation of rules" (1999, 3-4). This is well in accord with the definition offered in a report by the U.S. Office of Personnel Management (OPM), which describes deregulating as "the process of creating agency and managerial flexibility in human resources management by reducing or removing regulations or restrictions" (1998, 10).

---

[17] After tabulating the survey results, Coggburn used an item analysis process and reduced the pool of questions from 25 to 19. He explained: "The items that were removed from the scale had low item-remainder coefficients and/or had an adverse impact on the overall reliability of the summated scale" (1999, 84).

c) GPP Grades

The Government Performance Project is described by its project director, Patricia Ingraham, as being the "most in-depth survey ever completed . . . of the effectiveness of core government management activities" (2002). The purpose of the investigation was to evaluate the quality of management in state, county and municipal governments. The assumption upon which the research project was founded is that governmental capacity is an integral part of the context of management. From a systems perspective, a governmental process includes inputs on one end and outputs on the other, with variables such as management, leadership and capacity in the middle. Management and leadership factors seldom are overlooked, but governmental capacity frequently is discounted or passed over entirely. Ingraham says the intent of the project was "to create and apply measures that accurately reflect the *management capacity*" of governments (original emphasis) (Ingraham, Joyce and Donahue 2003, 3).

The research was undertaken as a joint project between the Maxwell School of Syracuse University and *Governing* magazine. It focuses on five management systems, which includes human resources management. Questions were formed by panels comprised of practitioners and academics. A triangulated approach was used to collect data. The project employed mailed questionnaires, personal interviews, and documentary evidence. Data were converted into results by applying a strict standard of thoroughness to ensure consistency of sources and criteria application.

Once the data had been analyzed, governments were put into groups based on their management capabilities. The groups were then assigned grades. The grades were determined separately by the participating academics and *Governing*'s journalists, and the final grades were based on a consensus among the participants. Two investigations were conducted of the states, the first in 1998 and the second, using a more streamlined format, in 2000. Differences in the results between the two surveys were "relatively small" at the aggregate level for human resources management (Ingraham 2002).

d) ASAP Scores

The American State Administrators Project (ASAP) is a series of surveys mailed to the heads of administrative agencies in the 50 states. Sponsored by The Odom Institute of the University of North Carolina at Chapel Hill, these investigations have been conducted twice each decade for the past 40 years. The "scope, content, and length of the ASAP questionnaires have varied" during that time (Wright and Cho 2001, 2). In 1994 and 1998 they included 11 questions related to reforms advocated by reinvention theory. Only one question was associated directly with reinvention of human resources management. It was:

> *From time to time state agencies undertake to change the way they do things. Please indicate the extent to which your agency has implemented the simplification and relaxation of human resource (personnel) rules.*

Respondents were given five Likert-type answer choices: "no changes considered," "considered, no action yet," "action(s) planned," "partially

implemented" and "fully implemented." Responses were assigned a score from 0 for "no changes considered" to 4 for "fully implemented."

The other three investigations that are being used to create this study's reinvention index asked multiple questions, but only the results from this single question from the ASAP survey are being used. There are two reasons for this. The first is the nature of the question. Simplification and relaxation of personnel rules go to the heart of reinvention's recommendations for change in public personnel management. The second reason is the extensive reach of the survey. It was distributed to heads of agencies in states across the country. The 1998 survey resulted in 1,175 responses, for a response rate of 33 percent. A sampling of nonresponding recipients indicated a slight statistical difference in age, but other attribute and attitude measures uncovered no statistically significant differences.

e) Reinvention Index

The scores of the four nationwide studies were used to create a reinvention index in order to determine the leading states. The means and standard deviations were computed from the values reported in each survey (Appendix 3). These were then used to calculate z scores to allow for different units of information to be compared (Appendix 4). The data in the Kellough-Selden Index were presented as z scores, so no conversion was necessary. In order for the GPP grades to be useful, they were assigned numerical values using the conventional grade point conversion formula of A =4.0, A-=3.7, B+=3.3, and so

forth.[18] The z scores were then summed and arranged in descending order, which completed the reinvention index (Appendix 5).

The top six states were selected from the reinvention index to serve as the leading states, which comprise the units of analysis.[19] They are South Carolina, Michigan, Virginia, Wisconsin, North Carolina and Iowa. Another method of determining rank was employed to confirm the findings. The top ten states in each of the four nationwide studies were assigned a number based on their rank. The top state in a study received a 10, the state next in order was assigned a 9, and so on down to the tenth state, which received a one. The same process was followed for the four studies. Ties were assigned an average of the rankings that would have been applied had there not been a deadlock. For example, if three states tied for first in a study, each would receive a 9 (10+9+8=27/3=9). Each state's score(s) were summed, then their totals were used to determine the six leading states. With one exception, the results of this approach duplicated exactly the rankings based on the summing of z scores. The exception was Missouri, which edged a bit ahead of Iowa for the sixth spot in the rankings.

One state, Texas, scored among the top six states in both methods of

---

[18] An Internet Web search of institutions of higher education determined that the formula is a common convention. For example, see: Princeton University Registrar, "How to Calculate Your Grade Point Average"; http://64.233.167.104/search?q=cache: h6EB6INySeEJ: registrar1.princeton.edu/trans/gpa.pdf++%22grade+point+ conversion%22&hl=en; accessed 11/10/03.

[19] Resources dictated that the survey be limited to 35 to 40 interviews, including pilot interviews. The plan to conduct six interviews per state meant that only six states could participate. Previous experience with interviewing state personnel professionals informed the decision to conduct six interviews per state. Senior level personnelists are generally very well informed, the professional community within which they work is somewhat hermetic, and their operational level is mostly apolitical. Responses, therefore, were anticipated to be fairly consistent; yet, it was thought that several survey participants representing a few varied perspectives (e.g., union, retired) would guard against the interviews being artificially homogenized.

determining the reinvention leaders. However, it was eliminated from consideration because it does not have a statewide personnel system. It is one of three states--the other two being Florida and Georgia--which have eliminated virtually all central authority for personnel practices. The only centralized function of Texas' HRM system is classification and compensation, which is managed by the State Auditor's Office in order to insure consistency of work and pay throughout government. Otherwise, administrative structures and practices vary considerably among the states' agencies and departments (Walters 2002, 16-17). Determining how specific personnel procedures are commonly practiced in such a system is not within the scope of this study.

The six selected states will be referred to variously as the leading states or the progressive states. This should be taken to mean only that there is good reason to believe they are *among* those states which are in the forefront of utilizing progressive personnel practices.

2. Identifying Survey Participants

Interview participants were required to have at least 15 years experience in dealing with HRM affairs in their states. This requirement assured that participants would be professionals who had either participated in or observed the development of their state's personnel policies since the appearance of the reinvention literature, which began with Osborne and Gaebler's 1992 publication. The respondents were chosen based on their experience, knowledge of personnel matters, and reputation for presenting a balanced point of view. Most experts of this sort are "bearers of information or interpretations that otherwise would not be generally available until some time in the future, if at all"

(Nathan 1986, 81). Their value lies not solely in their ability to provide authoritative analysis, but also in the fact that they can present a firsthand account of policy formation and development. Those in the best position to answer are the representatives of central and agency personnel departments, as well as those whose work is closely associated with HRM, such as longtime union representatives. Six interviews were conducted with personnelists from each state. The areas from which participants were drawn are described below.

Areas from Within the State	Number of Interviewees
▫ central personnel department	2
▫ personnel department in a state agency	2
▫ public employees union or association	1
▫ retired personnel professional	1

Two participants were sought from the central personnel department and one from each of two large agencies' personnel offices. These areas constitute basically the main sources for obtaining recruits needed for this study. Two employees were recruited from these different areas in an attempt to obtain corroborating data. The participant from the public employees association or union represented an opportunity for a contrary view, since unions/associations are employee-oriented rather than management-oriented. The reason for seeking a retired professional was based on the idea that a person no longer active in the profession may have developed a perspective somewhat different than when he or she was engaged in the day-to-day work.

The effort to locate interview participants began by contacting the directors of the leading states' legislative staffs. They were asked for their

advice in locating possible survey participants from the areas just described. They were specifically requested to recommend professionals who are known for their expertise and balanced point of view. The technique of using the knowledge and judgment of informants to locate survey participants is a well regarded method of locating interviewees (Kazee 1994, 16-17; Peterson 1990, 299-302).

Directors of legislative staffs were contacted because of the vital role staff perform in providing legislatures with quality information. They "bring specialized knowledge to bear on issues and serve as a filter through which policy proposals are assessed" (Hedge 1998, 115). It was assumed that members of legislative staffs would be familiar with the important functional areas and policies of state government. It was therefore hoped that quality recommendations for survey participants would result.

In order to gain the cooperation of the directors, an introductory email was provided by Mr. George Moser, the Executive Director of the Oklahoma House of Representatives' Research, Legal and Fiscal Divisions. He asked his counterparts in the six leading states to assist in identifying informants (Appendix 6). His introduction was followed by email correspondence from this investigator to the directors, which provided details about the project (Appendix 7).

Once the potential interview participant was identified, the following procedures were used to recruit and interview the subject:

- An introductory email asked if the potential participant would be willing to consider participating in an interview (Appendix 8).

- If the prospective participant agreed to consider being interviewed, the next communication was an email which more fully described the study and provided details about the interview (Appendix 9). Included in the email was an informed consent form (Appendix 10).

- The phone interviews took place at a date and time of the participant's choosing.

The respondents did not see the questionnaire in advance of the interview, nor were they given an opportunity to review the transcription of the interview. The survey participants are listed in an appendix (Appendix 11). It includes their current positions and organizations, and their accumulated years of working in human resources management.

C. The Survey Instrument

The survey consists on 31 questions (Appendix 12). The inquiries were designed to solicit information about reform of specific personnel practices, environmental factors that may have contributed to reforms, the role of the central personnel department, and the regard and protection of merit principles. Each of these areas will be discussed in turn.

1. Personnel Practices

The most important part of the survey inquires about the degree to which the leading states have adopted personnel practices recommended in the reinvention literature. The inquiries ask about classification, selection, decentralization, training, labor-management relations, poor performers (discipline), privatization, deregulation, performance pay, employee participation, and performance appraisal. The survey participants gauged how

each personnel practice had changed over the past decade. The respondents were asked to elaborate on their answers. Probes and followup questions often resulted in lengthy discussions. On average the interviews lasted about 90 minutes.

The eleven questions were designed to test the degree to which a specified HRM practice has moved in the direction advocated by reinvention. A higher score means movement toward reinvention and vice versa. The participants were given Likert response choices. For example, one question asks how agencies' authority to apply personnel rules compares with their authority 10 years ago. The answer choices are: much less, somewhat less, about the same, somewhat more, or much more. Since reinvention supports agencies being given greater managerial prerogative, a response of "much less" would indicate a movement away from reinvention; whereas a response of "much more" would signal endorsement of reinvention.

The way in which the Likert choices were arranged in this study varies from convention. John McIver and Edward Carmines describe the way the scale is typically used.

> A set of items, composed of approximately an equal number of favorable and unfavorable statements concerning the attitude object, is given to a group of subjects. They are asked to respond to each statement in terms of their own degree of agreement or disagreement. Typically, they are instructed to select one of five responses: strongly agree, agree, undecided, disagree, or strongly disagree. The specific responses to the items are combined so that individuals with the most favorable attitudes will have the highest scores while individuals with the least favorable attitudes will have the lowest scores (1981, 22-23).

The Likert choices associated with the 11 questions about personnel practices

do not offer the "undecided" alternative; instead, as mentioned above, the third choice is "about the same." An answer of "undecided" represents a participant who is not ready to make a decision. But to determine that conditions today are about the same as they were a decade ago is as much a judgment as saying conditions are much better or much worse. What are the ramifications for reinvention? What does it mean, for example, if a respondent says that dealing with poor performing employees today is about the same as it was a decade ago? If virtually no change as occurred, then on its face reinvention has not been served. Reinvention proponents' recommendations are based on their evaluation of the status quo, which they found to be unacceptable. Additional evidence comes from the interviews, which make clear that the "about the same" or status quo answer is not an indication of progress.

2. Environmental Factors

Several standard environmental factors were included in the survey for the purpose of determining if any seemed to be especially relevant. They were gubernatorial initiative and leadership, budget pressures, criticisms and complaints by state agencies, and ten other factors. The entire survey appears in an appendix (Appendix 12). The respondents were asked to assign one of four levels of significance to each of 13 environmental factors. The four options were: significant, moderate, minor and insignificant. Answers were assigned a value of either four, three, two or one, respectively. They were summed and averaged. The mean scores for the factors were used to rank them in descending order. Participants were also asked to elaborate on the reasoning for the answer choices they selected.

3. Other Inquiries

As described above, one set of questions inquired about changes in personnel practices and another set asked about environmental factors that may have influenced those changes. A third group of inquiries dealt with two other areas related to HRM reform: assessment of merit principles and oversight mechanisms, and comparison of the changing role of the state central personnel office. At least two open-ended questions were asked about each of these topics.

D. Interviewing

1. Conducting Interviews

The survey questions were prepared in advance and were designed to direct the interview. Care was taken to ensure that the questions were balanced in their wording. Followup inquiries were used to solicit additional detail, clarify answers, seek more depth, or ask for examples. The wording and sequence of the prepared questions were identical in each interview.

Most of the questions were semi-structured, which means study participants were requested to respond in two ways: first, to express their opinions by selecting from an ordinal scale which reflected a set of fixed Likert-type answer choices; second, to describe their rationales and provide any additional explanations they deemed appropriate. The interviewer was aware of the importance of maintaining a tone of neutrality.

The interviews were conducted over the phone. Some researchers claim that telephone interviewing is second best to in-person interviews, which

supposedly make it easier to establish rapport. Critics charge that relying only on voice communication leaves out too many of the contextual factors that people use to evaluate their situation. However, the pollster Marvin Field argues that it is actually easier to establish what he calls "phone rapport." A phone call does not present the need to be concerned with individual appearance or personal surroundings, nonverbal communication is not a factor, and a voice on the phone does not introduce many personal characteristics that might influence the person being interviewed (Nathan 1986, 71-73).

2. Coding Interviews

Interviews are well known for generally providing richer material, more context, and greater depth. They also yield information that is harder to compare and classify than data from questionnaire surveys (Nathan 1986, 111). The analytical approach used in this study is based on a transcription analysis of semi-structured interviews.

The interviews were taped and then transcribed to text. Transcription did not duplicate the pauses, incomplete sentences, mispronunciations and other vagaries which are often a part of verbal speech. Otherwise, they were faithful to the interviews and no attempt was made to condense or edit what was said.

As Renata Tesch points out, data analysis is a two part process: organizing data and interpreting data. "One way of thinking about the distinction is to see data organizing as the preparation for data interpretation; without organizing the data in some way, interpretation is just about impossible" (1990, 114). A qualitative data analysis software program called Super HyperQual was employed to organize the transcribed interviews. The

program permits manipulation of qualitative data. Boiled down to its essence, Super HyperQual replaces mechanical cutting and pasting with an electronic process that does essentially the same thing. Textual data are easily imported, coded, assigned to categories, collated and outputted.

3. Analyzing Interviews

The transcribed interviews were reviewed formally in their entirety on two occasions. The objective of the first reading was to identify recurring issues and themes. This resulted in as many as 18 issue/theme possibilities for a single question. They subsequently were reduced to a maximum of eight, which proved to be sufficient to capture those that were salient to any particular question. The second formal reading of the interviews took place once the issue/theme identifications had been established.

A grid was constructed for each interview question. It contained the names of the 36 study participants, which were listed vertically along the left margin and grouped based on state affiliation. The page number of where the participant's interview begins in the transcript was placed beside each name. Listed horizontally across the top of the grid were symbols denoting the selected issues and themes. A check mark was placed in the appropriate cell whenever a respondent mentioned or discussed one of the issues/themes. Quotations and information related to other questions were similarly identified. All of this was done using paper and pencil technology. However, once the grids were completed the coded segments were entered into the software program for electronic sorting and outputting.

This method proved to be an efficient way of organizing and identifying relevant issues and themes. It also created what Egon Guba and Yvonne Lincoln describe as an audit trail (1981, 122). The approach serves as an indexing guide that both facilitates and documents the process of analysis, thus permitting others to review and verify the "chain of evidence and reasoning derived from it" (Gillham 2000, 78).

IV. Reform of the Central Personnel Departments

Changing the culture of an organization is one of the principal purposes of reinvention (Osborne and Plastrik 1997, 13-14). The deputy director of the National Performance Review wrote that the NPR's original intent was "to transform the basic culture of federal organizations" (Kemansky 1996, 247). The National Governors' Association, in its 1993 report on redesigning state governments, maintained that one of the fundamental challenges was to transform government culture (vii). Yet, changing organizational culture is a very difficult task. According to the GAO, it requires altering "the underlying assumptions, beliefs, values, attitudes, and expectations shared by the organization's members" (2004, 12). Nevertheless, the evidence from this study indicates that the central offices of the leading states have indeed transformed their organizational cultures. As will be argued in this chapter, they have successfully changed from a compliance and processing orientation to one of consulting and advising. First, however, it is important to understand the challenges faced by central personnel departments. The best way to do that may be with a brief review of the recent history of OPM, the federal government's central personnel office.

A. The Office of Personnel Management

The U.S. Office of Personnel Management was created by the 1978 Civil Service Reform Act. It replaced part of the function of the Civil Service Commission, which was abolished by the legislation. OPM's duties were to provide traditional HRM services, enforce personnel laws, and "work closely with the president and be the president's arm for managing the personnel aspects of the federal bureaucracy" (Shafrtz et al. 2001, 27). The dilemma facing OPM is the same that has confronted the central personnel agencies of the leading states. It was created based on a "management doctrine [that] was dedicated to control and accountability while its operational methodology was committed to decentralization and delegation" (Lane 1992, 106).

Since its creation in 1978, the agency has taken on multiple identities. It has been reorganized at least 15 times, undergone many culture changes, and operated under various directors' management philosophies (U.S. Government Accounting Office 2003, 3). After assessing its first 10 years of existence, Larry Lane reported:

> By any measure of performance . . . OPM failed to achieve its objectives. It did not assert effective leadership, maintain aggressive oversight, or facilitate research and development. It did not further merit principles. It did not become the primary management office for the president. Public personnel management at the federal level was not transformed into modern human resource management (1992, 111).

Since the National Performance Review, most of the federal government's HRM reforms have amounted to reinventing its central personnel department. As Shafritz et al. report, OPM was downsized from approximately 6,100

employees to less than 3,000, its investigations unit of over 700 employees was privatized, its supervisory staff was reduced by more than half, and it eliminated the Federal Personnel Manual, which was the national government's source of guidance and direction for regulations and interpretations (2001, 70). All of this was done in concert with its effort to decentralize personnel practices.

In 1999 a former director of the U.S. Office of Personnel Management summarized the agency's difficulty as being an institutionalized competition between two schools of thought about how the federal civil service should be managed: maximum flexibility versus strong centralization. She said she believed in the merits of both. Flexibility allows "agencies, managers and employees to most effectively accomplish their goals . . . [and allows the agency] to focus on achieving results rather than relying on uniform personnel processes." The areas reserved for centralized personnel management are leadership, oversight of merit principles, and administration of government-wide employment benefits (LaChance 1999).

The former director's hope of role reconciliation remains elusive. In a 2003 review of OPM's performance, the U.S. General Accounting Office found that many agencies continue to "want and need greater OPM leadership and assistance" in managing their human resources. The review also determined that "surveys and studies continue to show a need for strong oversight . . . [because] employees continue to believe that agencies are not adhering to several merit principles" (2003, 15). In conclusion, GAO reported:

> OPM's overarching challenge today is to lead agencies in shaping their human capital management systems while also undergoing its own

> internal transformation. As it addresses this overall challenge, OPM faces several performance and accountability challenges that affect its ability to effectively execute its mission and become a high-performing organization focused more on results and less on process (2003, 3).

As noted above, reconciling the seemingly contradictory mandates of controlling and decentralizing is a challenge that likewise faces the central personnel departments of state governments.

B. Partnership Mentality

The idea for referring to the central offices' transformation as embracing a partnership mentality was borrowed from David Ammons' critique of the qualities essential for using a performance measurement technique known as benchmarking. He said the most important attribute was having the proper frame of mind or, as he put it, a "benchmarking mentality" (1999, 107). This underscores the widely accepted notion that "administrative reform must include accompanying attitudinal changes" (Rahman 2001, 41).

Suggestions for new roles for the personnel office have gone hand in hand with proposals for civil service reform. Carolyn Ban has organized the recommendations for changing the orientation of the personnel office into three models--customer service, consultation, and strategic human resources management (SHRM) (1998, 21-27). This study proceeds along a similar framework, with one exception. Whereas Ban applies her analysis to the relationship between agency personnelists and managers, this study directs its attention to the relationship between central personnel departments and their agency counterparts.

Responses from three of the questions in the leading states survey provide most of the evidence for this discussion. One of them (Question 22) seeks an assessment of the influence the central office has exerted on the HRM changes that have occurred over the past 10 years. Another (Question 28) asks respondents to compare the role of the central personnel department of a decade ago with the one of today. The third (Question 29) inquires about how respondents would evaluate the change in the strategic role of HRM in their respective states.[20]

1. Customer Service

The customer service dimension of the partnership mentality exhorts personnelists to work better and faster and to be more responsive to their primary clients, who are the agency-level HRM offices. This is partly accomplished by reexamining customer relationships (Ban 1998, 21-22). The National Performance Review's most well known publication, *Creating a Government That Works Better and Costs Less* (1993a), uses the word customer(s) approximately 250 times within its 128 pages. Its second chapter is titled "Putting Customers First" (1993a, 43-64). One of Osborne and Gaebler's chapters is called "Customer-Driven Government: Meeting the Needs

---

[20] The question about the role of central office leadership (Question 28) is one of 13 inquiries (questions 15-27) that were included in the survey to gauge the influence of environmental factors on the implementation of personnel changes in the leading states. Respondents were asked to weight each factor by choosing one of four Likert-type answer choices (4=significant; 1=insignificant). The five highest rated factors and their mean scores were: information technology (3.83), central office leadership (3.75), budget pressures (3.50), state agency leadership (3.26), and gubernatorial leadership (3.22). Discussions involving each of these appear throughout the report, although discussions involving the top three factors appear more often since they are the ones about which respondents most often referred. The other eight factors were not included in the report because their mean scores were lower and they were not found to be as important, based on the content of the interviews. A bar graph depicting the mean rating for each factor is presented in an appendix (Appendix 13).

of the Customer, Not the Bureaucracy" (1992, 166-194). Reinvention's meaning of customer service is for government to be more attuned and responsive to the needs of citizens-as-customers. The NPR (1993, 4) and Osborne and Gaebler (1992, 177-179) list three pages of examples of feedback techniques, which range from using customer and community surveys to creating an ombudsman position. The National Governors' Association also stresses a customer orientation. It states, "After all, government is a service and citizens are its paying customers" (1993, 4). The NGA also endorses Total Quality Management, which emphasizes continual improvement in order to build customer satisfaction. The Winter Commission, although not referring to citizens as customers, supports the importance of government improving its citizen-level performance. For example, it recognizes that citizens' views about government are highly influenced by their experiences at the point of service delivery (1993, vii), which is one of the reasons the Commission energetically advocates "removing barriers to lean, responsive government" (1993, 21).

This study's survey provides considerable evidence that a customer orientation exists among the leading states' personnelists. Almost three-fourths (73%) of the respondents, excluding union representatives, used customer at least once during their interviews, even though it was not included in any question.[21] More respondents (11) representing central offices mentioned customer service than did those from agencies (7 respondents), which is to be expected since the survey focused on the central office's function in the leading states' HRM systems.

[21] The word was only counted by the investigator if it was expressed in a manner consonant with reinvention.

The most telling evidence of the customer service orientation is inferred from the substance of the discussions. The following excerpts are illustrative:

- I think we are putting a lot more emphasis on customer service--identifying who our customers are and trying not just to meet their needs, but excel at meeting their needs. I think we look to private industry for best practices and attempt to move toward that. We have moved from more of a regulatory function to that of a customer service function.

- State agencies are our customers. That is why we have the Human Resource Advisory Council. That is why when a new agency comes on board I will go over to visit with the human resources people, try to find out what they are trying to do. We have training sessions to help to keep them abreast of current issues. We want them to be at the table with their leadership. Agency complaints have to be looked at as customer feedback. We cannot always address it, but you gotta listen.

The next excerpts represent responses to the question, "Would you describe some of the ways, if any, in which government is performing more effectively as a result of HRM reforms that have been instituted over the past decade?"

- The first thing I would look at is the role of the customer. It has changed considerably over that time. It used to be almost purely regulatory. I think over that time we have heard what our customers have said about the difficulties of hiring quality, qualified individuals. That process has changed so much since then.

- Well, there's more emphasis on the customer, on the response time, on listening to the customer's needs rather than bureaucratically saying no to certain things. I wouldn't say that's universal yet, but it certainly is a growing factor in the way we do business.

- The role of the central personnel department itself has changed. The type of relationship that we have with the agencies we serve is changing to be much more customer-oriented as opposed to regulatory.

- The first one I would say is that we have become much less regulatory. It used to be that we sort of made the rules and people followed them. That is not the case any more. We are customer-focused; we try to be flexible and figure out ways to meet customer needs. So, the agencies are looking to us more as a place to help them and influence them and persuade them, as opposed to being the HRM cops.

These six excerpts reflect the views of respondents from each of the six leading states. In some cases the participants are central office executives, in others they are personnelists working in agencies, and one is a retiree.

2. Consultation

The second dimension of the partnership mentality, consultation, constitutes a change that goes a step beyond the customer service orientation. Improving customer service requires that the central office view itself as an efficient and responsive provider of assistance, but this alteration in mindset can occur within a traditional HRM system, which generally is described as centralized and totalistic. The consultation model, on the other hand, requires meaningful decentralization because it implies a shift in roles: agency-level HRM takes on responsibilities heretofore managed by the central office, and the central office takes on the role of advisor and consultant, which can be "critical to the success of agencies exercising decentralized authority" (Hou et al. 2000, 19). Carolyn Ban says personnelists are "taking on new functions" as they move from customer service to consultation (1998, 21).

Steven Hays' description of the decentralization imperative makes a compelling case for why these changes are pivotal to a reinvented human resources management system. He argues that the overall work environment

has become so fluid that the static, slow-moving nature of the traditional system cannot compete for quality employees, nor can it nimbly respond to the changing demands of the public sector workplace (207-209, 2001).

Among the central personnel department changes posited by reform advocates is to decentralize and deregulate the specialist function, which is accomplished by simplifying the rules, allowing agency-level HRM experts to perform the more specialized functions, and permitting the central office to become a cadre of generalists who will confer and counsel. Several different approaches to this movement exist, but the common theme is shifting from control and compliance to advice and consultation. The National Academy of Public Administration (NAPA) describes the approach as providing the help necessary to address current needs and issues. "This work is increasingly performed by generalists who know a broad range of HRM topics . . . The particular competence that makes the advisor valuable is the ability to integrate HRM functional knowledge . . ." (NAPA 1995, 11).

The following have been gleaned from interviews with the personnel professionals from the leading states. They reflect the attitude and commitment that are evident regarding the transition of the central office from specialist to consultant.

- We have just recently completed work with one of our state's universities to put together training on how to move people from the regulatory role and technician role of HRM into the consultant role. We spent a significant amount of money and time training about 50 percent of our HRM community, particularly our managers and specialists, in a variety of things as they relate to being an effective HRM consultant.

- We are deliberately going from a oversight organization to a consulting organization. It is a deliberate choice that we are making. We are retraining staff to be more consultants, rather than going out telling an agency how you should do something. We would rather say, "These are your options—pros and cons—and pick one that fits you." Then we stand back and say, "Let them do it, even if it is not what we would do."

- A number of years ago, the HRM departments in agencies primarily took care of processing. You went to them to say, "Process this or do that." Usually the flexibility was very limited. Now we are sitting down with our HRM people and they are sitting down with top management and saying, "You have some more tools; you have some more flexibility. Now, let's talk about the appropriate use of that." We have them now developing guidelines for how they are going to do it.

- We are trying to change our role to consultants, where our goal is to go out and meet with the HRM directors and/or the managers--and often both of them at the same time--and just talk to them about the system and how it works and what the guidelines are. We are not there yet. We are still in the process of converting; we are reconfiguring our staff here within the central office to develop these consultant-type jobs, because we recognize that as agency HRM directors become more like consultants--as opposed to processors to their management--we need to be consultants to our agency HRM people.

- The central personnel department appears to me to be very interested in providing the best support and consultation they can to the agencies, because when we succeed, they succeed. They put a lot of effort in trying to get information out and being responsive.

- Their role has changed a bunch in the last decade. They have gone more to an advisory/consultant group versus more of an approver/watchdog group like they were ten years ago. That is the big change. They used to have two to three times as many employees. They monitored just about everything that went on. Now they have relinquished a lot of that. From where I sit, they have turned into more like . . . . They do some auditing, you know, of what goes on out there, but they are more consultants and advisors now.

Fulfilling the consultation role not only provides advice and expertise, but also advances HRM closer to becoming part of the management team. Other managerial support functions, such as information technology and finance, are usually thought to have a "seat at the table" with high level decisionmakers. Why not human resources management? Facing this question involves the third role for public personnel administration.

3. Strategic Human Resources Management

If it is true that "organizational goals are seldom, if ever, realized without the effective use and support of people" (GAO 2003, 8), then organizational planning must include significant consideration of personnel. Human resources management that participates at this level of policy development and decisionmaking is generally referred to as *strategic* human resources management. It has been widely extolled as the exemplar of what HRM could become if developed to its utmost. Charles Sampson describes SHRM as assuming "more responsibilities and a larger role in the strategic planning, productivity, and managerial style of the organizations" (1993, 154). Ban asserts that this model views personnelists as being "full members of the management team, linking human resources policy to agency mission, goals, and policy" (1998, 21).

This, then, is the third and most advanced role for public personnel management. Unlike customer service and consultation, SHRM moves the focus from the central personnel department to the agency personnel office, because this is the level at which strategic relationships are established. Strategic HRM focuses "on where the personnel office sits within the organization--on its power and role in organizational policy" (Ban 1998, 21).

Even at this stage, there is opportunity for the central office to influence the outcome. According to an agency personnelist, "Our state's central personnel office does a great deal trying to organize and focus agency executives on the role of human resources management. It holds convenient conferences, conducts seminars, makes presentations, sometimes not even related to HRM, in an effort to raise the leadership's awareness of personnel administration."

Fulfillment of the customer service and consultation roles precedes serious consideration of HRM assuming strategic responsibilities (NAPA 1995, 10-11). This means that both the HRM authorities delegated to managers and the responsibilities retained by the agency-level HRM offices must be carried out efficiently, thoroughly, attentively and cooperatively. If these conditions are met, then opportunities for HRM's strategic participation will be enhanced. It will not occur spontaneously, however. Senior management must recognize the contributions HRM can make to an organization's strategic goals (Perry and Mesch 1997, 26; GAO 2003a, 6). The U.S. Office of Personnel Management enumerated other conditions associated with HRM becoming a strategic partner. They include:

- a direct reporting relationship existing in the agency hierarchy between HRM and agency leaders
- an agency culture that recognizes the value of human capital
- personnelists with experience in program management
- HRM demonstrating it can make valuable contributions to the management team (1999a, 22).

An excellent explanation of SHRM comes from a personnel executive in an

agency of a leading state. She says that in the span of five years she has witnessed the role of public personnel management transform from administrative specialist to strategic partner. Most of the factors listed above are revealed in the following interview excerpt.

A: I was just having a discussion today about strategic human resources management, about how in the past five years we have moved from being a specialist to a generalist. When the different offices have their staff meetings, we are there. We go to their meetings and we understand what they are working on. So, we have become much more strategic. Part of that is necessity. So much turmoil was going on here when we installed a new integrated technology system. We had to do change management and really prepare this agency. We were also having to transition people to new kinds of work. We had to have an understanding of the agency's statutory responsibilities and where we were trying to go and what we were trying to accomplish. We couldn't just sit back and be processors.

Q: How does any agency come to value human resources management at that level?

A: Start by looking at the agencies that have taken some time to define their culture: what are their values, what are their business objectives. That is a good indicator. Agencies that have done that work are probably more inclined to want their HRM offices to be more strategic partners than other agencies. We made a conscious decision in this agency that we needed to try to shift our culture.

Q: From what to what?

A: This agency performs a technical and specialized service for citizens all over the state. We needed to move from putting so much focus on rules and policies to more of a focus on individual behaviors and customer service. We realized that some of those changes would line up better with the agencies' goals and objectives. We realized we needed to put some HRM practices into place to help accomplish that. I was helped a great deal by

> the private sector experience I had. And I read a great deal, not just in human resources, but also in organizational behavior and management.

According to the survey respondents in this study, it is clear that the leading states' central personnel offices have changed their mode of operating; indeed, they have altered their cultures by embracing the partnership mentality. They have become exemplars and trainers of the service and consultation approach to human resources management. Agency-level HRM offices depend on this quality of support in order to transcend their traditional role and become part of the management team.

It is a matter of debate whether public personnel management has largely transmuted to strategic human resources management or whether it mostly is viewed still as a data processor and compliance officer (Ban 1998, 27; Hays 1996, 285-286). As illustrated in the figure below (Figure 2),[22] HRM in the leading states is perceived by survey respondents as moving toward increased strategic involvement, but it remains quite short of achieving full partnership status.

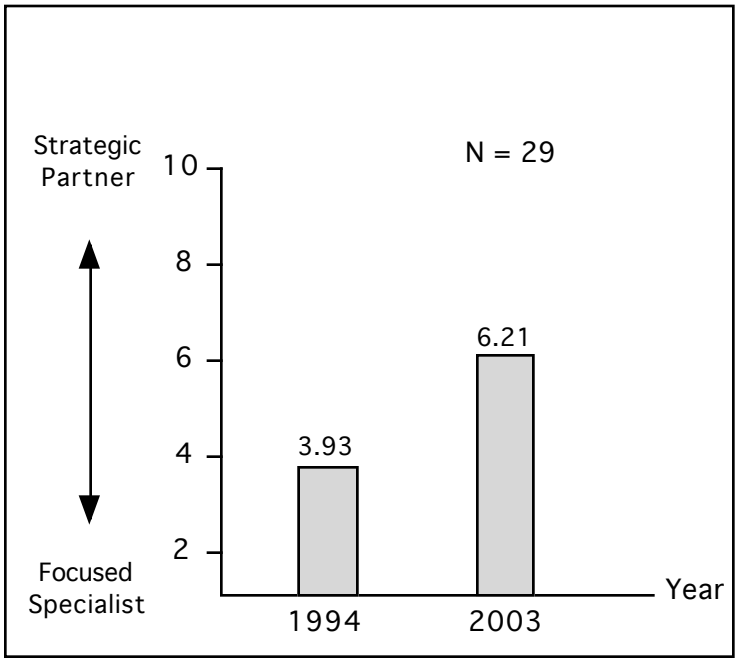
To recap, the most important attribute to arise from the leading states survey is the partnership mentality of the central personnel department, which can be described as a turn of mind that emphasizes customer service and consultation. These are the qualities that must

---

[22] Participants were asked on Question 31 to use a scale of 1 to 10 to gauge the status of HRM a decade ago and to do the same to estimate its status today. The lower numbers represent personnel's traditional role of focused specialist. The higher numbers indicate greater strategic involvement. The mean, median and standard deviation scores for the respondents' views of HRM's status a decade ago are 3.93, 3 and 1.82, respectively. The scores representing today's status are 6.21, 7 and 1.68, respectively.

attend decentralization if it is to engender the liberating ethos of reinvention. They also enhance the potential for elevating agency personnel offices to strategic level involvement. Finally, they represent a cultural shift in the underlying assumptions, beliefs and values about what constitutes effective and appropriate human resources management.

Figure 2. Mean Rating of Survey Respondents' Views about the Progress of HRM from a Traditional Role to a Strategic Role, 1994-2003



V. Reforms with Strong Support

This is the first of three chapters dealing with respondents' views regarding selected personnel practices recommended by reinvention. The exposition of each personnel practice includes a background description, a review of the problem, a presentation of the REGO reform recommendations, a report on the research findings, and an analytical discussion.

Survey participants were asked about 11 HRM practices. They were given five response choices with which to gauge the progress of reform. A score of 1 ("Much Worse") or 2 ("Somewhat Worse") indicates degree of regress, a score of 3 ("About the Same") represents virtually no change, and a score of 4 ("Somewhat Better") or 5 ("Much Better") reflects degree of progress.

Survey respondents believe three HRM procedures--classification, decentralization, and selection--made substantial progress during the past 10 years. As indicated below (Table 1), their mean scores are 4.42, 4.29 and 4.26, respectively. These three personnel practices are the focus of this chapter.

Table 1. Personnel Practices Which Received Strong Support
From Survey Respondents Regarding Positive Change, 1994-2003

	Much Worse	Some Worse	About the Same	Some Better	Much Better	TOTAL	MEAN	N
Classification	0%	6%	8%	25%	61%	100%	4.42	36
Decentralization	3%	0%	8%	43%	46%	100%	4.29	35
Selection	0%	8%	3%	43%	46%	100%	4.26	35

A. Classification

1. Background

The organization of work into positions and classes based on functions and responsibilities makes up what is known as the position classification plan. It arose during the first quarter of the 20th century in response to the inefficiencies of government, which were spawned by the legacies of patronage and the exigencies of urban growth. At the time no comprehensive mechanism existed to establish pay equity, integrate worker responsibilities and qualifications, and centralize financial control.

The Classification Act of 1923 introduced such an instrument to the federal government. Although it was limited and somewhat elementary, the organizational impact of this early classification scheme cannot be overemphasized. Only four years after its passage F.W. Willoughby characterized it as providing the "starting point" upon which the whole personnel structure rests (1927, 46). Many years later John Nalbandian and Donald Klingner referred to it as the “cornerstone function of the merit system” (1981, 542). The same basic idea of classifying positions continues to be the foundation for most public personnel systems, including nearly all state governments (Cayer 1996, 55-56, 63; Henry 1995, 253; Shafritz 1992, 137).

The classifying of positions can only be discussed realistically in conjunction with compensation, because the two are inextricably linked. Nearly all levels of government operate with a traditional pay system, which means remuneration is based on job classification and length of service. In a formal classification

system, a compensation plan is a natural correlate. As N. Joseph Cayer explains:

> Using the differences established by grouping positions into classes and grades, the pay plans establish a pay rate on the basis of a position's classification. Theoretically, the resulting compensation plan reflects the relative value of position to the organization . . . The pay plan typically has several ranges and steps within ranges . . . Positions are placed in a specified pay range or ranges. Specific placement depends on factors such as the skill levels required, education, and experience. Over time, with satisfactory performance, the employee moves up steps in the pay range (1996, 65).

The system Cayer describes is based on the notion of internal equity, which attempts to ensure fairness by allowing for horizontal comparisons between classes and vertical comparisons within classes. It also accounts for higher and lower levels of work. Ideally, this approach keeps the entire organization operating on a fair, well understood and consistent classification and compensation system (Hyde 1995, 293).

2. The Problem

Whereas position classification plans were indispensable in bringing order to haphazard, spoils-ridden governments, they also have also long been the subject of complaint. According to the critics, conventional position classification relies too much on fixed classification standards and narrow job descriptions (Ban and Riccucci 1993, 90; Wise 1997, 2); it constrains managers in staffing their organizations and adjusting the flow of human resources to meet the needs of their departments and agencies (Winter Commission 1993, 27); and it does not achieve its main purposes of providing pay equity,

controlling payroll costs, and organizing work efficiently (NAPA 1993, 38). As a retired HRM official in one of the leading states put it, "The logical extension of the highly detailed approach to job classification is that things get so cluttered you can't get the job done." In a nutshell, the critics contend that the classification system has changed little since its emergence more than 75 years ago (Ban 1991, 32).

The reinvention reports are among the strongest critics of traditional approaches to classification. The Winter Commission charges that state personnel systems are characterized by "hundreds or even thousands of classifications . . . [whereas] no more than a few dozen are needed . . ." (1993, 27). Osborne and Gaebler declare that personnel departments spend an excessive amount of time laboring over classification procedures, which often block or impair managerial objectives. "Even when classification changes are approved, the process takes forever" (1992, 126). The National Performance Review charges the classification system with being "time-consuming, expensive, cumbersome, and intensely frustrating--for both workers and managers" (1993a, 23). While acknowledging the internal equity value of the traditional system, NPR complains that its focus has become dominant, whereas the larger goal of effective government has become subservient.

> A new and better balance is needed--a balance that can be achieved by a less precision-oriented classification system that provides for greater agency flexibility and is more supportive of agency missions without undermining the long-term government wide interests that originally prompted establishment of the system (1993b, 20).

Wallace Sayre's famous indictment, which was leveled over 50 year ago, charged that the excessive focus on internal equity amounted to a "triumph of

techniques over purpose." He added that the practices of traditional public personnel administration "increasingly connote rigidity, bureaucracy, institutionalism; and they are now beginning to evoke a reciprocal system of formal and informal techniques of evasion" (1948, 135).

3. Reinvention Solutions

Reinvention proposals for changing the classification system fall mostly into two camps: those who wish to modernize classification by working within the existing framework, and those who want a more radical approach (Hyde 1995, 307). The advocates of the former viewpoint generally believe improvement should focus on simplification, automating systems, and consolidating or reducing classes. The alternative focuses on career and work-expansion for employees, broad grade levels, and turning over day-to-day operational control of classification to line managers. It claims that staffing based on precise job descriptions without decentralized flexibility is incompatible with an organizational emphasis on outputs, outcomes, and products (Benitez 1995, 31).

Classification reforms in most states in the country seem to be pursuing the more moderate alternative. For example, reduction of classes appears to have occurred to a considerable extent during the 1990s. According to one study, 30 states reduced the number of their job classifications between 1991 and 1998 (Selden, Ingraham and Jacobson 1999, 19). Whether this truly means a trend toward a more streamlined system is at work is difficult to judge. When the number of classes reported in 1999 is compared with those in 1987, more states are shown as having increased their classes than decreased them (NASPE 1987, 17; NASPE 2000, 72).

However, the favored classification reform among reinvention proponents is broadbanding (Osborne and Gaebler 1992, 129; NPR 1993b, 22-23). It can take the form of a modified version of the position classification system in which bands can "be broad ranges to which positions are allocated based on traditional job evaluation criteria" (Siegel 1998, 596). Or it can be organized with very few job levels and with compensation based on some version of rank. The rank concept is practiced in the American military and in most foreign civil services. William Mosher, J. Donald Kingsley and O. Glenn Stahl describe the difference between the position classification and rank approaches:

> The personal rank concept centers *attention on the individual* and his status (pay, prestige, rights, etc.) relative to other individuals in the organizations; the position classification concept centers *attention on the work assignment* of the individual (the "position") and the status of that assignment relative to other assignments in the organizations (emphasis added) (1950, 204).

Generally speaking, however, a rank concept in the civil service--such as the Senior Executive Service at the federal level--has been judged not very successful. Nor has it been emulated in many states (Neff 2003, 136).

Fewer and broader pay ranges and job titles are the hallmarks of career broadbanding. Compensation is primarily linked to performance, but other factors can also be considered, such as additional competencies, new assignments, recruitment and retention, and internal equity. This approach, according to the National Performance Review, is designed to "dramatically simplify the current classification system and to give agencies greater flexibility

in how they classify and pay their employees." The Winter Commission endorses simplified classifications plans and recommends that states should investigate broadbanding (1993, 91).

The reason for turning to broadbanding is to accommodate a more horizontal, decentralized, and flexible organization (Abosch 1995, 54; Chi 1998, 44). The implications for such a change, however, are considerable. The responsibility for work assigned, the evaluation of performance, and the amount of compensation are in large measure shifted from the personnel office to agency management (Siegel 1998, 596; Hyde 1995, 306; Naff 2003, 139-140).

4. Findings

A majority of the respondents (61%) characterize their classification systems as having made substantial reductions (Figure 3). Another 25 percent believes a modest reduction of classifications has been achieved. Together these account for 86 percent of the respondents. More importantly, all of the leading states are pursuing career broadbanding.

The remaining 14 percent describe the classifications as having increased modestly or remained about the same. However, among the five survey participants making up the 14 percent, four of them are from a state which is in the process of introducing broadbanding. According to an agency HRM official from that state, "Today I will have to tell you there has only been a slight change in the number of classifications over the past decade, but if you were to ask me a year or so from now, after career banding has become more firmly rooted, I would tell you we have a whole lot less classifications."

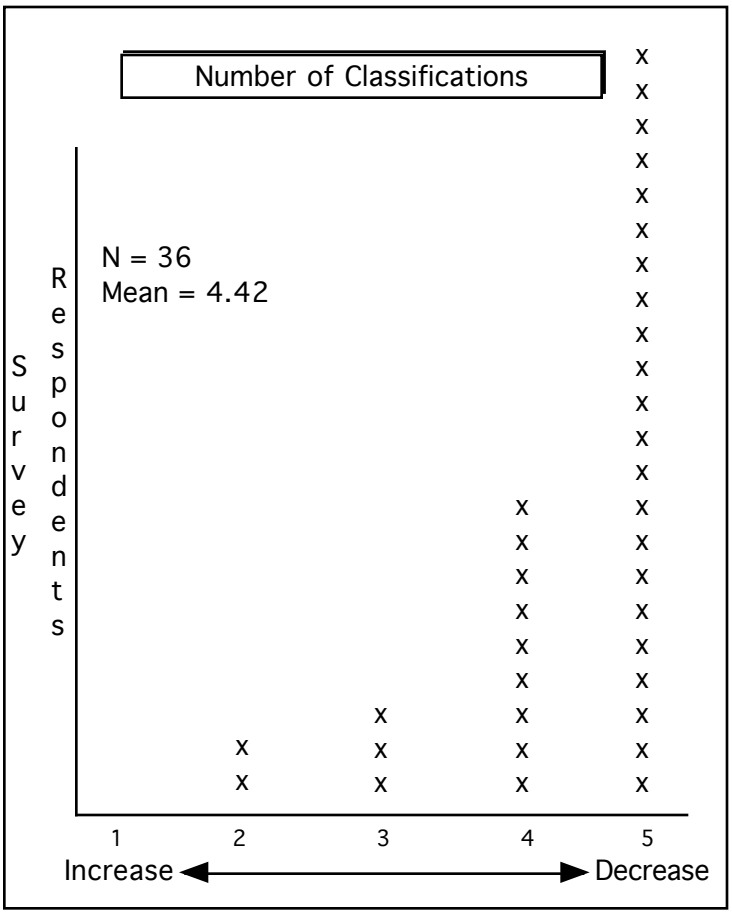
Or, as an official from the state's central office put it, "In the very near future we will have significantly less classifications because, hopefully, we will be most of the way through our broadbanding process."

Figure 3

Survey Question

In general, how does the number of job classifications today compare with ten years ago?

1. *Many more job classifications*
2. *Somewhat more job classifications*
3. *About the same*
4. *Somewhat fewer job classifications*
5. *Many fewer job classifications*



Answer Choices	1	2	3	4	5	TOTAL
Percentage	0	6%	8%	25%	61%	100%

The majority of respondents are disposed positively toward the broadbanding system. This sentiment, expressed by a personnelist from a state agency, is typical:

> Classification and compensation used to be such an issue years ago. People could fit into so many titles and so many pay grades. I mean there were 50 different grades back then, versus 10 today. And so there was a constant battle over whether an employee should be at Grade 16 or Grade 17, or Grade 24 versus Grade 25, and all that. When we did away with the different titles and the number of pay grades, it simplified classification and compensation a lot.
>
> It has given us more flexibility because we can give raises within those broad bands for a multitude of things, not just performance. The artificial compensation gimmicks we used to have to go through to give raises can now be done through broadbanding. So the two of them together--the different compensation approach, which includes putting classification on a more equal basis--kind of wraps the two things into one. It's definitely better.

Even though support for broadbanding is far-reaching, the respondents said it did not come forth without several reservations. The most noteworthy include: (1) the need for some degree of caution before making a wholehearted commitment to broadbanding; (2) the consequence of creating classes that are too broad; (3) the importance of being able to fund within-band pay adjustments; and (4) the ongoing demand for classification skills, regardless of the system. These four concerns will now be explained in more detail.

a) Cautious Approach

As was mentioned above, one of the states is in the process of introducing

broadbanding; however, its approach is a cautious one. According to an HRM professional from the state's central office.

> We have been experimenting a great deal with the broadbanding concept. Now, several states have just jumped right in and said that's what they want to do and they've done it. We are being a little more cautious with that because we perceive our culture and environment of employees and managers is different. I think if we just jumped right in and changed from something we understand to something we do not totally understand . . . well, we just feel the negative fallout from that would far exceed any positive gains.

An HRM expert from another of the state's agencies expressed a similar caution, as well as voicing approval of the incremental advance.

> They are approaching this system change, in my opinion, in the best way to do it, which is on a gradual basis as opposed to saying, we are going to accomplish this thing in one year, period. If you go look at any number of states that have done that sort of thing, I would bet you that there are not more than 10 to 15 percent that after three or four years have not had to go back and do considerable adjustment. You just cannot do something like that in a very short period of time.

Evidence from the interviews suggests that other states could have benefited from a more cautious approach, as the next section illustrates.

b) Excessive Reductions

Two states in the survey are discovering unanticipated weaknesses in their broadbanding schemes. According to a retired personnel expert in one of them, reduced classes can mean agencies have to deal with huge numbers of applicants. As the result of another reform, decentralized testing, the central

personnel department no longer tests applicants. It only reviews them to make sure they have met minimum qualifications, then their names are sent to agencies; the agencies must deal with the process from there. Thus, some agencies are reassessing the value of more broadly defined classes, because the hiring demands have become burdensome.

The following excerpt from an interview with an official from the same state underscores the problem they are experiencing with broadbanding. She also includes environmental factors, which translate into pressure to create more classes.

A: We are seeing an upward trend in our classifications.

Q: Why do you think that is?

A: We consolidated a little too much.

Q: Would you elaborate on that?

A: What we are finding is that departments are needing very specialized skills for certain occupations. If you put too many classifications together, it is harder to hire people with exactly the skills you want without getting a lot of people who do not really . . . who might qualify for the job according to the broad class specifications, but their qualifications are too general. So the departments are almost demanding that we add classes so they can get the skills they need.

Q: So you are having to create more classes?

A: Yes. We are also being asked, probably more than ever before, to create new classes because some fields are changing so rapidly and high demand jobs have to be paid more. Also, departments are having to ask more of employees because there are fewer employees; so, because of that, we are creating more classes than we used to.

An HRM official from the central office of another state expressed similar reservations, saying "once we rolled into the system, and agencies began to work with it, they realized that it was too broad and that we needed some distinctions. So, I think we went from one extreme to the other; and we are getting to the point now where we will probably settle somewhere in the middle."

c) Funding Pay Adjustments

Apart from a recognition that the system must be adjusted or customized to fit different circumstances, the respondents also drew attention to pay and evaluation. First, with regard to compensation, a personnelist from a state agency said:

> The system is supposed to simplify the process in terms of being able to band jobs together, and then move people through a pay plan based upon the skills and competencies that they have achieved. The problem is that there is no money to fund it. So it is going to be frustrating for the supervisors and their employees when the employees obtain certain skill sets and expect compensation for that and we cannot give it to them.

A veteran executive from the central office of another state expressed similar concerns. She approves of the broadbanding concept, including the compensation flexibility it gives managers. For example, she said, "If I can give an employee some compensation because he has taken on extra work, then that's okay, that's fine. But there is going to be a dilemma there if you are under a budget crisis or downsizing, then what is a manager going to do? It doesn't matter how much flexibility I have if there's no money."

d) Classification Skills

Finally, three respondents made a point of saying that broadbanding was not a panacea and that whatever classification system is put in place will require making judgments about knowledge, skills, abilities, education and training, professional development, and other factors. This is a highly relevant issue because evaluation links job titles to pay bands, and it is that linkage which must be perceived by employees as evenhanded, competently managed, and consistent. A retired HRM professional said about broadbanding:

> When you get into it and look deeply, you find essentially the same factors, the same elements exist in it as in the old system; it is just that they put it together in different ways and different formats. So, at first glance it looks different, but it is only different terminology to identify the same things. For example, say you took four classifications and make one classification out of them; there still has to be some criteria to decide how employees move through that broader band. When you start identifying that criteria, you almost end up writing the same stuff that heretofore identified the four different classifications.

A personnelist from an agency in another state made a similar observation:

> As far as accuracy is concerned, as far as making sure that one position in one agency is classified as the same job as a job in another agency, there is not a whole lot of difference. That is where the integrity, the skill level of analysts come in to play. Most systems can be made to work equally well, depending on who has put the process together. It also depends on the skill levels and integrity of people who are doing the analysis.

5. Discussion and Analysis

The reduction of classifications among the leading states represents strong support for reinvention. Eighty-six percent of the respondents agree that there are fewer classes in their states' classification systems today than there were 10 years ago. It could reasonably be argued that the proportion should be 97

percent, because among the five survey participants who said the number of classes has remained the same or increased, four of them hail from a state which is in the early stages of reducing classes. Not only are classifications being reduced, but the leading states either have adopted or are taking on broadbanding.

Based on the results of this survey, several tentative conclusions can be offered about the leading states' experiences. First, there seems to be an acceptance and appreciation of the broadbanded systems. Respondents generally affirm that greater simplification and flexibility have been achieved. An agency-level personnelist's opinion is typical:

> The old system locked you into classification and compensation practices that were not flexible. You could not get exceptions to the rules. That was the old; and now we have got so much more flexibility. There are still rules, but you can be much more creative with your compensation process to meet your agency needs.

Although widely endorsed by reinvention proponents, and generally supported by the survey participants, broadbanding is not without potential pitfalls. The principal caution is that broadbanding is not well understood and is often mistakenly viewed as an uncomplicated remedy. The addition of flexibility, critics argue, does not mean broadbanding is easy to administer. None of the traditional compensation techniques can be tossed out. Developing skills in classification, establishing performance criteria, measuring employees and their work--all of these apply to broadbanding. Gilbert Siegel has addressed other concerns, which also relate to the need for skills development at the managerial level.

- the definition of equal pay for equal work becomes elastic because base pay for similar jobs can vary considerably;

- the accuracy and credibility of performance appraisals becomes critical to system success; and

- once an incumbent gets into the full working (rather than trainee) band for an occupation, the determination of type of work assigned and amount of pay is no longer affected by personnel department actions or control--it is the manager's responsibility (1998, 596).

Survey participants have acknowledged that broadbanding requires specialized skills, just as position classification systems do. Recall the respondent quoted earlier, who said successful broadbanding "depends on the skill levels of people who are doing the analysis." Thus, managerial training arises as a necessary component.

In addition to concerns about competence, findings from the leading states bring up preparation issues, which also are associated with a move to broadbanding. Two states are having to make adjustments because they "went too far." Another state is proceeding cautiously because it recognizes the substantial change represented by broadbanding. Others have reached similar conclusions. According to the National Academy of Public Administration, "Introspection and organizational analysis are crucial to determining agency readiness for broadbanding" (1995, 11). For example, the objectives of broadbanding ought to be well understood by human resources professionals, employees and managers. Research indicates that the three groups may have widely varying opinions about its purpose (Abosch 1995, 56-57).

Finally, the leading states not only reduced classes by broadening them into

wide bands, but they also changed parts of their compensation systems. The traditional approach to classification and compensation attaches different levels of pay to different classifications and pay grades, which can become quite numerous; however, broadbanding does away with many of those levels. So, the alternative "remuneration system de-emphasizes structure and control and places greater importance on judgment and flexible decision making" (Abosch 1995, 54). But, as noted by survey participants and scholars, the funding must be available to make the system work.

a) Summary

Whether broadbanding in the leading states merit its proponents' hopes and claims remains to be seen. Reports from the private sector tell of mostly positive results (Budman 1998; Abosch 1995), but information from the states may be slow to emerge. Governments at all levels generally have been been less active in adopting the system (Budman 1998, 23). Compounding the problem is an historic lack of interest in classification issues among personnel scholars (Stehr and Jones 1999, 42-44). However, the evidence from this survey reveals that classifications have been reduced and broadbanding has been or is being installed. The survey's personnelists generally seem positive about the changes, although in at least two states adjustments are underway. The interviews uncovered other concerns about broadbanding, which are also expressed in the personnel literature. Broadbanding requires skills similar to those employed in the traditional position classification system (Siegel 1998, 596), except managers will be chiefly responsible for its maintenance rather than personnelists. Managers will also exercise more discretion in the area of compensation, especially when it is tied to performance. These changes

underscore the need for managerial training in HRM skills and practices, properly implemented performance evaluation systems, and adequately funded performance pay plans. In the sections that follow, the survey's findings in each of these areas will be discussed. Their shortcomings may prove to be the Achilles' heal of classification reform.

B. Decentralization

1. Background

The Pendleton Act of 1883 brought merit principles and a durable civil service system to the U.S. government. An independent, bipartisan commission was authoritatively charged with administering and overseeing the merit system. However, this duty has always been a bifurcated responsibility. First, it was designed to be bipartisan and independent because its principal reason for existence was to guard the public workforce from the influence of patronage and favoritism. Its management of personnel functions--from selection to recruitment to job classification--was infused with a protectionist orientation. Its secondary purpose was to carry out efficiently these and a host of other functions. A recognition that the merit system had an important role to play in promoting executive leadership was not present in the early years. Consequently, chief executives did not exercise much influence over the civil service. Neither was the merit system viewed as sharing responsibility for the effectiveness of executive branch agencies (Stahl 1976, 427).

Another legacy from the era of civil service development is its bureaucratic orientation. As late nineteenth and early twentieth century governments confronted the complexities of modernity, including division of labor, the growth

of cities, and concentrations of economic power, organizations more frequently turned to the bureaucratic model. Scholars who closely observed the transition among governments write that there was a "striking increase in the degree of centralization . . . [which] enhanced the power and thus the significance of the administrative hierarchy" (Mosher, Kingsley and Stahl 1950, 8). At the time, the bureaucratic form was viewed as positively contributing to administrative and human endeavors.

2. The Problem

The merit system often operates at cross purposes (Shafritz et al. 2001, 15-23). For instance, stringent selection devices engender a cumbersome hiring process; tightly regulated promotion and job assignment procedures restrict managerial flexibility; and, as noted above, a protective orientation toward merit overshadows executive leadership. These examples are why critics argue that the Pendleton Act was premised on the wrong assumption, namely that in order for the "merit system to survive and function well the personnel operation had to be kept a safe distance from chief executives and line mangers" (Nigro and Nigro 1986, 9).

The structural feature that helps preserve the arm's length approach is the centralized, hierarchical character of most HRM operations. It supports the notion that merit principles are best safeguarded if personnel practices are kept close to the central personnel department. The Civil Service Commission embodied this arrangement. Mosher asserts that the commission structure more or less "divorced personnel administration from general management--from executives responsible for carrying on the programs and activities of government" (1968, 70). Even though the commission format no longer exists

in the federal and many subnational units of government, its replacement is also generally viewed as being unnecessarily rigid, defensive, and protectionist. John Macy's criticism of more than three decades ago remains representative. He observed that public personnel systems are constructed in such a manner that they "cannot muster sufficient flexibility to respond to the social and technological changes that challenge contemporary government" (1971, 16).

3. Reinvention Solutions

There are many notions about how to improve public sector human resources management. Decentralization is one of the most often cited because it counters the rules and regulations imposed from the center, which James Q. Wilson asserts are the "chief threat to the kinds of energetic, decentralized, competitive, mission-driven agencies that Osborne and Gaebler want to encourage . . . " (1994, 50). In a word, decentralization releases rather than suppresses creative energy and innovation.

According to Constance Horner, the former director of the federal government's central personnel office, decentralization means

> seizing opportunities to delegate more authority through the agencies to line managers, to simplify standard operating procedures, to protect the merit system through oversight and evaluation rather than highly centralized controls; and--simply--to let managers manage (MSPB 1989a, 29).

For the central personnel department it means eliminating many of the controls it traditionally has held over managers, which translates into reducing direct authority over personnel decisions.

The reinvention literature is agreed in its support for decentralization. According to the Winter Commission, states "are best served by a decentralized merit system that helps agencies and departments address issues of hiring and mobility, pay, diversity, firing, and the operation of the personnel system" (1993, 25). Osborne and Gaebler argue that decentralized institutions are more flexible, more effective, and more innovative than centralized institutions. They also generate higher morale, more commitment, and greater productivity (1992, 252-253). The National Performance Review states, "Decentralizing the power to make decisions will energize government to do everything smarter, better, faster, and cheaper. . ." (1993a, 70). Most authority for personnel management should be "delegated to agencies' line managers at the lowest level practical in each agency" (1993a, 22).

4. Findings

The respondents' views that decentralization has either moderately or greatly increased over the past decade represents one of the most comprehensive adoptions of personnel reforms being reviewed by this study (Figure 4). Eighty-nine percent report that at least some HRM authority has devolved to agency level management over the past 10 years. It breaks down to 46 percent who think substantial authority has been decentralized and 43 percent who believe delegation has been more modest.

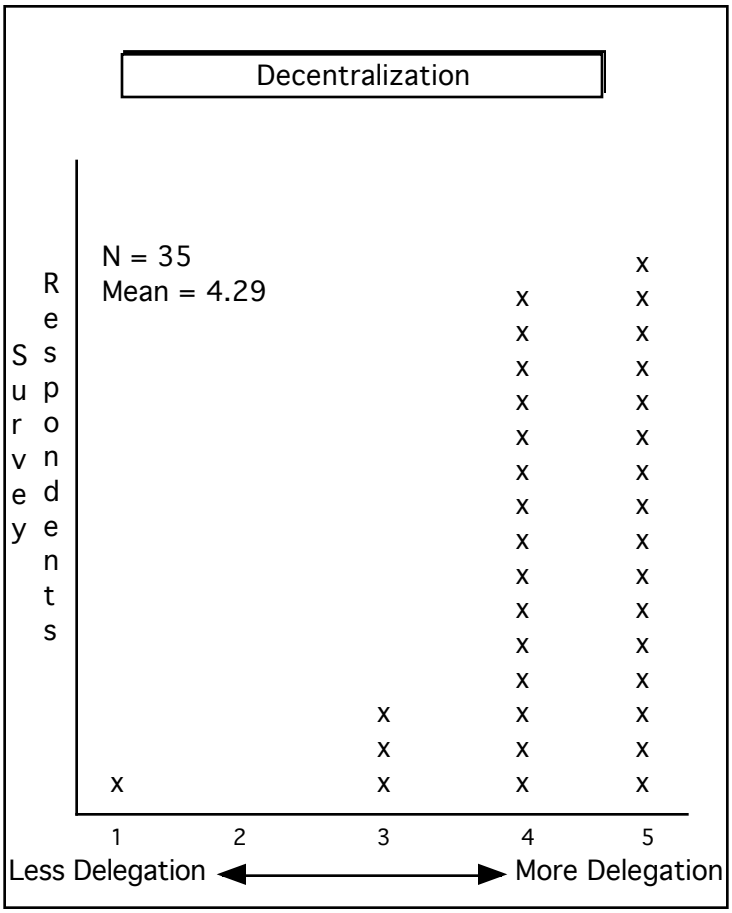
Three themes emerged from discussions with the leading states' personnel experts. One is agency capacity to manage delegated authority. Another is striking a balance between the central personnel department and agency-based HRM departments. A third important consideration appears to be the significance of trust and participation, or partnerships.

Figure 4

Survey Question

In general, how does an agency's authority to apply HRM rules and policies compare with 10 years ago?

1. *Much less authority*
2. *Somewhat less authority*
3. *About the same*
4. *Somewhat more authority*
5. *Much more authority*



Answer Choices	1	2	3	4	5	TOTAL
Percentage	3%	0	8%	43%	46%	100%

a) Agency Capacity

The understanding that management and administration make a difference in organizational performance goes virtually without question. For example, the history of the importance of developing administrative capacity in American states is well known (Bowling and Wright 1998; Hedge 1998). A growing body of public sector literature is taking the next step and asking when, where and how management matters. Patricia Ingraham says the essential question is

"whether governments have the capacity, the people, and the systems to be effective implementers and whether they know how to fix it if they are not" (2003, 6).

An agency HRM executive discussed the criteria used in considering delegation authority. She said it primarily rested on two factors: agency desire and capacity. As she described it:

> The authority granted to agencies is based on the ability to do it, and based on the willingness to assume responsibilities and the quality of the agency's staff, the size of their staff and the number of transactions they have. Certain agencies have considerable delegated authority to post announcements, to develop examinations, to create registers without prior review and approval. Agencies which have not been delegated as much authority must go through a prior review and approval for any kind of screening instrument used or when a register is established in order for a certification list to become effective.

A human resources professional in the central personnel department of another state noted, "When you are a larger agency and there are a lot of transactions and a lot of staff, it makes more sense to delegate that kind of authority."

The issue of capacity can cut both ways. Reductions in central personnel department staff have to some extent forced decentralization. The amount of time and resources that can be exacted from the central department by small agencies is a fraction of what can be required by large agencies with many transactions. The same HRM professional said, "Requiring delegation to the small agencies is much less important to you because they don't present you with the level or volume of transactions that are really going to slow you down."

b) Balance

When explaining why she believes agencies in her state have been delegated a moderate, rather than a substantial, amount of authority, an executive from the central office described the ongoing role of the state's personnel department as the ultimate overseer. "There are certain centralized rules that agencies have to follow and there are parameters under which they must operate. There has been a lot of delegation, but we want some centralization; and we want, certainly, some consistency in what we do."

Her comment highlights the main concern about decentralization. How can authority and control be divested so that the benefits of efficiency and innovation are realized without bringing about disorder and, ultimately, inefficiency? Reinvention is much more focused on the problems being caused by the rigidities in public personnel management than with the dilemmas posed by decentralization. Paul Van Riper, a highly regarded civil service scholar, advocates finding a middle ground which will allow flexibility and creativity to coexist with some mechanism of central control (1958, 5-10).

An executive from another state's central personnel department echoed this theme. He said quite a lot of authority had been delegated, but the central personnel department must still bear ultimate responsibility. Decentralized authority is kept in check by a centralized auditing function, which consists of post-audits on specific transactions and unannounced spot audits. "We have to insure that the basic merit principles are being followed. It's just that the manner in which we are doing it has changed quite a bit." He continued:

> We cannot relinquish authority for overseeing merit principles. We never can. There are certain things that will always be and must be.

> But oftentimes you will find within those parameters--the way we execute those and the way we work with departments to make sure that the intent of the rules is being followed--they are given a lot more flexibility than they've had in the past.

An agency HRM executive commented that over the years the managerial philosophy of the central personnel department had changed. "We knew there were some rules that had to be adhered to," she said, "but the central office also knew they needed to make the system more user-friendly. They moved from being totally gatekeepers to being only partially gatekeepers."

c) Partnerships

A useful way of understanding the evolution of federal and state central personnel departments over the past 20 years is to view the older model as compliance-oriented and the emerging model as partnership-oriented. Carolyn Ban refers to the later paradigm as an "organizational development and consulting" model (1998, 24-25). Indeed, one of the strategies of this approach is to delegate more authority to agencies. This leads to a new role for the central office because empowered managers need a partner and consultant, not a compliance officer.

The HRM offices in the leading states appear to be well on their way toward transforming themselves into becoming partners. An agency executive in the central office of one of the unionized states explained the difference between the traditional mode of operating and the contemporary approach to human resources management. When rules and regulations were written 15 years ago "we just made those decisions and sent them out and said to the agencies, 'Here are the new rules and

regulations.' The process is quite a bit different today."

A retired HRM veteran said a strong participatory element is now involved in the decision making. A council of human resources professionals meets monthly to discuss personnel issues. Included are all agency HRM directors, representatives from the central office, and members of the group who handle collective bargaining on behalf of the state. He said:

> When we are looking at rules and regulations changes, we sit down with the council and talk it through. We give everybody an opportunity to provide us with input. Many times they bring up great questions or ways in which we can improve upon a regulation or rule and still meet the needs that they have out in the agencies. To that extent, there is a lot more flexibility than there was before, and a heck of a lot more participation and "buy in" from the people in the field. Fifteen years ago we would just say, "Here is a new rule. Here is a new regulation. That is the way it is."

A senior executive in a state central personnel department discussed partnerships as being the key element in the decentralization process. The observation occurred during a discussion about how classification functions had been delegated. She explained that selecting a title for a job position used to be done by the central office, but they decided to concentrate instead on developing a structure to allow agencies to take care of most of the implementation, including writing tests.

> Q: What kind of difference resulted from the change?
>
> A: It made a tremendous difference. All of that used to be done centrally. It was done exclusively here. But it is not done here any more. Now we do it in partnership. Agencies will usually go out

and do the job analysis, draft the job specifications and the rest of it, then they will send it to us.

Q: What happens next?

A: We will look at it. Depending upon the level of trust that we have with the agency, we may do nothing more than change the font on it and a couple of the formattings and approve it. They do 95 percent of the work on it, which is important to them because it means that instead of us prioritizing what gets done around the state, they can set their own priorities. They will devote the time and staff needed to get it done.

Q: So it ends up being more efficient?

A: Oh, yes. Sure. It used to be, when we would get really far behind, you might have to wait a couple of years before something got looked at. Now, they send it to us, we'll take a look at it, if it looks okay we'll approve it.

Reinvention proponents would claim this exemplifies Osborne and Gaebler's reinforce the sentiment, saying that "entrepreneurial leaders instinctively reach for the decentralized approach . . . In today's world, things simply work better if those working in public organizations . . . have the authority to make many of their own decisions" (1993, 251).

5. Discussion and Analysis

Overwhelming agreement exists among the leading states about the degree to which decentralization has occurred. This is a far-reaching achievement because decentralization is perhaps the most important feature of the reinvention paradigm. Hays refers to it as the "lynchpin of the reform effort" (2001, 210). Yilin Hou et al. claim that it constitutes a "central component" of recent administrative reforms (2000, 10). However, the benefits of

decentralization in public personnel management are thus far theoretical. Reinvention claims that "things simply work better if those working in public organizations . . . have the authority to make many of their own decisions" (Osborne and Gaebler 1993, 251). Whether this bears out must await further research. However, several issues essential to decentralization arose from the respondents' comments and observations.

First, survey participants believe decentralization has led to more expeditious hiring. This is no small achievement since slow-paced selection procedures constitute what is probably the most often cited complaint about traditional merit systems. Second, the respondents brought forth three highly significant issues related to decentralization: (1) agency capacity to manage delegated authority; (2) the appropriate balance between releasing and retaining control; and, (3) the emergence of consulting relationships between central and agency-level personnel offices. These are the underpinnings for successful and sustained decentralization. Since they were the subject of much of the last chapter, only a brief summing-up will be needed here.

a) Summary

When queried about whether the loosening of central control had compromised commitment to merit principles, a large majority expressed assurance that it had not. This is evidence that a suitable equilibrium has been reached between centralization and decentralization. The reorientation of the central personnel office from compliance to consultation may reflect a cultural transformation that is not only substantial, but is likely to be enduring as well. The threats to agency capacity, however, are worrisome. The cutbacks in fiscal and human resources that were so often mentioned in the interviews,

coupled with generally feeble funding for training and development, have the potential to seriously weaken both central and agency-level personnel offices. Should such diminishment come to pass, decentralized arrangements may not be sustainable.

C. Selection

1. Background

Selection has been referred to as "that most bedrock of personnel functions" (Ban 1998, 187). It is the process whereby the standards for employment are established and potential applicants are screened and tested. The criteria are directly related to the knowledge, skills and abilities deemed necessary to do the job; they also guide an information gathering process which hopefully will provide the organization with an excellent employee (Werbel 1995, 268-69). A more expansive definition of selection involves several interrelated activities that comprise the process of personnel acquisition, which in turn has far reaching implications for a myriad of other personnel practices (Carnevale and Housel 1995, 241). In this study, however, selection is understood to mean "establishing the criteria or basis for employment and insuring that an applicant has achieved minimum training and experience requirements" (NASPE 1996, 17).

In large public organizations, such as state governments, the entry process is highly formalized. As Hays (1998, 303-305) explains, there are usually explicit procedures for defining the job positions, communicating openings, establishing qualifications, and testing or evaluating applicants' experience, knowledge, skills and abilities. Whether the selection process is largely managed

by the state's central personnel office or delegated to the hiring agency determines the degree of overall involvement of the manager who will do the hiring. If the process is decentralized, the manager may participate in all phases of selection; if not, managerial involvement is likely to be restricted.

2. The Problem

Traditional civil service selection procedures often are viewed as constituting a defensive orientation. This is attributable to their having been designed to protect the employment process from the influences of politics and favoritism. The critics charge that hiring procedures have become so rigid that governments are hamstrung in their ability to adapt and respond to new circumstances (Clayton and Heisel 1983, 96). Indeed, selection has been cited as constituting one of the most serious problems in state management (Elling 1992, 15-20, 46-58). Conversely, attempts to improve selection comprise some of the most frequent reform efforts. A 1995 cross-state study reported that among states experimenting with pilot projects, twice as many were testing alternative recruitment and selection methods than any other procedure. The study also found that among authorities being delegated to agencies, a large majority were related to selection and recruitment (Carnevale, Housel and Riley 1995, 22-32).

The selection process is probably criticized more often than any other personnel practice. A review of federal hiring procedures led scholars to conclude that they have "become so complicated that it is difficult for both those trying to hire and those desiring to be hired" (Ingraham, Jabcobson, and

Poocharoen 2002, 6). A former director of OPM, Constance Horner, said of the selection process:

> The current system is slow; it is legally trammeled and intellectually confused; it is impossible to explain to potential candidates. It is almost certainly not fulfilling the spirit of our mandate to hire the most meritorious candidates (Volcker Commission 1989, 29).

The National Performance Review referred to the hiring system as "complex and rule-bound" and placed it first on a list of nine HRM practices in need of improvement (NPR 1993b, 2, 4). Osborne and Gaebler write that government hiring systems impair a manager's ability to employ the best person (1992, 125). The Winter Commission charges that the hiring process in many state governments is so "rule-bound and complicated . . . that merit is often the last value served" (1993, 24-25).

The traditional civil service practice used to test applicants, then score and rank them. A list containing the names of the top three or five candidates would be drawn from what was called a register of eligibles, which would then be sent to the manager. Advocates of reinvention and others have been complaining for years, if not decades, that this referral system is too narrow and too rigid. Managers should have a much wider selection from which to choose.

3. Reinvention Solutions

The Winter Commission recommends that states adopt new approaches to selection, such as: (1) depending less on written testing and relying more on training and experience, references and interviews; (2) expanding online testing and scoring; (3) granting agencies greater freedom to recruit and select their

employees; and (4) expanding the list of qualified applicants (1993, 84-88). In their commentary on improving selection, Osborne and Gaebler embrace the lessons learned from a pilot project at a naval weapons center in China Lake, California, which was designed to test alternatives to traditional civil service practices. Launched in 1980 by the U.S. Office of Personnel management and based on HRM waivers granted under the Civil Service Reform Act of 1978, the China Lake Project included experimental approaches to entry-level hiring in order to improve selection and retention. Most observers consider the China Lake Project to have been a success (Osborne and Gaebler 1993, 128-129; Ban 1991, 34-38).

Among the National Performance Review's recommendations for improved selection are to (1993, 13-16):

- Decentralize the recruiting and testing process so that agencies can develop their own procedures; it will increase managerial control over key staffing functions, thus extend flexibility and enhance accountability.

- Create a government wide employment information system which will link agencies into a network and give potential employees electronic access to information and applications.

- Allow agencies to directly hire candidates if a labor shortage exists, which should be incorporated into agency-based, decentralized hiring systems.

Perhaps the most universally endorsed of all recommendations is to greatly expand the number of qualified candidates that can be referred to the hiring authority (Lavigna 2003, 356; Osborne and Gaebler 1992, 129; Winter Commission 1992, 86-87). The traditional civil service practice has been to test applicants, then score and rank them. A list containing the names of the

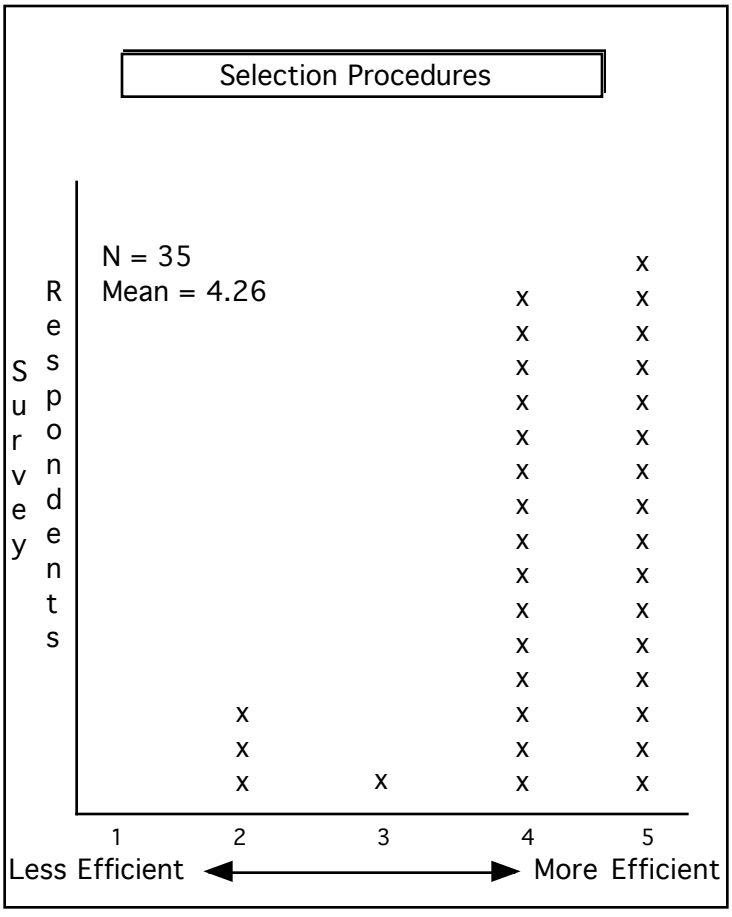
top three or five candidates would be drawn from what was called a "register of eligibles," which would then be sent to the manager. Advocates of reinvention and others have complained for years, if not decades, that this referral system is too narrow and too rigid. Managers should have a much broader list from which to choose.

Figure 5

Survey Question

In general, how do human resources procedures used in hiring employees compare with 10 years ago?

1. *Much less efficient and effective*
2. *Somewhat less efficient and effective*
3. *About the same*
4. *Somewhat more efficient and effective*
5. *Much more efficient and effective*



Answer Choices	1	2	3	4	5	TOTAL
Percentage	0	8%	3%	43%	46%	100%

4. Findings

As noted above, selection is a fundamental area of public personnel management. Critics argue that in order to be successful, civil service systems must allow for "swift selection from among the best-qualified candidates and allow agencies to shape their workforce to meet their changing missions" (Pynes and Bartels 1996, 122). This appears to be exactly the direction the majority of experts in this study believe their HRM systems are headed (Figure 5). Eighty-nine percent of the respondents described their selection procedures as being either somewhat or much more efficient and effective. They divided almost equally between the two answer choices, with 43 percent choosing the former and 46 percent the latter. The respondents generally concur about what has caused the change, but differ mainly as to the magnitude of its impact. In some cases, this is explained because the changes took place prior to the early 1990s, thus their more recent influence may not be accorded as much weight.

The reasons cited most often to explain why their states' selection processes had changed are: (1) utilizing information technology; (2) doing away with traditional tests; (3) delegating greater selection authority to line managers; (4) becoming more customer-oriented; and (5) expanding the registers. These are among the principal suggestions advanced by reinvention proponents. Their primary benefit is speedier hiring. There is unanimous agreement among survey respondents that agencies can fill positions more quickly. Whether or not this translates into a better quality hire is discussed by several respondents, but, again, the dominating emphasis was on the faster process.

Each of the five principal findings introduced above will now be described in more detail, beginning with information technology.

a) Information Technology

It would be difficult to overestimate the impact of information technology on the selection process. John Lopez and Joe Tanner predicted a few years ago that personnelists would no longer perform many HRM functions because of information technology (1997, 121). James Perry and Kenneth Kraemer suggested that electronic communication and storage would have a greater impact on HRM than on other public sector management and control systems (1993, 239).

Whether those projections have come to pass exactly as charted is less important than the fact that information technology has clearly been hugely influential. Computer applications and Internet linkages assist with nearly every conceivable HRM procedure, including classification, compensation management, selection, performance appraisal, recruitment, job evaluation, human resource planning, job analysis and labor-management relations. In many cases HRM's use of information technology in government exceeds its applications in private enterprise (Elliott and Tevavichulada 1999).

As for its contribution to the selection process, this comment is typical: "All of our position vacancies in state government are online. Every position is online for anyone to view. Applicants can go to the website and see what positions are available. If they don't have computers, they can use the ones at the libraries." Not only can applicants learn about vacancies, but they can they fill out applications, take tests, and transmit resumes electronically. Once the tests are scored and the resumes evaluated, successful applicants can be

integrated into appropriate lists and hiring agencies can begin making selections. "What sometimes would take weeks are now all done in the same day. It is much more efficient."

In one of the states an official from the central personnel department claimed that theoretically a position could be filled in six days. State regulations require that position vacancies be publicly posted for a minimum of five days. She said, "An agency can post online, leave it there for the mandatory period, pull down the names, do their evaluations and interviews, and have someone in place by the end of the sixth day." Even 30 days, which she admitted was probably close to average, is generally considered a reasonable selection period, especially in the public sector.

b) Alternative Tests

Another significant change in selection practices reported by survey respondents is a modification in the kinds of tests that were given, which sent many multiple choice exams the way of stale registers. The following excerpt from an interview with a central personnel department executive is exemplary of the dominant approach to testing in the leading states:

Q: Did testing used to play a bigger role in the selection process, say ten years ago?

A: Oh, yes. We do not do hardly any testing now. Some of the agencies have some kind of specific testing that they may do, but very few have any testing.

Q: How do you evaluate applicants now?

A: It's based on credentials, on their training, education and experience as they relate to job requirements. There is also more effective for

reference checking. Interviewing techniques have changed. A lot of the agencies use team interviews instead of the supervisor or just one person interviewing.

Q: Who establishes minimum qualifications?

A: They are established centrally within the state's central human resources departments. Agencies can add necessary or preferred requirements since they are at a closer level to the job.

A personnel executive in an agency in another state described selection in just about the same way: "The huge change for us has been that we stopped doing testing. In the past the testing would result in scores that went on a list of eligibles. We continue to manage the central intake of applications, and we review them to see that they meet the qualifications, but we don't do testing."

c) Delegated Authority

The respondents often mentioned that substantial hiring authority has been delegated to agencies. One expert explained the reasoning this way: "By decentralizing selection we have put the administration of the process more at the agency level. By doing that we think we have taken a step out of the process and made it more efficient for the hiring manager, as well as for the agency which administers the process." Another personnel executive described how the process had changed over the past 20 years:

> From the 1980s to the mid-1990s there was much more reliance on the central personnel department to do all of the screening for positions. What we have been trying to do since then is to give more and more of that to hiring managers at the agency level and use the central personnel department staff to enhance recruitment efforts and to prepare hiring managers to make the selection decisions. Now, part of that is because we think hiring managers ought to have

> a stronger role in the process of identifying their interview group based on their own direct knowledge of what they need.

It is at this point in the response that the official brought forth another rationale, one that was heard from several others.

> Another part of the reason, though, is that the central personnel department is not tending to get more staff due to reduced resources. So, some of this shift is driven by what we think is good business practice, but some of it is driven by the fact that I have fewer people in my office who can actually handle every application, screen every application, narrow it down, document and send it on to agencies so they can interview.

This description contains a theoretical reason for decentralization, as well as a fiscal one.

d) Customer Focus

The customer-oriented focus of the central personnel department is another major change in the traditional approach to public personnel administration. This will be discussed in more depth later, but its importance regarding selection is relevant. One of the respondents explained it this way:

> We have cut down on a lot of superfluous things, and we got back to the business of targeting exactly why we post the job, why we recruit for a job and how we go about doing these things. We have a function here at the central personnel department, which is to assist the state agencies in finding candidates. When we are facilitators and counselors it makes it easier for the users out there in the agencies, particularly those who are not versed in recruiting and selection. We used to have very arduous practices--posting periods that were unreasonable, eligibles resisters that were unmanageable, and so forth. All of that has been simplified, and a lot of flexibility has been given back to the hiring authorities.

Or, as an agency executive explained it, “The first thing I think I would look at is the way we see the agencies, in the role of the customer. It has changed considerably over the past 10 years. Over that time I think we have heard what our customers have said about the difficulties of hiring quality, qualified individuals. We have tried to do what we can to help them get the people they need.”

e) Expanded Registers

The importance of expanding registers means that an employer is given more applicants from which to choose. It used to be that the central personnel department would recruit and test applicants, then an employment list of qualified candidates would be created. The names of the top three or top five candidates would be forwarded to the hiring agency for selection. This was known as the “rule of three” or “rule of five,” depending how many were allowed to be on the register. The federal government is still bound by the procedure (Peckenpaugh 2001). “We no longer have state employment lists,” is a typical response from the survey respondents. “Those lists used to have thousands of names of very cold applicants. Now the selection process is vacancy driven. So the applicants in the pool are more eager to be looking for a job.”

The term “cold applicants” refers to the traditional selection method of maintaining lists of qualified candidates, which was described above. When an agency needed to fill a position, the central personnel department would forward the top names from the appropriate register. The hiring supervisor at the agency would contact people on the list, but would often find they were no longer available. Why? The register was out of date; it reflected eligibles who

had been certified months ago, sometimes years ago. The applicants got "cold" because the central personnel department only generated new registers when current ones were exhausted.

Selection is now vacancy driven, a process advocated by reinvention which is modeled after the private sector's approach to filling positions. An agency HRM official described it simply: "We only seek applications when we have positions to fill." As for registers, she said, "Names do not remain on the list, with the exception for clerical support. That is the only occupational group for which the state retains a list of applicants."

5. Discussion and Analysis

There are several considerations relevant to assessing changes in the leading states' selection procedures. One of them is that the greater freedom mangers now exercise comes with additional responsibilities, several of which were mentioned by survey respondents. For example, selection and screening instruments must meet adverse impact standards, which means the success ratio between protected and nonprotected classes cannot exceed 80 percent. Another example is the use of interviews, which a majority of managers prefers; yet, the unstructured interview, the type employed most often, is among the least valid and reliable (Roberts 2003, 119, 121). As Carolyn Ban cautions, managers are in a position in which "they need to understand the range of methods available and how to use them" (1997, 191).

A related observation is that managers who have become adept at manipulating the system, which they claim was necessary in order to overcome barriers to efficient staffing, will now be held more accountable. Traditional views about accountability implied adhering to regulations, but the meaning has

expanded considerably with decentralization. It is no longer "limited to compliance, but must also incorporate mission accomplishment in its definition" (OPM 1998, 33).

The delegation of authority to managers has been in part the result of theoretical reasoning, such as the thinking underlying reinvention recommendations; but it also has come about because of fewer staff in the central personnel departments. An executive in a state's central office said:

> What we are trying to do is to give more and more . . . [authority] to agency managers and use our staff to enhance the recruitment efforts and to prepare managers to make the selection decisions. Now, part of that is because we think mangers ought to have a stronger role in the process of identifying their interview group based on their own direct knowledge of what they need. Part of it, though, is that our office does not have the staff to deal with it ourselves.

A hollowing of the central personnel department could result in less expertise to meet its emerging consulting and collaborating mission, as well as diminished ability to perform its oversight duty.

Another consideration in assessing changes in the leading states' selection procedures concerns veterans preference, which has been called affirmative action for veterans (Shafritz et al. 2001, 383). It is a procedure that grants an extra five points on state employment exam scores of men and women who have served in the armed forces during periods of hostility. Disabled veterans will generally receive an extra 10 points. In either case the additional consideration means that a veteran who meets the minimum qualifications will almost always be hired (Ban and Riccuci 1993, 90). This practice is widespread at all levels of government, including the leading states.

Nevertheless, the rationale supporting it is antithetical to merit principles and not well liked among personnelists (Hays and Kearney 1995, 522). An executive in one of the leading states' central offices admitted that it is not uncommon for managers to narrowly tailor some job descriptions in an effort to neutralize a veterans preference impact. The Winter Commission recommends that limits be placed on veterans preference (1993, 27), but that has occurred in only a few states.

Finally, several issues that are confounding the federal government's efforts to improve selection do not appear to be significant among the leading states. For example, the U.S. Office of Personnel Management reports that federal supervisors believe it is "still too difficult . . . to hire qualified employees in a timely manner" (1998, 8). Other issues include some programs and agencies not receiving as much delegation as others. Substantial problems caused by a lack of guidance and information from the central personnel office have also been reported (OPM 1998, 31). The fact that these issues did not surface in the interviews suggests the leading states may be avoiding some of the pitfalls that have long plagued the federal government's attempts at selection reforms.

a) Summary

The finding that 89 percent of the survey's respondents believe that hiring procedures have become more efficient and effective represents an advance of considerable import for reinvention. The states' use of selection practices specifically endorsed by REGO--such as alternative testing, expanded registers, customer focus, and delegated authority--only adds to the substance of the finding. It is also notable that many of the problems faced by the federal

government in its decentralized hiring have not surfaced in the leading states. However, the research also suggests reasons for caution. These include the readiness of managers who will be assuming responsibilities heretofore handled by agency HRM offices, and central personnel departments whose capacities may have been scaled back.

VI. Reforms with Moderate Support

This is the second of three chapters dealing with the personnel practices recommended by reinvention. The last chapter reviewed the three HRM procedures that have been energetically embraced by the leading states. Survey respondents believe other HRM procedures made moderate progress during the past 10 years. They are employee involvement, performance measurement, and labor-management relations. As indicated below (Table 2), their mean scores are 3.75, 3.52, and 3.36, respectively.

Table 2. Personnel Practices Which Received Moderate Support From Survey Respondents Regarding Positive Change, 1994-2003

	Much Worse	Some Worse	About the Same	Some Better	Much Better	TOTAL	MEAN	N
Emp Involvement	0%	0%	47%	31%	22%	100%	3.75	32
Perf Measurement	3%	10%	32%	42%	13%	100%	3.52	31
Lbr-Mgt Relations	6%	25%	17%	33%	19%	100%	3.36	36

A. Employee Involvement

1. Background

Employee involvement is an essential component of the reinvention paradigm. Change in the public sector is so dynamic and fast-paced that traditionally administered organizations cannot respond quickly and effectively. Their structural arrangements inhibit or prevent necessary improvements. Pat McLagan and Christo Nel use several facets of an organization to illustrate the differences between traditional versus participatory models of organization:

(1) a few leaders do most of the thinking and planning versus leaders who act as stewards and guides; (2) structures emphasizing vertical relationships and functions versus few vertical levels, with workers, customers and suppliers helping to develop strategies; (3) information flow and content being controlled versus employees having context and performance information so they can direct and shape their work; and (4) strategic planning, goal setting, decision making and budgeting being closely managed versus actively involving employees in each process (1995, 12-13). Similar differences exist between the two models across the entire range of organizational qualities, including values, relationships, controls, competencies and pay systems (1995, 13).

How do such organizational changes make a difference to employees? Reinvention contends that when an employee has a positive sense about his or her ability to influence events of importance, then one's behavior will be proactive (Balk 1996, 114). Steven Hays and Richard Kearney cite an intellectual history of theories of motivation which support the belief that "employee participation produces *intrinsic personal benefits*" (original emphasis) (1994, 45). This leads to many desirable organizational outcomes, such as stronger organizational commitment and high levels of performance.

2. The Problem

The employee participation model has its roots in the early years of the last century (Follett 1924). However, evidence suggests that it has seldom been taken seriously by most public or private sector organizations. The U.S. Department of Labor, for example, reports that only five percent of the country's workforce is employed in high participation environments (Levine et al.

1995). Even in organizations that use participative practices, "only a small fraction of the workforce is involved" (McLagan and Nel 1995, 11). Regarding its use in state governments, David Carnevale concludes that "employee involvement and participation in the creation and maintenance of work processes remains low despite the recent fanfare about quality improvement, reinvention, and reengineering" (1998, 252).

3. Reinvention Solutions

One of the keys to empowerment is employee involvement, which is consistent with the "quest for quality," which the NPR believes to be the unifying theme of many of the more recent management improvement strategies, such as management by objectives, Total Quality Management (TQM), and others (1993, 66). A consistent theme of the quality movement is employee involvement. The NPR states, "Consistent with the quality push, federal employees want to participate in decisions that affect their work" (1993, 87). The Winter Commission is even more insistent about the role of employees in setting standards and designing processes. Involving employees is one of the competencies the Commission believes is required to rebuild government's human capital. "A recurring theme of this report is the need to get front-line employees more involved in the day-to-day work of government . . . [which requires] a receptive environment for participation" (1993, 381-382).

Among the three reinvention publications, Osborne and Gaebler are the most emphatic about employee involvement. They also claim that participatory government is one of the main tickets to a decentralized government. Quoting Alvin Toffler, they say decentralization cannot be accomplished unless

organizations "begin reducing the decision load by sharing it with more people, allowing more decisions to be made 'down below' or at the 'periphery' instead of concentrating them at the already stressed and malfunctioning center" (1992, 251). They also acknowledge that employee involvement can range from the superficial to the profound.

> Participatory management varies in depth and quality. Some efforts are window-dressing; some are revolutionary. Some managers simply want more input from employees, but don't want to share power. Others view their employees as genuine partners who share responsibility for all aspects of the organization's productivity and quality of work life. The further organizations move along this path, the greater the payoff (1992, 266).

In other words, participatory management is value added. The more employees are able to control and contribute, the more dedicated and productive they become.

4. Findings

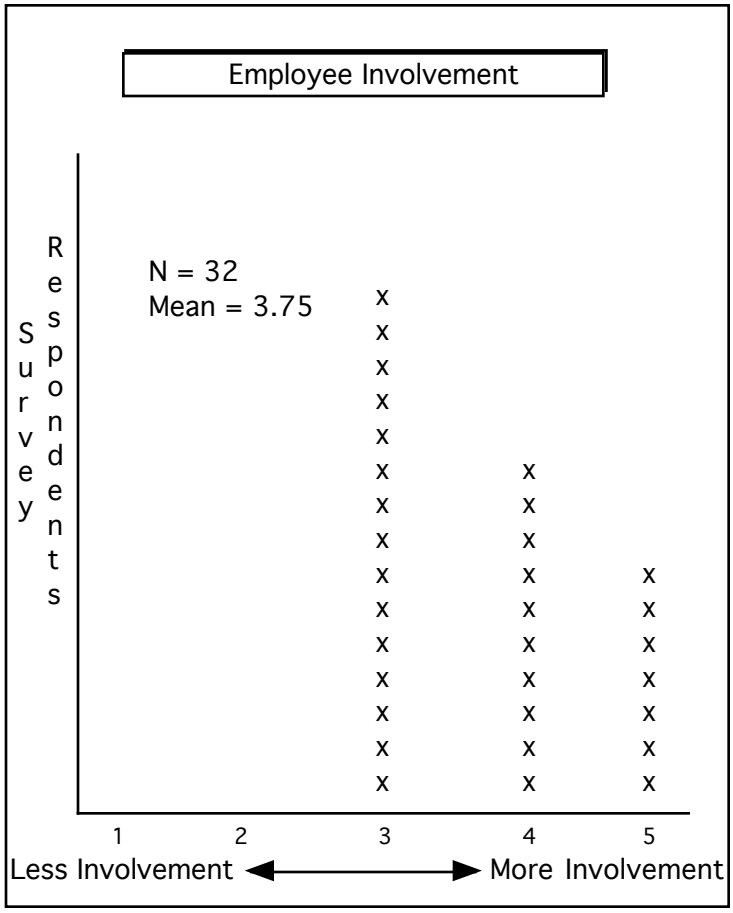
Respondents were almost equally split on the issue of whether employee involvement in the design of personnel policies has changed in the past 10 years (Figure 6). Fifty-three percent believe there has been moderate to substantial change, whereas 47 percent think very little has changed. No respondent indicated involvement has decreased. This level of progress must be considered quite modest. Less than one-quarter (22%) of the respondents rated involvement as having substantially improved.

Figure 6

Survey Question

In general, how does employee involvement in the design of personnel policies compare with 10 years ago?

1. *Much less involved*
2. *Somewhat less involved*
3. *About the same*
4. *Somewhat more involved*
5. *Much more involved*



Answer Choices	1	2	3	4	5	TOTAL
Percentage	0	0	47%	31%	22%	100%

Many of the personnelists provided narratives of how they perceive employee involvement in their state governments. Most of the kinds of involvement they described can be categorized as informal or ad hoc. For example, an official from a central personnel department said, "Generally speaking we are not big on doing employee inquiry." Instead, when a policy change is contemplated it would be submitted to the HRM directors in each

agency. "Ideally, at some point in the process, they may consult employees in their agencies. More likely what would happen is they would feed back how they believe their employees would respond." However, he noted that going to the HRM directors represents an improvement. "In the past the central office did not even go to the HRM folks." An executive from a central office in another state made the same assessment:

> Our HRM involvement has been strong. We go to the HRM directors and we ask them for input. We do that a lot, but to the extent that they go out and talk to employees, that probably doesn't happen a lot. Perhaps they'll talk with managers, but my guess would be they wouldn't go to the rank and file employees. I have not seen a lot of change in the last 10 years.

A respondent from a state agency described a mechanism for more direct, formal and structured involvement. She detailed the creation of an employee advisory group involving rank and file workers from around the state. She noted that the group was formed specifically to gain employee input on a significant policy proposal involving compensation reform. "Doing something like this," she said, "was unheard of 10 years ago. So, there is definitely more opportunity for employee involvement in policy. Not full opportunity, but certainly more opportunity." This approach of involving employees in decisionmaking is considered direct by virtue of employee representatives being members of the advisory group, rather than their views being based on a supervisor's estimation. However, this approach appears to used sparingly, usually appearing when a significant policy change is being considered. More

than half (57%) of the respondents noted that employees' views are sought during such times.

Sixty percent of the respondents from unionized states indicated that the collective bargaining process represents the interests of covered state employees. A personnel professional from a state agency said even issues that are not bargainable "tend to be reviewed and discussed in a labor-management meeting, which is done to get the union in place because the union is there representing the employee." This is a firm example of direct involvement; it is formal and employees have their own representative to express their interests. It conforms to the model described in the next section.

5. Discussion and Analysis

A model for changing labor-management relations is described by Kearney as participative decision making (2001, 226). Its founding principles can be traced to the 1920s when Mary Parker Follett championed such involvement. A more recent management philosophy, TQM, is also known for advocating employee involvement. It is similar to reinvention because of its emphasis on customer orientation, decentralization, continuous improvement, and better labor-management relations. Reinvention and TQM, for example, assert that high performance organizations are driven by empowered employees, which is the main reason for using participative decision making strategies.

Kearney argues that a legitimate approach to involving employees must include "regularly scheduled meetings of labor and management representatives to discuss, analyze, and resolve problems arising in the work place . . . Employee involvement should be meaningful, with employee views and decisions receiving serious consideration by management" (2003, 328). Kearney

obviously is calling for direct involvement; yet as indicated by the discussion above, most employee participation seems to be indirect, at least in the nonunion states. Employees often are brought in when major changes are proposed, but not on a regular or formal basis. Of course this does not mean employee involvement has not improved. An HRM executive from a central office recounted what she believes are substantial changes, citing an active employee association, occasional statewide employee surveys, formal mechanisms set up to solicit input on major policy changes, and the fact that some agencies earnestly seek employee involvement. She said, "Just looking at those things, they may not be consistent, but most of them weren't around a decade ago."

The notion that employee involvement in the nonunion states is indirect is buttressed by the following observation and evidence. Summaries of interviews with the seven respondents who believe substantial improvement has occurred appear below. Only two reflect a formal, structured arrangement for gaining employee involvement, and they both represent comments of participants from union states.

- Agency HRM departments are more inclined to work in teams, which is more conducive to employee involvement, especially since decentralization has devolved authority to the agency level.

- When an important project is being considered, agencies will send an HRM representative to be a part of the discussion. Employees can easily communicate their opinions through the central office website.

- The state's employee association is an influential voice for employees in the legislature. Surveys and focus groups were used to gather

employee input during the design of a recent change in the grievance process. Employee participation varies depending on agency management.

- Employee committees were formed in agencies to contribute to a recent compensation reform initiative. Agencies are encouraged to place employees on their policy committees.

- Agency managers and HRM staff are much more involved in personnel policymaking. Employees are not.

- There are more requirements for union involvement in HRM policies and procedures. Employees' views are represented via their union representatives. The central office used to be "more dictatorial," but now it casts about for input.

- Contract-covered employees' views are much more included in decisionmaking because, by contract, union representatives have to be called upon for participation.

Again, these comments are from the respondents who indicated *substantial* change has occurred during the past decade. Only two approach the level of Kearney's participative decisionmaking, which is a serious but not overreaching standard. To recall, he defined it as "meaningful employee participation in organizational decisionmaking wherein there is an operative, formal vehicle for the exercise of employee voice and where employee views and decisions are given serious consideration" (2001, 226).

a) Summary

The post-bureaucratic structure of public sector organizations presupposes a positive view of human resources. Employees are understood to be "assets and partners in achieving the organizational mission . . . and are empowered to achieve results and support innovation" (Leavitt and Johnson 1998, 74). The

basic principle contends that involving workers in the design and management of their work will enhance productivity and innovation. Reinvention assigns a considerable and consequential role for employee participation in decisionmaking. The extent of involvement reported by the leading states does not rise to that standard. They value and emphasize participation more highly than in times past, but employee inclusion appears to remain largely inconsistent, indirect and not central to the functioning of the organization.

B. Performance Measurement

1. Background

Performance measurement in government is not new. Attempts to measure municipal services were occurring by at least the late-1920s. In 1949 the Hoover Commission suggested that the entire federal budget be based on performance measures (Gianakis 2002, 35-37). These efforts were designed to monitor and provide information about inputs and processes. It was not until the late-1980s that gauging outcomes became a matter of widespread public concern.

The mandated use of performance measurement in the federal government was made law by the Performance and Results Act (GPRA) of 1993, which the NPR describes as "a pivotal first step toward measuring whether federal programs are meeting their intended objectives" (1993a, 73). Carolyn Heinrich said the GPRA focused the federal government's "accountability and performance analysis away from activities and process measures and toward results or outcomes" (2002, 713). Mary Kopczynski and Michael Lombardo write that the embrace of performance measurement spread to state, county

and municipal governments as well. They describe the 1990s in that regard as being "quite remarkable" (1999, 124).

2. The Problem

According to reinvention theory, the problem with performance measurement in government is that there is too little of it. Osborne and Gaebler argue, "Because they don't measure results, bureaucratic governments rarely achieve them" (1992, 139). The first director of OPM, Alan Campbell, often has expressed similar concerns. In reflecting upon the early thought which formed many of the proposals for the Civil Service Reform Act of 1978, he said:

> One of the things that bothered me then and continues to bother me is the lack of any general measures of how well we are doing. Analysis of government personnel practices is dominated by anecdotes and those anecdotes are normally negative. We do not have a set of common measures to put against those anecdotes; to demonstrate whatever may be the occasional problem; or to say, overall, this is how we are doing" (GAO 1988, 13).

The National Governors' Association views the problem in equivalent terms. It states that common measures should be outcomes; "governments must treat results--not inputs--as the most important measure of performance" (1993, 4).

3. Reinvention Solutions

The problem of too little performance measurement is remedied by incorporating feedback mechanisms into governmental policies and practices. Charles Fox differentiates between the type of measurement represented by GPRA and that reflected by the National Performance Review. The former is

"an update on the traditional, hierarchical accountability to management [approach that uses] . . . measurement to assess performance . . . by way of what is taken to be objective once-and-for-all standards" (1996, 260). The NPR, on the other hand, approaches measurement in the spirit of Total Quality Management, utilizing it for continuous improvement and incorporating it "as an integral part *of organizational learning*" (original emphasis) (Fox 1996, 260).

Examples of the comprehensive approach include Lyndon Johnson's Planning, Programming and Budgeting System, Richard Nixon's Management By Objective, Jimmy Carter's Zero-Based Budgeting Bill Clinton's National Performance Review, and, as mentioned above, the Government Performance and Results Act.

Evan Berman, Jonathan West and XiaoHu Wang (1999, 9) describe several less comprehensive performance measures. Each is related to human resources management, and all have been used by state governments. They include: monitoring recruitment (e.g., percentage of vacancies, frequency of promotion); career development (e.g., progression by job class, use of educational programs); and employee relations (e.g., absenteeism, job satisfaction). These are examples of the measures a continuous learning approach would be more likely to employ.

Reinvention advocates proclaim that effectiveness and efficiency in government can be enhanced by incorporating a systematic method of measuring performance. They also emphasize measuring outcomes and impacts, rather than inputs and outputs. The overarching message from reinvention reformers regarding performance measurement is that techniques may vary, but the larger lesson does not: "If you can't recognize failure, you can't correct it" (Osborne and Gaebler 1993, 152).

4. Findings

In this study's survey the word evaluation is used as a synonym for performance measurement. Most knowledgeable sources distinguish between the two. The U.S. General Accounting Office, for example, states that performance measurement is "the ongoing monitoring of program accomplishments, particularly progress toward its preestablished goals"; whereas the evaluation of a programs is a "systematic study conducted periodically or on an ad hoc basis to assess how well a program is working" (1998, 4). With that said, it is the judgment of the investigator that the survey question is alluding to essentially the same reinvention concern, which is the degree to which program assessment is occurring. The General Accounting Office refers to performance measurement and program evaluation as complementary types of program assessments (1998, 3).

More than half (55%) of the veteran personnel executives who participated in the survey agree that formal evaluations of HRM programs and procedures are being used at least somewhat more than they were a decade ago (Figure 7). Almost one third (32%) believe the extent of their use is more or less the same, and 13 percent estimate that evaluations are being utilized less often. Taken together, almost one-half (45%) believe the use of assessment mechanisms has not progressed or has declined in the past 10 years.

Several factors that influence the use of assessments emerged from the interviews. Perhaps the most important is what appears to be a greater appreciation for the value of using assessments than was true 10 years ago. A negative factor, however, is the role budget restraints have played in depressing their use. Assessments generally are more likely to be unofficial and

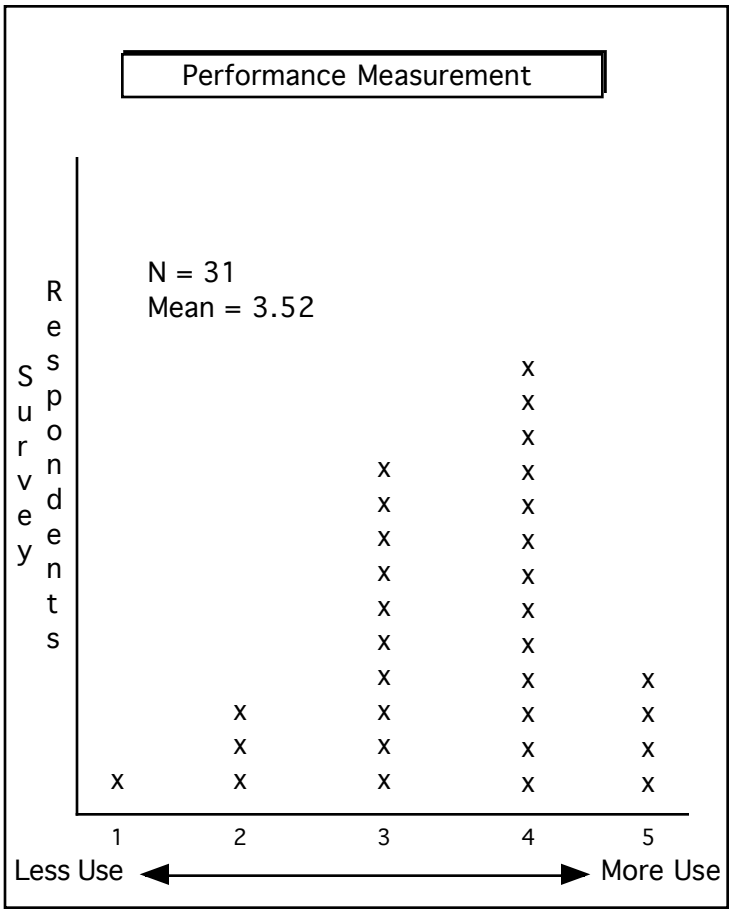
casual than formal and structured. And information technology has aided in the use of assessments. These four factors will now be considered in more detail.

Figure 7

Survey Question

In general, how does the use of formal evaluations of human resources management programs and procedures compare with 10 years ago?

1. Much less use.
2. Somewhat less use.
3. About the same
4. Somewhat more use.
5. Much more use.



Answer Choices	1	2	3	4	5	TOTAL
Percentage	3%	10%	32%	42%	13%	100%

a) Increased Awareness

Many respondents said they believe that a greater mindfulness exists about the value of assessing program performance. An agency personnelist remarked, "I think we now realize that you just cannot plan something and do

it and not go back and evaluate whether it is working or not." A respondent from another state agency explained that the central personnel office makes available to the agencies an employee assessment tool which enables managers to obtain employee feedback about various work related issues, such as job satisfaction, supervisor appraisal and human resources services. Whether or not to use the instrument is left to the discretion of the manager. Still, as the official said, "It was not available 10 years ago."

An HRM professional in a central office explained what he believes has changed in the past decade:

> We have become more aware of different ways of doing evaluations. The 360-degree feedback system is an example. So you have all these techniques out in the literature now, and people are more aware of using them when they make changes or when they're thinking about how to make changes. We also think more about who the customers are and how we should respond to them. In the last 10 years or so there has been a general increase in being willing to conduct critiques and recognizing that critiques are expected. There is more of a tendency to go to the people who are served and ask them to respond.

The opinions that follow concur with those just described. They reflect an increased awareness and appreciation for evaluations. However, several also express the view that evaluations may not be utilized often enough.

- They are probably more hit-or-miss than they are formalized. To say that we have formalized the evaluation process to the extent we should, we probably have not.

- The use of evaluations is not necessarily encouraged by the central personnel department. But I do think more of it is generally happening in the human resources area. Agency HRM offices may want to use evaluations in different areas. There is a recognition that it is out there and that people understand that it

may, depending on their situation, have some value. It is not necessarily universal or widespread, but it is becoming more prevalent.

- It should be common sense, or it should be a requirement, that you do post-change assessment. It just is not built into the system on many things.

- At the state level we are beginning to see more formal program evaluation and service evaluation and strategies.

b) Budget Constraints

State spending cuts have had at least some impact on evaluation of personnel programs and procedures. For example, an agency official said the reason evaluations were not performed more routinely is related to budget constraints. "You just do not have any staff left. You have all of these reality issues that are occurring that start to interfere with evaluations and other things that should be done. So those things get pushed back because of the resource issues." A personnelist from a central office in another state agreed. "I think there is somewhat less evaluation going on because the nickel and diming of our staff over the last decade has continued to reduce positions."

During an interview with an agency personnelist, she expressed her and her colleagues' beliefs that evaluations are worthwhile. She then added, "Now, whether we do them all the time or not I cannot say, but we know we should." When asked what accounts for sometimes using evaluations and sometimes not, she explained, "Trying to do more with less and trying to prioritize what you need to get done; and evaluation kind of falls by the wayside. The things that need to be done today always top the list."

An agency HRM executive was asked about why his state's central office did

not require more performance measurement and evaluation from the agencies. Again, the answer related to resources. "Our central office is down to about 60 people. They are responsible for affirmative action, employment relations, classification, compensation, testing, collecting data for bargaining. I cannot imagine them taking on any more tasks. Besides, the agencies themselves are just as strapped."

The impact of tightened budgets on human resources practices is echoed throughout this study. The concerns are well founded. Beginning in fiscal 2001 states have been confronted with a financial situation "more severe than any they had dealt with during the past 60 years" (National Budget Officers Association and National Governors' Association 2004, ix). Interestingly, a few respondents acknowledged that the budget constraints had not been all down side. "The less you have to work with," said a central office executive, "the more creative you are required to become, or you miss the boat. You have to figure out ways to get things done, question what you are doing. Ask yourself, 'Do I need to be doing this? Why are we doing it this way?'" But many more comments were in this vein, as stated succinctly by a personnelist in a state agency: "I think we are being bled to death. For years we routinely have had a five percent budget cut. That's every single year. It just affects the quality of what you can do."

c) Formal and Informal Evaluations

One of the states has begun using an annual accountability report, which is required by the legislature. Its design incorporates the Baldrige National Quality Program criteria for performance excellence. According to an HRM official in

one of the state's agencies, the reports are comprehensive, contain both quantitative and qualitative measures, and include a significant amount of human resources data. Another state supports what is called the Governor's Management Scorecard, which sets out six human resources management objectives, including fairness and diversity, workforce planning, and training and development. Agencies evaluate each objective on the basis of whether the results are below expectations, making progress toward expectations, or meeting expectations.

Respondents from two states stated that the most thorough program evaluations were the formal agency audits that the central personnel departments used to conduct. One of the retired HRM executives said, "Agencies had to adhere to standards and criteria. They knew what they were going to be evaluated on. A team from the central office went in and went through the files and interviewed employees and staff." These types of evaluations are now only performed when requested by the agency or a problem arises.

At least five of the respondents spoke of informal feedback processes which serve to channel appraisals and judgments to supervisors and decisionmakers. After describing the formal audits that the central personnel department used to conduct, a retired executive was asked if he could recall any other types of assessments that the central office initiated, required or encouraged agencies to undertake. He responded:

> No. I sure cannot. Offhand I cannot recall any. Wait, let me back up. There was always a lot of communication every day with agencies' human resources offices. The central office actually did a tremendous amount of consultations through those communications.

> So, your question had to do with formal evaluations. What I am saying now is it was more informal.

An official in a central office made a similar comment about informal assessments:

> We have not broadly used formal evaluation tools to assess the success of our programs. We probably use more anecdotal evaluation. But you have to keep in mind that we are in a mode of continually improving the way we operate. So, we might not do a formal evaluation that gives us real quantitative hard data on how well we have done, but we do a lot of communication with the HRM community. For instance, we are in contact with state agency directors to identify areas of need. Then, when we have identified those areas of need, we seek to address them.

d) Information Technology

Information technology can produce evaluative reports by utilizing data that are already being collected electronically, such as information related to hiring, compensation, and employee evaluation. For example, an agency HRM executive emphasized the enormous benefit made possible by information technology. "The system used by most state agencies captures much more information than it did in the past. There is also the capacity for analysis there that was not available before." A personnelist in a central office made a similar claim. "With our HRIS [Human Resources Information Systems] software, agencies can access reports. We can see our own trends in terms of demographic breakdowns and other comparisons at the state level. I am seeing a real focus on that."

5. Discussion and Analysis

Even though the survey question asked specifically about formal evaluations, participants seemed to respond to the spirit of the inquiry rather than to its substance. Their examples tended to highlight feedback and communication, not instances of routine and systematic collection and reporting of data. This may indicate that evaluation and performance measurement are not yet seriously embraced by many HRM professionals. It may attest to their using a rather fluid definition. Osborne and Gaebler, for example, cite numerous mechanisms for measuring results, but they are not rigorous in their descriptions. Even though they use the term performance measurement many times, the best definition they offer is to equate it with "feedback on outcomes" (1992, 151).

Agencies' use of performance measurement is left largely to their discretion. An agency personnelist said, "In many ways we function reasonably independent. There are only a few surveys sponsored by the central office." An HRM executive in another state agency explained that it is her habit to utilize employee surveys, but she noted that there is no mandate requiring that they be used. She said, "When meeting with my colleagues at HRM director meetings I ask around about who has done culture surveys or who has done employee surveys and that type of thing. It is not being done. Mine is one of the few agencies that does them."

The idea of performance measurements being embraced by the public sector enlivened reformers during the past decade. Osborne and Gaebler (1992), the National Governors' Association (1993), and the National Performance Review (1993) boldly endorse their use. However, scholars who

have reviewed the relevant literature conclude that performance monitoring has yet to become a generalized movement. They write, "Although academic and professional publications give the impression that performance measurement is a growing government practice, in actuality the use of this technology is not as deep or as widespread as it may appear" (Coplin, Merget and Bourdeaux 2002, 699). The fact that the National Association of State Personnel Executives did not inquire about performance measurement in its three most recent nationwide studies of personnel practices helps drive home the point (NASPE 1991; 1996; 2000). As for other subnational units of government, performance indicators in departments at the municipal and county levels "rarely include measures of customer satisfaction and rating of specific service characteristics" (Kopczynski and Lombardo 1999, 124).

Based on the survey conducted for this study, personnel executives in the leading states seem to indicate a broader appreciation for performance measurement than is being unearthed by other investigations. This could be due to the fact that the others probed more deeply, inquiring specifically about how information is gathered and what systems were in place to make use of it. This study was not designed to concentrate on a single personnel practice. Still, the fact remains that more than half of the respondents believe the use of performance assessments has increased. In the investigator's opinion, participants generally are aware, interested, and supportive of such measures. Several of those who do not think progress has been made attribute the lack of advancement to budget constraints, rather than to an unfamiliarity with techniques or an unwillingness to use them.

The great push for bringing performance measurement to governments at all levels is a recent phenomenon. The Government Performance and Results Act (GPRA) was passed barely a decade ago. Expecting too much too soon may not be realistic. In its report on the GPRA's implementation, the U.S. General Accounting Office states that "Congress understood that effectively implementing management changes of the magnitude envisioned under the Act would take several years" (1999, 7). An earlier study of several states which were experimenting with the use of performance measures also concludes that implementation requires "a long-term effort" (GAO 1994, 22).

a) Summary

The progress of performance measurement in the leading states moderately supports reinvention recommendations. The sum of status quo and negative responses equals 45 percent, which means nearly half of the respondents either believe there has been no change or the shift has been in the wrong direction. On the other hand, over half (55%) the personnelists think assessments have increased in the past decade. Do agencies take the next step, which is to use the information to assist with achieving objectives? According to a GAO report, the tendency of federal agencies often is to "look at available data without really evaluating how the information can be used to enhance goal attainment" (GAO 1999a, 18). Whether the leading states follow the federal pattern is unknown, but if the way data are used corresponds with the way they are collected, then it can be surmised that their use is generally informal, irregular, and voluntary. Still, this appears to be an indication of improvement compared to 10 years ago.

C. Labor-Management Relations

The personnel reform recommendation associated with this section is the second one to deal with labor relations. The first (see Section A in this chapter) inquired about the degree to which employees were being *involved in the design of personnel policies*. Its purpose was to learn whether reinvention's goal of organizations becoming more participatory is being realized in human resources management. This section's question, on the other hand, seeks to understand how HRM professionals in the leading states view labor-management relations in a broader, more traditional context. It asks respondents to characterize the *level of cooperation between labor and management*.

1. Background

Unions constitute what Frederick Lane calls the United States' third public personnel system. In addition to patronage and civil service, unions have exerted a huge impact on public sector employment and management (1994, 238). Approximately 40 states have public sector labor relations policies. Formal labor-management arrangements in states began on the heals of a 1968 Supreme Court ruling which recognized state and local government workers' right to organize labor unions. Twenty-eight states permit collective bargaining (Berry 2000, 183).

There are a number of important differences between labor-management relations in the public and private sectors. The U.S. General Accounting Office reported:

> Bread and butter issues, such as wages, fringe benefits, and any of many other issues relating to hiring, firing, promoting, and retaining employees, which are the focus of private sector bargaining, generally cannot be negotiated in federal contracts. Bargaining has been generally limited to the way personnel policies, practices, and procedures are implemented (1991a, 14).

The development of public sector unionization in the states has generally followed the path of its growth and adoption in the federal government (Shafritz et al. 2001, 491).

2. The Problem

The human resources model of administrative behavior assumes that workers are an organization's most important asset. The managerial approach implied by the model is known generically as cooperative decision making, which replaces the adversarial pattern that has historically characterized industrial relations in the American workplace (Hays and Kearney 1994, 44-45). The U.S. General Accounting Office described the traditional pattern as labor and management coming to the bargaining table with outsized proposals, concealing what mattered most, withholding information, and personalizing the negotiations. "The net result of these tactics was a labor-management relations built on acrimony, distrust, confrontation, and litigation" (1991b, 2).

The National Performance Review calls for an end to the adversarial approach to labor-management relations, which is a necessary first step in order for any organization to "reorganize for quality" (1993a, 87). Public sector managers and employees are aware that mistrust "is not well suited to

handle a culture change that asks workers and managers to think about the customer and to work hand-in-hand to improve quality" (NPR 1993a, 87). Yet, the primary barrier remains the adversarial relationship between management and labor (Ban and Riccucci 1993, 79).

3. Reinvention Solutions

It generally is assumed that civil service systems and public employee unions restrict the improvement of labor-management relations (Ban and Riccucci 1993, 71; Osborne and Gaebler 1992, 263). However, the three major reinvention publications have forwarded proposals which they argue can change the status quo. For example, the National Performance Review recommends that federal employees and employers form labor-management partnerships. "We can only transform government if we transform the adversarial relationship that dominates federal union-management interaction into a partnership for reinvention and change" (1993a, 88). The NPR specifically proposes statutory changes that will facilitate the creation of a new framework to improve cooperative efforts. Osborne and Gaebler, who place employer-employee problems in the lap of management, assert that labor-management committees constitute a proven format for dealing with working conditions and organizational performance. The Winter Commission suggests that management take the first step by engaging all parties and opening "new and substantive channels of communication" (1992, 384). Scholars have documented that these and similar negotiating strategies can overcome traditional antagonisms and lead to noteworthy outcomes (Ban and Riccucci 1993; Truman et al. 2001, 435-7; Winter Commission 1993, 385).

4. Findings

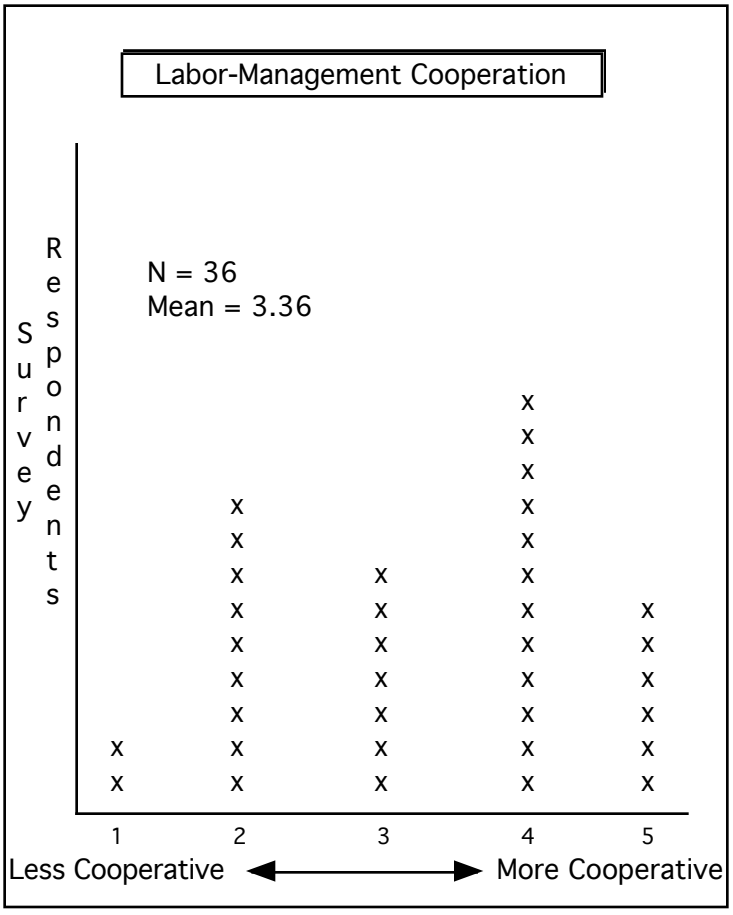
Slightly more than half (52%) of the respondents believe labor-management relations are either moderately or substantially more cooperative than they were 10 years ago (Figure 8). Among the 31 percent who think relations are less cooperative, most assess them to be moderately less cooperative rather than substantially less so. If the status quo responses are added to the 31 percent, then almost half (48%) conclude that either nothing has changed or relations have become less cooperative.

Figure 8

Survey Question

In general, how do labor-management relations in state government today compare with 10 years ago?

1. *Much less cooperative*
2. *Somewhat less cooperative*
3. *About the same*
4. *Somewhat more cooperative*
5. *Much more cooperative*



Answer Choices	1	2	3	4	5	TOTAL
Percentage	6%	25%	17%	33%	19%	100%

A noteworthy distinction emerged between the union and nonunion states. Respondents from the union states (Iowa, Michigan, Wisconsin) emphasized labor-management cooperation, but those from the nonunion states (North Carolina, South Carolina, Virginia) accentuated a difficulty in maintaining basic services and employee morale. The ensuing discussion will examine these characteristics more closely.

a) Distinction Between Union and Nonunion States

A comparison of union and nonunion states reveals a contrast between their personnelists' views about the extent to which labor-management cooperation has changed in the past decade. The union states' mean of 4.17 reveals that respondents believe relations have become at least somewhat more cooperative. Among the 18 participants from those states, all but two (11%) hold that relations have become moderately or substantially more cooperative. The 2.78 mean of the nonunion states implies that labor-management relations either have not changed or have become at least somewhat less cooperative. Only four of the 18 respondents (23%) from the nonunion states indicated that *any* degree of improvement has occurred in the last 10 years.[23]

b) Labor-Management Cooperation

Interviews with respondents from the three union states centered on two topics. The first involved a change of governors in two of the states and the remarkable difference it made in labor-management relations. The second area

---

[23] The median and mode scores suggest neither mean is misleading. For the mean of 4.17, the median and mode are 4 and 4, respectively. For the 2.78 mean, they are 3 and 2, respectively.

of discussion related to the other state's pioneering use of a successful negotiating strategy.

(1) Change at the Top

Two of the union states have experienced recent histories of strained relations between their governors and employee unions. Eighty percent of the respondents from the two states referred to these situations. The governors are no longer in office, and interviews with the HRM experts clearly indicate that labor-management relations are now much improved. An agency-level personnelist said this is because the chief executive can "set the tone." If the governor "expects the department heads to have good labor relations, that tends to happen." A union representative noted: "The new governor has replaced most of the department heads. I can really see a difference. You know a department head cannot usually replace a personnel director, but he can say, 'Look, no matter what happened in the past, this is the way we are going to handle personnel management in the future.'" The respondent noted that this exemplifies how a governor, who may otherwise have little involvement with a department or agency, can have an impact on its "internal philosophy."

(2) Win-Win Bargaining

An agency-level personnelist compared the traditional approach to the one being used in her state today. "We have gone from an adversarial, traditional kind of slam-your-fist-on-the-table bargaining and tens of thousands of grievances, to a much more collegial, problem-solving process. It still gets difficult; but I think both from the union side and our side, it is much, much better." She was referring to win-win bargaining. An executive from the

state's central office explained how it works.

> It gets you away from the traditional type of bargaining, where you swap demands. Instead, what you do is form interest groups and you go off to a separate room and start talking about your mutual interests, and you try to find compromise that way. We have made some really great strides because of the win-win bargaining process, switching from confrontational to consensual-type bargaining.

Another of the survey respondents, an HRM executive from a state agency, described his take on the difference between the traditional and the more cooperative approach.

> There are still some who cling to the old days, you know, when the room was filled with cigar smoke and both sides were yelling and swearing at each other. I don't think anybody thought that was very productive; besides, it just doesn't get you anywhere. We've figured out that it's to both sides' benefit if you argue less and try to find areas of agreement where progress can be made. It makes the whole process more civil.

Win-win bargaining is also known as consensus bargaining, integrative bargaining or interest-based bargaining.

c) Government Capacity

Even though the subject of compensation was not part of the question regarding labor-management cooperation, 55 percent of respondents from the six states mentioned it. Based on their comments it is clear that most survey participants believe tight fiscal circumstances have had an adverse impact on salaries and benefits. However, only respondents in nonunion states linked the situation to the capacity of government to maintain current levels of service.

An executive in a central office of a nonunion state said, "The downsizing of

state government over the past three years has not resulted in an increase in grievances, but it has obviously had an effect on employees." An agency personnelist from another nonunion state said conditions were such that the ability of state government to appeal to quality applicants was being diminished. "The attractiveness of a state job, particularly in the metropolitan areas, has dropped significantly." Another participant from a central office in a nonunion state remarked, "Money has gotten much tighter in the last several years and agencies are demanding more of the people that are here. We cannot afford to have anybody who is not working 100 percent. I think all of this is showing up in an increase in employee problems." A retired HRM professional said, "For 10 years, literally, it has been cut, cut, cut. The people who stay just keep getting more and more added to their work. These are living wage issues. Health benefit costs have risen and so the deductions for employees have risen. There is more activity to unionize than before, and employees are angrier than before."

The central office in one nonunion state conducted a survey of 25 positions that were comparable in both the public and private sectors. The investigation found that on average the state was paying 21 percent less than the private sector.

5. Discussion and Analysis

It is difficult to discern the reason for the difference in views between union and nonunion states about the progress of labor-management cooperation during the past decade. It may be that the benefits of collective bargaining tend to ameliorate the consequences of cutbacks and downsizing. There are

at least three factors that support this contention. First, public employee unions influence the relationship between managerial and employee prerogatives (Shafritz et al. 1992, 321). It has led to what David Rosenbloom refers to as "a substantial degree of 'codetermination' of public personnel policy and practices by management and organized labor" (1986, 369). Second, unionized state workers earn about 16 percent more than their nonunionized counterparts (U.S. Department of Labor 1998). Third, as many personnel professionals from union states made clear, employees' interests are looked after by the unions. A retired HRM executive says managers and supervisors meet with union representatives "not just to negotiate, not just when there are problems, but also to inform them of things that are going on in state government."

Employees in the nonunion states, on the other hand, do not have the same quality of representation. Whereas public employee associations exist in those states, only two of 18 respondents referenced them during the interviews.[24] In contrast, virtually every respondent from the union states made mention of union representation or collective bargaining.

Less perplexing than the union and nonunion states' divergent views about the progress of labor-management cooperation, is the positive role of leadership, which is a principal theme of the reinvention publications. The National Performance Review asserts that transformation "begins with leadership" (1993a, 36). The Winter Commission's first recommendation is to remove barriers to leadership. "The place to begin building high-performance

[24] The literature on public employee associations is scanty, at best; and most of what is available deals with associations merging with unions (Deshpande 1995, 622). Scholars also note a lack of quality research on the larger and more general subject of labor-management relations in state governments (Ban and Riccucci 1993, 72).

state and local government is at the top, with stronger executive leadership" (1993, 15). Certainly, the survey results from two of the union states underscore the role of the chief executive in fostering or repressing labor-management cooperation. One respondent after another described the dramatic transformations that occurred when long term administrations, who had had very poor labor relations, were replaced by chief executives determined to make improvements. As one of the state's central office executives said, "I think the key to any kind of change in labor-management cooperation starts right at the top."

The third union state's experience with its successful win-win bargaining also can be attributed to the influence of top-level leadership. The interest-based bargaining program resulted from a sustained effort by a union leader and the state's labor secretary, both of whom wanted to enhance labor-management relations. With the governor's backing, they toured the state talking to managers, supervisors, stewards and employees in an effort to generate support for a new approach. They were successful, and win-win bargaining has been in place for over 20 years.

The major reason this improvement in labor-management relations is so significant is because of how it contrasts with the past and what it portends for the future. Critics who charge that public sector organizations must be reinvented often argue that unions need to be reinvented as well (Kearney 2003, 328; Sulzner 1997, 158). Management and unions have a history of adversarialism (Reeves 1997, 174-75). Win-win bargaining has achieved the objective of all successful methods of negotiation, which is "to enhance interpersonal trust and communication between all organizational citizens

(Hays and Kearney 1994, 49). Labor-management cooperation reflects the kind of culture and partnership REGO encourages because "building a better alliance between employees and managers may create the energy necessary to power change for a long time" (Guy 1997, 129).

a) Summary

George Sulzner said that "when the ship of state is sinking, the only way it can continue afloat is for all the passengers (labor and management) to accept their common plight and work together to bail out the excess water and plug the leaks" (1997, 161). The fiscal burdens with which states have been contending during the past few years, coupled with the anti-government downsizings that preceded them, have been stressful for HRM professionals in the leading states. Over half (56%) of the respondents mentioned budget-driven problems such as downsizing, overwork, lack of pay increases, and reduced services.

In the union states attention also has been focused on improved employment relations and the success of negotiated bargaining. Two of the states have emerged from years of poor relations with their chief executives and now enjoy much more cooperative relationships. The third union state boasts a 20-year track record of mutual interest negotiating that has transformed labor-management relations from an adversarial to a cooperative method of reconciling differences. In a word, labor and management in the three union states appear to be working together.

Employer-employee relations in the nonunion states reflect a different reality, and one that is more difficult to grasp. Whereas most survey respondents acknowledge that many difficulties have been caused by tight budgets, the

views of personnelists from differ from those of their counterparts in the union states. This investigator has suggested that years of thin budgets and no direct representation may be at the root of the dissimilarity, but this is speculative. What is beyond conjecture, however, is the fact that several of the nonunion states' personnelists expressed a pessimism about their government's capacity to maintain basic, not to mention high-performance, levels of service in human resources management.

VII. Reforms with Weak Support

This is the third of three chapters dealing with the selected personnel practices recommended by reinvention. The last chapter reviewed the three HRM procedures that have made moderate progress toward implementation during the past decade. In this chapter a review and assessment will be made of the five personnel practices that survey respondents believe have made rather insignificant progress. They are performance pay, privatization, discipline, deregulation, and training. Their mean scores are 3.17. 3.13, 2.97, 2.66, and 2.47, respectively (Table 3).

Table 3. Personnel Practices Which Received Weak Support from Survey Respondents Regarding Positive Change, 1994-2003

	Much Worse	Some Worse	About the Same	Some Better	Much Better	TOTAL	MEAN	N
Performance Pay	6%	11%	53%	22%	8%	100%	3.17	36
Privatization	3%	0%	78%	19%	0%	100%	3.13	32
Poor Performers	3%	19%	56%	22%	0%	100%	2.97	36
Deregulation	20%	26%	26%	26%	2%	100%	2.66	35
Training	28%	30%	11%	28%	3%	100%	2.47	36

A. Performance Pay

1. Background

The basis for setting and adjusting compensation in the federal government and most state governments has reflected the same fundamental model for almost 80 years. It most often is referred to as the position

classification system, which produces uniform titles based on duties, responsibilities and qualifications. It also establishes a basis for a compensation system which is designed to promote equal pay for equal work. The valuation of the work is set by many factors, including the job's relative worth to the organization, comparable market rates, unique skills and geographic differentials. Employees are granted incremental raises over time. Once they reach the top of their job's pay range, they begin earning longevity or seniority pay (Cayer 1996, 65; Stahl 1976, 75-77).

Public organizations and public work are under constant pressure to innovate, learn and transform (Kettl 1994). Alternatives to traditional practices constantly are being tested and piloted. Yet the position classification model remains king. As Shafritz et al. (2001, 176-177) have noted, "It is the reform efforts that have failed like minor coup attempts while classification still stands, largely unchanged."

2. The Problem

Osborne and Gaebler accuse the classification and compensation system of being rigid, hierarchical and too centralized. They argue that its rewards "seldom have anything to do with performance" (1992, 126). The Winter Commission charges that the current system is too complicated, presents the potential for conflict within the workplace, and places too much emphasis on seniority (1993, 363, 367). The National Performance Review believes the compensation system to be inflexible (1993b, 2). Other significant criticisms charge that it keeps the system in the hands of classification analysts rather than managers, it prevents the organizing of employees from being used as a human resources management tool, and it fails to account for the variety of

ways in which workers contribute to organizational achievement (Nigro and Nigro 1994, 146). All of these shortcomings, according to reformers, can be at least partially addressed with performance pay plans.

3. Reinvention Solutions

Organizations furnish their employees with many types of financial rewards. One of them is given on the basis of performance and is referred to as performance pay. James Perry explains that the theory underlying this approach contends that people will work harder if there is a known reward and if they believe their extra effort will give them a reasonably good chance of earning it (2003, 143). Inextricably linked to any performance pay plan is an appraisal or evaluation plan (Halachmi and Holzer 1986). Appraisal is critical for two reasons. First, it determines who receives the pay reward. Second, employees must believe the evaluation is fair and accurate or, according to the theory, they will loose their motivation to work harder. Performance appraisals also are used to guide management decisions in a variety of other personnel matters, such as professional development, promotion, training and discipline (Timmreck 1989, 32).

The National Performance Review and the National Governors' Association (NGA) both support pay-for-performance measures. Other than recommending that performance programs should have single, rather than multiple goals, the NPR states that performance measures must be decentralized so agencies can design systems that reflect their cultures (1993a, 25). The NGA's endorsement of performance pay incentives is contained within its review of Florida's civil service reform, which NGA upholds

as a model for system change (1993, 72-73).

Osborne and Gaebler point to the China Lake Project's approach to compensation as an alternative to the traditional classification system. They specifically list the fact that its promotion and pay are based on performance (1992, 129). The Winter Commission, which also opposes the traditional classification system, endorses simpler pay plans and a method of promotion that is both flexible and rewards better employees. They do not rule out performance pay, but express concerns that its has been a "disappointment" and warn against the pitfalls caused by underfunding and employee perceptions of unfairness.

4. Findings

Over half (53%) of the survey's respondents do not believe an appreciable change has occurred over the past decade regarding the effect of performance evaluation on compensation (Figure 9). About one-third (30%) agree that a more substantial role has developed for performance evaluation. And 17 percent indicate that pay is less influenced today by performance evaluation than it was 10 years ago. The most noteworthy statistic is that 70 percent of respondents think that the change in the role of evaluation in employees' compensation has been either negligible or insignificant.[25]

Among the 36 personnelists who answered the performance pay question, only three said they believe performance appraisal is playing a much more significant role in affecting employees' compensation than it did a decade ago.

---

[25] A comparison of the way respondents from union and nonunion states answered the performance pay question revealed virtually no difference. The mean, median and mode measures for the union states were 3.22, 3, and 3, respectively; and for the nonunion states, they were 3.11, 3, and 3, respectively.

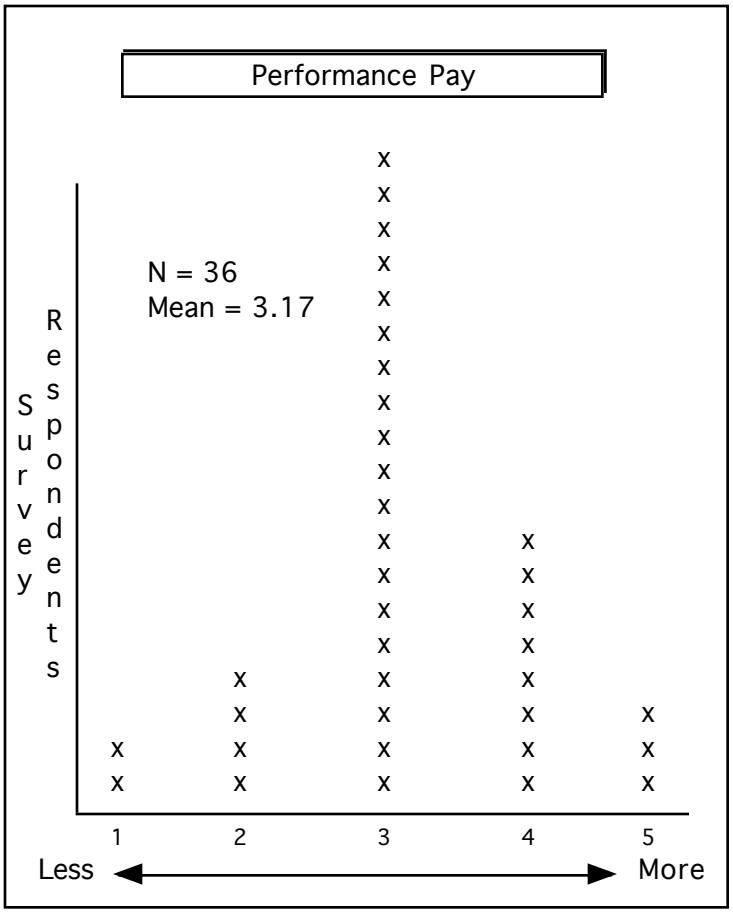
A review of the interviews makes clear that each of the three is responding based on their state's performance pay design rather than its realities.

Figure 9

Survey Question

In general, how does evaluation of employees' performance affect their compensation compared to 10 years ago?

1. *It plays a much less significant role.*
2. *It plays a somewhat less significant role.*
3. *About the same*
4. *It plays a somewhat more significant role.*
5. *It plays a much more significant role.*



Answer Choices	1	2	3	4	5	TOTAL
Percentage	6%	11%	53%	22%	8%	100%

A performance pay plan has three basic parts: an appraisal plan, implementation of the appraisal, and the distribution of performance pay. Critics charge that the idea of performance pay is flawed and will not work

satisfactorily under any circumstances (Fox 1991; Perry 2003). It is obvious that the powers that be in the leading states disagree, since all have developed performance pay plans. There appears to be, however, a lack of enthusiasm for them. The interviews indicate the principal reason is the absence of funding. Problems also appear to stem from managerial reluctance to execute appraisals, as well as ambivalence of managers and employees toward the plans. The lack of funding seems to be associated with these issues, too. Finally, based on the ongoing adjustments reported by survey participants, performance pay plans may rightly be described as works in progress.

a) Lack of Funding

As mentioned above, the leading states are not funding their performance pay plans. An official in a central personnel department said her state has developed two performance pay plans in the past 10 years. In only one of those years has it been funded. "It may be impolitic for me to say so, but some very loud voices in the legislature talk about the need to have variable pay increases for good performers versus poor performers; but when it comes time to come up with the money, they always fail to do so."

An official in an agency in another state said there had been no pay increase of any kind in four years. Performance pay exists at the agency level only, which amounts to little more than a symbolic gesture:

> There is no state money for performance pay any more. The money we have is generated internally. It is financed with existing funds. Somebody leaves and we don't fill the position, then we have some extra money. Those duties will be assigned to other people and they will get some additional duty increase. If there is any left over, it

might go to those who got super evaluations. We have 4,000 people in this department. One hundred fifty-two got performance pay increases. The rest got nothing.

The lack of funding leads to a disconnect between theory and practice. As the following portion of her interview illustrates, this central office personnelist is forced to bifurcate her answer because of the absence of funding.

Q: How does evaluation of employees' performance affect their compensation compared to 10 years ago?

A: That is such a difficult question to answer. By policy and by the way our new system was designed, I would have to answer that it affects it much more. That is because the premise behind the system is that you don't get anything unless you are a high performer. You don't get promoted. You don't get transferred into a better job. You don't get anything. That is still true. Performance is still considered when an agency initiates any kind of compensation action on an employee. But our performance pay plan is not funded and has not been funded for years.

Q: How long has it been in place?

A: Since September 2000. But the previous performance pay plan started in 1980.

Q: So, when you said that evaluation of employee performance has quite an effect on compensation did you mean in actual practice or theoretically?

A: In reality it has no effect. You can perform, you can be the ultimate performer, you can be absolutely extraordinary, but if the agency

has no money--and most agencies have no money to recognize performance--then you don't get anything.

Q: But there have been plenty of years since 1980 when the states were not in fiscal stress.

A: That's right.

Q: Are you saying that on paper evaluation of employees' performance plays a significant role in their compensation, but in reality it does not?

A: That is exactly right.

b) Managerial Reluctance

A personnel executive in a state agency described a recent change in his state's evaluation plan. When he finished recounting the improvements that he anticipated would result from the new plan he said, "So it should turn out to be better, if the supervisors choose to use them and if they use them as they're supposed to be used" (emphasis added). These caveats probably were not throwaway lines. Neither is his concern atypical. In fact, it underscores one of the major problems with performance pay: managerial reluctance to appropriately use the appraisal instruments (Nalbandian 1991, 193-194). As one agency personnelist said:

> There is a real hesitancy on the part of administrators to make distinctions between employees, at least on the positive end. They'll say to themselves, "If I give one employee seven percent and I give nine others four percent, then I am going to end up with nine unhappy people, instead of 10 happy people." They just really don't want to have to deal with that, along with everything else. They don't want to try to justify to the nine other people why they did not get a little more money.

She noted that employer reluctance did not extend to performance increases granted to employees who took on additional duties, because making that call involves a quantitative judgment. It does not entail a personal evaluation. "For example, if someone is really doing someone else's job in addition to their own, there is a provision for special duty pay. That is a bona

fide way to recognize employees for doing work that you can really document."

A veteran personnelist who works in an agency in a union state offered a similar reason for why managers are averse to actively and conscientiously taking the lead in administering performance pay plans. She said the first consideration is that 85 percent of the workers are covered by union contracts and therefore are excluded. So, that leaves managers and supervisors, among a few others, who are eligible. She continued: "Their bosses, the top administrators, I know they're thinking, 'I'm not going to penalize supervisors when I can't penalize contractual employees.' Supervisors have been penalized a number of years on the pay issue. Top administrators do not want to penalize them further. So, it is kind of hard to reward exceptional performers in the current climate. And I don't think that's just in our department. I think that's also true in other departments."

Finally, in another of the union states, a retired personnel executive said the linkage between pay and performance for those eligible was becoming more relaxed and detached. When asked if the state's difficult fiscal circumstance was the cause, he said, "Well, there are certainly budgetary constraints; but there's also management's inability to effectively establish expectations in evaluating. Once you begin doing that, then the system starts to fail."

c) Ambivalence of Managers and Employees

As an HRM official in a state agency noted, performance appraisals have become casualties of budget restrictions. She said, "It's specifically because of budget problems. There's no money, which is obvious to the rank-and-file. When there's no money, there is very little interest in doing performance

appraisals. Performance pay suffers as a result. The performance appraisals are still done annually. They're required. But the effort that goes into them has fallen off tremendously."

Another agency executive from a union state reported:

> For the bulk of employees, they are going to get their raises anyway. I don't think appraisals are valued by managers or employees. And it does not seem to matter what the format is. We've had at least three or four different performance evaluation forms. I don't mean just the form has changed, there has also been a change in focus. All of those changes have been geared to making the performance evaluation process easier and more meaningful for managers and supervisors, and to making it more job-related. But I don't see that it makes a difference. People simply fill out the forms because it is supposed to be done.

Ambivalence might more easily be understood if appraisals did not play a critical role in determining performance pay. This happens to be just the case in one of the leading states; that is, it is not mandatory that evaluations be used in making judgments about performance pay, as the following interview excerpt reveals:

A: There is a requirement for formal evaluations, but it isn't required that the decision to grant a performance pay increase be based on that evaluation. They are not inextricably linked together, although they both exist. Do you understand the distinction?

Q: I think what I hear you saying is that there's discretion to grant performance pay, but it doesn't have to be linked to the evaluation.

A: That's right. In many cases it is, and, hopefully, there will be a very high correlation between those who receive performance increases and what their performance ratings are, but it is not prescribed that there must be a specific link between the two.

The following is a selection of brief comments made by various personnelists, none from the same state, which underscores the ambivalent attitude many of the interview participants expressed about performance evaluations:

- The performance evaluation process is simply an exercise.
- An agency cannot give an employee just any performance pay it wants. It is supposed to be directly related to the performance appraisal. How well that is done varies all over the board.
- In this state, performance pay is an oxymoronic concept.

d) Work in Progress

A retired executive who had worked in the state's central personnel office said the main instrument for conducting performance evaluations had, until recently, been changed twice in the past 10 years. The first one had been set up to give managers more flexibility in evaluating subordinates, but it "was too loose and undefined and needed more structure." The revised instrument was working fairly well, but, after only two years in existence, a new law required that it be scrapped. Instead of "competencies and expectations" the revised evaluation will be based on "strategies and goals." This most recent method has now become the third appraisal system in a decade.

In one of the union states an HRM expert in an agency said competing forces are squeezing out any meaningful performance pay plan. She said negotiated increases will be given to covered employees, then in order to "maintain the distance between management and what has been negotiated, management will be given a very similar increase. So, the system almost tends

a lot of times to be automatic." A very similar tale was recounted by a union representative from another state, who said covered employees do not view compensation as being associated with performance evaluation, although technically they are supposed to be related. "The covered employees are going to go through their step increases. It is kind of perceived as automatic, if I can use that term. They do not see it tied directly to the evaluation process in any meaningful way at all." Neither of the participants advocated abandoning the system, but both agreed it needed to be changed.

In another of the union states an agency personnelist said the noncovered employees who were in a performance pay system were "going to have a harder time moving forward than covered employees who are basically in a step system." The reason? Performance pay has been frozen. He said, "There is a lot of concern for the performance pay system right now. It is obviously creating some morale issues. It's a problem we're going to have to deal with."

5. Discussion and Analysis

The overriding theme of this section on performance pay is the respondents' obvious lack of devotion to the idea, at least as it has been practiced in recent years. The disinterest is having an impact on attitudes toward appraisals as well, if, indeed, the two can be separated. This study focuses on evaluations as they relate to pay. However, as mentioned above, appraisal is a multipurpose management technique. It can facilitate communication between manager and employee, assist in coordinating goals and objectives, serve as an opportunity for mutual feedback and dialog, and provide guidance for professional

development (Halachmi 1995, 321-322). But, as an executive in a state central office pointed out, when there is no money to fund performance pay, it can be very difficult to build up interest among managers about its other benefits. "In human resources management, there is this constant selling of the evaluation system, trying to convince managers that it's important for many reasons, not just pay. But because employees and managers cannot make that link with pay, it is getting harder and harder to sell."

Experience with successful performance pay plans indicates that bonuses or salary increases should be sizable enough to be meaningful to the employee. Also, funding and commitment should be able to sustain the plan at least long enough for the organization to realize benefit from it (Ingraham 1993, 351). These are qualities that seldom exist in the public sector, as the leading states' experience over the past 10 years attests. Performance pay has been inconsistent, meager or nonexistent, all of which are attributes that predate the recent years of the states' fiscal stress.

Another of the states' problems is their systems' seeming need for frequent adjustments or overhauls. Based on a study completed almost 15 years ago, the U.S. General Accounting Office reported that no consensus existed on how to structure pay-for-performance plans. According to the report:

> State pay-for-performance systems varied with regard to funding, methods for rewarding employees whose performance justified additional compensation, the number of performance levels used to assess employees performance, and the percentage of the work force covered by pay-for-performance. Also, some state pay-for-performance programs were not fully implemented because funding for such programs was not consistently provided (1990, 2-3).

These findings could have been issued yesterday and been credible, which helps explain why three of the leading states are in the midst of reworking their performance pay plans. One of them is embarking on its third renovation in a decade.

Given that performance pay plans sport a history of reproducing similar problems, what accounts for their continued endorsement? They started gaining favor in the private sector in the early-1960s. The pay plans' big boost in the federal government occurred when provisions for their use were included in the Civil Service Reform Act of 1978. They ranked "among the most radical innovations in the history of American government personnel practices . . . [and] represented a break from the long tradition of virtually automatic salary increases based on length of service" (Thompson 1989, 389). The supporting logic of transferring performance pay plans to the public sector reflects a common assumption, which holds that if they work in private enterprise they will work in government. Patricia Ingraham argues, however, that their adoption constitutes a "classic" example of failing to examine previous experience, making unwarranted assumptions, and disregarding transferability issues (1993, 349).

Ingraham also asserts that experience with performance pay in the private sector has not been particularly successful. Rather, its achievements have been decidedly mixed. A review of the literature led her to conclude:

> Overall, little in the documented record of private sector experience with performance appraisal and pay-for-performance suggests clear success; indeed, much of the record can be read as failure. In any case, private systems do not present an unqualified success story with clear lessons for public sector organizations and managers (1993, 350).

Surely, performance pay would not continue to generate adherents if its spotty private and public sector records were well known and if critics of government performance did not make unwarranted assumptions about private-public transferability.

a) Summary

The Winter Commission suggests that state governments reevaluate their performance pay plans. It reasons that too many do not live up to expectations, are not properly administered, and suffer from inadequate funding. The Commission concluded that the "best available research suggests that pay-for-performance plans in the public sector have been a disappointment . . . [and] should be dropped if they are not perceived by employees as fair or if they are underfunded" (1993, 30). The experience of the leading states thus far suggests the critics have it right. Performance pay plans, with few exceptions, have yet to walk the talk.

B. Privatization

1. Background

The primary techniques for reinvention of public personnel reform are deregulation and decentralization. These are the administrative vehicles for achieving more efficient and economical government services. Privatization, in turn, may well be considered the third member of the triad.

It generally can be described as any process that shifts responsibilities and functions from the government to the private sector (U.S. General Accounting Office 1997, 1). Privatization is recognized by some as "one of the intellectual

traditions that underlie reinvention" (Brudney, Hebert and Wright 1999, 20).

The 1990s became the first decade of serious privatization for state governments (Auger 1999, 435). One close observer reports that most states have accepted it as a "practical management tool" (Chi 1999, 1). It has the potential for redefining the character of public human resources management. In fact, Paul Light argues that the transformation has already occurred, at least in the federal government. He said the last six years of the 20th century "witnessed the most significant reshaping of the federal workforce in recent history" (1999, 1).

A variety of methods are used to privatize programs and services in the states. By far the most common form is contracting out (80%), followed by grants and subsidies (6%), and public-private partnerships (4%). Among the remaining methods (e.g., service shedding, volunteerism, franchise, vouchers), none accounts for more than two percent of all privatizing activities (Chi and Jasper 1998, 13).

2. The Problem

When government has a monopoly, economic incentive is missing, which results in poorer service at greater expense. According to the National Performance Review, government monopolies have produced higher costs, endless delays, and reduced flexibility (1993a, 55). Other arguments for privatizing arise from the public-choice critique, which asserts that public administrators are motivated in large measure by personal values and preferences which frequently conflict with public purpose and efficient management (Kettl 1988, 13-14). David Morgan and Robert England agree that most advocates of privatization defend it based on an economic

argument. "Such devotees are committed to the presumed advantages of the market. They contend that the private sector inherently is more efficient than the public sector, primarily because it brings increased competition and reduces governmental bureaucracy and red tape" (1988, 979). The central theme of privatizing, then, is maximizing efficiency.

3. Reinvention Solutions

As mentioned above, reinvention maintains that the value of privatization rests in the promise of improved efficiency and cost savings. This will occur by exposing government's monopolistic practices to market economics. The National Performance Review states:

> By creating competition between public organizations, contracting services out to private organizations, listening to our customers, and embracing market incentives wherever appropriate, we can transform the quality of services delivered to the American people (1993a, 64).

Osborne and Gaebler claim that privatization is perhaps the most important concept contained in their enormously influential book, *Reinventing Government* (1992). They write that "it holds the key that will unlock the bureaucratic gridlock that hamstrings so many public agencies . . . It forces public monopolies to respond to the needs of their customers, rewards innovation, and boosts the pride and morale of public employees (1992, 79-84). The National Governors' Association endorsed privatization, calling it a "basic tool for reinventing state government." It is considered a potent solution because it will allow "states across the country to benefit from the capital, expertise, ingenuity--and most of all--the 'can do' spirit of the private sector" (1993, 41).

4. Findings

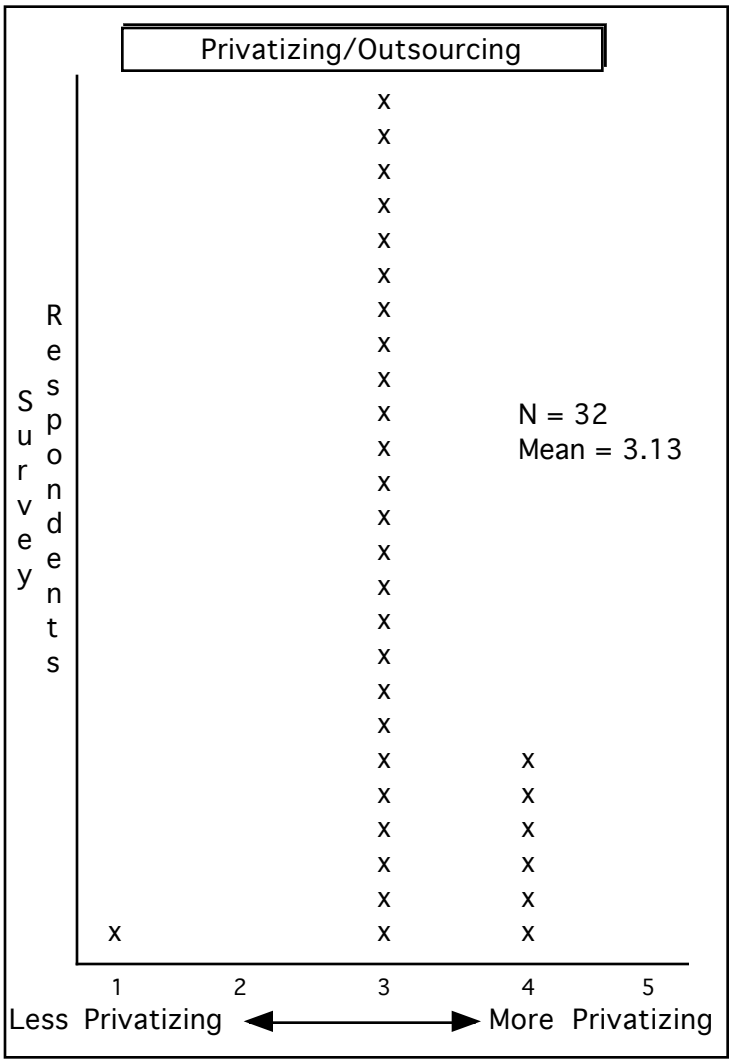
A very large majority (78%) of respondents reported that in the past 10 years there has been little change in the central personnel department's use of the private sector to perform human resources services (Figure 10).

Figure 10

Survey Question

In general, how does the central personnel department's use of the private sector to perform human resources services today compare with 10 years ago?

1. Much less use
2. Somewhat less use
3. About the same
4. Somewhat more use
5. Much more use



Answer Choices	1	2	3	4	5	TOTAL
Percentage	3%	0	78%	19%	0	100%

About one-fifth (19%) believe a modest increase has occurred and one participant expressed the belief that use of the private sector has decreased

substantially. The view of the majority that virtually no change has occurred does not reveal how much privatization was underway a decade ago. However, based on the interviews, the status quo response clearly means that there was not much privatization a decade ago and there is not much now. An HRM executive in a central office of one of the leading states remarked, "I would say outsourcing has been about the same, bearing in mind that the level of use of the private sector was very, very low 10 years ago." A union representative in another state said, "I do not see that there has been any meaningful change. Human resources work, especially at the department level, is almost all done internally."

The kind of government work that has been privatized is usually routine, exists within a competitive environment, and offers clear and measurable performance standards. Examples include waste management, park maintenance, street cleaning, janitorial work, and data processing (Balk 1996, 79). About 40 percent of the personnelists provided examples of the kinds of privatization that is occurring in their states. The use of outside contractors to provide training led the list. Assistance with information technology was mentioned several times. Other examples only were cited by one or two survey participants. They include processing workman's compensation claims, exam development and validation, salary surveys for market analysis, wellness program management, and payroll processing. Half of these services are not always the responsibility of the personnel office.

A quarter of the respondents said the central office utilizes consultants. One can question whether using a consultant should qualify as an example of privatization. As an executive in a central office said:

> We do not use the private sector to perform any HRM services. We have been using private industry to consult with, but not actually to perform services. As far as consulting with them, setting up plans, yes, we are using them much more than 10 years ago. It really all depends on how you want to word the question.

Based on the interviews, the word consultation was used most often used in the sense of bringing in expertise that would not otherwise be available, and utilizing it for a specific and often temporary purpose. A central office executive from another state gave this example: "We are not really reliant on the private sector to do anything here. We continue to do it all. We have health plan carriers, of course; and when we put together our information management system we brought in I.B.M. and some others, but on the whole, that's about all."

5. Discussion and Analysis

Any current discussion of privatizing HRM services will be disadvantaged by the scant literature that exists on the subject. Virtually all of the writing and research focuses on the challenges privatization poses for personnel professionals, such as improving the contracting and monitoring skills of employees, and providing safety net services for displaced workers (U.S. General Accounting Office 1997, 15-16). The most recent nationwide surveys of HRM practices by the National Association of Personnel Executives included negligible inquiries about the subject (2000, 176; 1996, 162-164). In a survey of privatization in the states, human resources departments were not even included among the 15 areas of government about which the investigator inquired (Chi 1999).

This study considers privatization to be important because of its principal place among reinvention's recommendations. The findings disclose that privatization is among those personnel procedures that have made the least progress toward the reinvention goal of outsourcing or employing other forms of public-private partnerships. Nevertheless, there are several reasons to suspect this may change. One reason is related to the evolving role of many personnelists, which appears to be transforming from that of a subject matter expert to one of a generalist and consultant. Hays and Kearney describe both the traditional and emerging proficiencies of HRM professionals.

> The traditional, technical concerns of the personnel manager remain important, but an increasing proportion of his or her time must be invested in policy concerns such as productivity improvements, managing diversity, accommodating the handicapped, and serving as a buffer between line managers and the legal and practical requirements of a complex workplace (2003, 181).

With HRM departments focusing more on strategic issues, privatization may be used more often in order to shed routine tasks (Berman 2003, 193).

Another reason is related to the current movement in government toward emulating the private sector. If the trend continues, it is likely that an increasing number of state personnel functions will be privatized. Wendell Lawther notes that private sector trends, both nationally and internationally, indicate a continuation of the outsourcing of HRM functions; although he points out that state and local governments have not yet shown the same degree of interest (2003, 203). Still, surveys by the Council of State Governments covering the decade of the 1990s and projecting to the early years of this millennium reveal that privatization in the states has been growing and is

charted to continue (Chi 1999, 3-4; Chi and Jasper 1998).

A third reason is explained by two HRM experts from different states, who discussed the outsourcing of back-office functions, which means contracting out routine clerical and processing duties. One of the respondents, a central office executive, says:

> I think we will always be looking at processing those kinds of things and thinking about how we can outsource them. To say 'always looking' probably is not right, but whenever it seems practical to do that, we do it; that way we can spend more of our time in here working with departments, being more global in nature, as opposed to processing claims.

On the negative side of this discussion is the question of whether outsourcing accomplishes one of its principal missions, which is to increase productivity. A central office personnelist in a union state explains:

> Right now jobs are being eliminated, but contracting out is being expanded. The unions are pretty upset because they are saying the outsourcing is more expensive. To be honest, in some cases we know it costs more. But this allows the legislature to claim that positions have been cut, to say we've reduced state jobs.

A personnel executive in the central office of another union state says there have been discussions about outsourcing HRM's labor relations function, which includes bargaining contracts. After looking into subcontracting the work to a law firm, it was decided that costs would actually be more expensive. Making a clear determination in these situations is often difficult, which is the conundrum at the root of much of the privatization controversy (Berman 2003, 193).

Even if more HRM functions continue to be privatized, they are likely to be

limited. For example, consulting and advising may not be appropriate for privatization (National Performance Review 1993a, 60). As Lawther argues, "There are core HRM competencies that should remain a part of the HRM department" (2003, 205). Public officials are not likely to permit essential internal government operations, such as the management of its human capital, to stray too far away from their control and oversight.

a) Summary

There are several reasons to suspect that privatization will increase in human resources management in the states. Routine, back-office functions, not core competencies, are the ones most likely to be subject to greater competitive challenges. Even in these areas, however, privatization of HRM functions in the leading states has made meager progress.

C. Poor Performers

1. Background

Employee discipline can take many forms, including reprimands, suspension, demotion, reassignment, loss of seniority rights, and termination (Cayer 1996, 88-89). In the public sector, applying these and other forms of discipline is intricate and involved. The policies and procedures usually are constructed to provide due process (Bruce 1997, 255). The U.S. Supreme Court delineated the specifics of due process in *Cleveland Board of Education v. James Loudermill et al.*:

> The essential requirements of due process . . . are notice and an opportunity to respond. The opportunity to present reasons, either in person or in writing, why a proposed action should not be taken is

> a fundamental due process requirement . . . The tenured public employee is entitled to oral or written notice of the charges against him, an explanation of the employer's evidence and an opportunity to present his side of the story (1985, 1493).

In addition to these protections, public sector union employees have more rights than employees who are not union members. For example, the high court ruled in *Weingarten v. U.S.* (1980) that union employees are entitled to be represented in disciplinary actions (Finkle 1995, 604; Hays 1995, 145-146).

With the exception of union rules and civil rights laws, civil service protections are the only safeguards afforded American workers against arbitrary dismissal. Unlike most of the world's industrialized democracies, the United States does not provide American workers with legal protection against unfair discharge (Hindera and Josephson 1998, 98). Nearly all government workers, however, have lawful recourse through formal grievance procedures to contest dismissal action. Approximately 80 percent of state workers are covered, although the specific conditions and protections regarding termination are not uniform.

Just cause means that employees cannot be disciplined or dismissed without good reason. The specifics of what this implies vary, but generally speaking they require employers to plainly stipulate, specifically communicate and fairly apply standards for discipline or dismissal. Ideally, these criteria benefit both management and labor. As John Hindera and Jyl Josephson describe it:

> One of the most important aspects of the employee-employer relationship is a mutual expectation of justice and fair play . . . Just cause can provide such a sense of fair play, offering clear guidelines

> for employees regarding actions for which disciplinary action, including dismissal, will occur as well as clear rules for supervisors regarding the exercise of their supervisory authority (1998, 100).

2. The Problem

The protections discussed above have accrued over the years based on the merit principle that arbitrary actions are prohibited, which translates into requiring employers to formally defend their decisions. Ironically, the safeguards which traditionally have been viewed as a strength of civil service systems are now thought by reformers as having become liabilities. As Steven Hays says, "One of the truly notorious criticisms of government employment is that civil servants enjoy an excessive degree of job security" (1995, 146). A survey of federal employees revealed that nearly half believe their agencies have a "major problem" dealing with poor performers (MSPB 1997a, 2).

A related observation was made recently by the U.S. Merit Systems Protection Board, which stated that "after literally decades of research, discussion, and debate about poor performers . . . there remains a widely-held perception that the U.S. government is not doing enough to deal appropriately with federal employees who do not do their jobs adequately" (1999a, 7). And it should be noted that MSPB's assessment comes more than 20 years after the Civil Service Reform Act of 1978, which included legislation that sought to make it easier to dismiss unsatisfactory performers.

3. Reinvention Solutions

The National Academy of Public Administration states that employee grievance processes, while intended to uphold principles of fairness and equity, have become complex and time consuming (1993, 41-42). The reinvention

reports echo this concern. The National Performance Review states that it takes far too long to dismiss workers who do not do their jobs. "We believe this undermines good management and diminishes workers' incentives to improve" (1993, 25). According to the NPR, the time it takes to process a dismissal should be reduced by half (1993, 22, 25). The Winter Commission also recommends that termination be made more efficient. It suggests binding arbitration in order to quicken the pace (1993, 33).

Osborne and Gaebler assert that responsibility for the elongated process rests with protracted appeals procedures; they too advise that it be streamlined (1992, 129). Both the Winter Commission and Osborne and Gaebler maintain that the system is so laborious and drawn out that managers would often rather put up with poor performers than deal with them.

4. Findings

More than half (56%) of the leading states' experts believe virtually no change has occurred in the procedures for dealing with poor performing employees (Figure 11). The other respondents divided equally between those who think discipline practices have become at least somewhat more complex and time consuming (22%) and those who believe procedures have become less so (22%).[26]

The principal finding to emerge from the interviews is that managers are reluctant to put in the work and time required by the disciplinary procedures.

---

[26] The only respondent to say that dealing with poor performers has become substantially more complex was an official in a central office in a union state, who said employees "shelter themselves" with their rights and protections. He said a manager can work for months to build a case against a poor performer, then, because of union-bargained transfer rights, the employee moves to another agency and the case file is nullified.

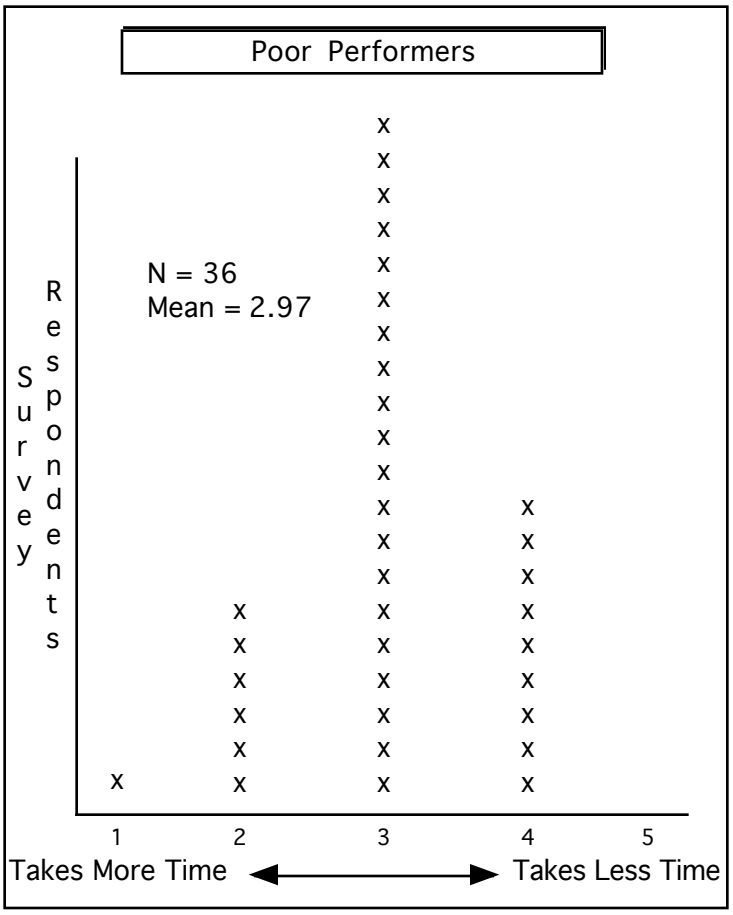
The other important finding is that states have made progress in streamlining disciplinary and dismissal practices. In the ensuing two sections, these findings are explained more fully.

Figure 11

Survey Question

In general, how do personnel procedures for dealing with poor performing employees today compare with 10 years ago?

1. *Much more complex and time consuming*
2. *Somewhat more complex and time consuming*
3. *About the same*
4. *Somewhat less complex and time consuming*
5. *Much less complex and time consuming*



Answer Choices	1	2	3	4	5	TOTAL
Percentage	3%	19%	56%	22%	0	100%

a) Managerial Reluctance

Managers often are reluctant to fulfill their responsibilities for sustaining the system. The overriding reason, based on the survey respondents, is the work and time involved for the manager. The intervention steps a manager must

follow for poor behavior or unsatisfactory performance usually include a verbal or written warning, then an official reprimand, then removal (Finkle 1995, 605-606). The number and nature of these steps differ from state to state, but the general idea is the same: a manager makes the employee aware of the problem and affords the employee opportunities for improvement. Each step must be documented so that a written record exists. This communicates to the employee that management is serious and that appropriate procedures are underway; and it supports management, which bears the burden of proof if a disciplinary action must be formally defended. As a central personnel department official said, "Doing proper documentation is more work for the manager, but it's better that way because if an action is grieved, the manager has documentation to demonstrate that it was not arbitrary, that it should not have come as a surprise to the employee."

In a similar vein, a union official remarked, "There is a perception out there that it is too difficult to do anything with these poor performers. I do not believe that in reality that is true, but it is a time-consuming process in order to deal with them. I think it is easier for most out there to just turn the other way and get on with their jobs." An agency official explained the consequences of not following the disciplinary procedures. "We want all people to be treated the same and we want management to have to follow the guidelines that are established to deal with poor performance. As a result, I think they oftentimes do not dot their i's and cross their t's. And if they have not done what they are supposed to do, then when it is put under a microscope at a grievance hearing they do not prevail."

One former personnelist was asked, "Even though it may be tedious, if the

process produces results that either improves the situation or makes a convincing, why is it that managers are reluctant to use it and settle for putting up with the problem employee?" The official answered:

> Consumption of time. I mean, it is really not intellectually challenging at all. It is just so time consuming. I could speak from firsthand knowledge that sometimes you get bored talking about the same individual. Under the procedures, you are actually working with the individual, giving him the opportunity to recognize where he may have weaknesses and to improve on them, and offering assistance to him. It becomes laborious, that is all. Maybe I am too impatient for the whole process.

He concluded by saying about dealing with poor performers, "I have done it many times, but after a point you wonder what's the use?"

b) Streamlining Procedures

Even though most of the survey respondents do not believe discipline procedures are more efficient, several participants noted changes which they believe have potential for improvement. At least three states increased probation from six to 12 months. During probation new employees do not have just cause rights, which means managers are not required to adhere to the stringent disciplinary process. One appreciative HRM expert in a state agency said, "You don't have to go through worrying about how hard it is to terminate a new state employee because now you have the 12 month time frame to determine whether they can do the job or not." A personnelist from an agency from another state added:

> Six months was not enough time to make a determination about new employees. Now you have a longer period of time to see if they can do the job, and it is simple to terminate them or deal with them if

they are unable to do the job. It simplified it for probationary employees.

Some respondents touted other improvement in their state's approach to poor performers, such as switching from a discipline orientation to a performance improvement approach. Willa Bruce describes this in terms of contrasting paradigms, which she likens to the difference between the assumptions underlying Douglas McGregor's Theory X and Theory Y (197, 260-261). Other personnelists lauded the elimination of one of the disciplinary steps. "The process was shortened from four steps to three. The most confusing step, which was the first one, the oral warning, was hard to document. How do you really know what's an oral warning? So, it was completely eliminated." Other improvements included one of the states developing a cadre of mediators who could be called upon to step in and moderate a conflict situation. Several personnelists mentioned that better guidance has been devoted to helping managers utilize the disciplinary system, which includes a greater emphasis on accountability.

5. Discussion and Analysis

Disciplinary actions are perceived to be a big problem in government. A survey of 9,700 federal employees found that correcting and firing poor performers is "the single most negative area of concern" among the respondents (MSPB 1997a, 2).[27] An investigation by the U.S. Office of Personnel Management revealed even less favorable attitudes (1999b, 3).

It is unlikely that data from similar surveys about states' experiences are

[27] Forty-four percent "felt their agencies regularly do a poor job of correcting inadequate performance" and 51 percent "said their agencies don't fire people who cannot or will not improve." These proportions are similar for both supervisors and nonsupervisors (MSPB 1997, 3).

available, except perhaps on a state by state basis. The National Association of State Personnel Executives did not include any inquiries about correcting or firing poor performers in its most recent nationwide surveys (2000; 1996). However, this study found that little has changed in the leading states during the past 10 years. The interviews reveal that their difficulties closely resemble those in the federal civil service.

The cause of the problem appears to be managerial reluctance to expend the time and effort required to deal with poor performers. Fifty percent of the respondents made this claim. The federal government's experience is similar. The U.S. Office of Personnel Management found that supervisors were "definitely not disposed" to use formal procedures, which is a finding consistent with many other studies (1999b, 32). The U.S. Merit Systems Protection Board reports that managers tend to use informal incentives and disincentives to change behavior or improve performance. On balance, there is a "general reluctance" to use formal procedures or deal more aggressively with the situation (1999a, 8), which accords with the comments made by the survey participants.

The MSPB found several reasons to account for the unwillingness. One is supervisors' aversion to confronting people about negative aspects of their behavior or performance (1999a, 21-22). Another is that managers do not believe they receive the necessary training; a majority of them describe it as being "nearly useless" (1999a, 1). The reason most often cited in the leading states survey dovetails with one of those reported by OPM, which is that managers "dislike the tedious and time-consuming process" (1999b, 11).

Reinvention recommends "streamlining" the process of dealing with poor performers (Osborne and Gaebler 1992, 129). Almost half (47%) of the

respondents in the leading states survey provided at least one example of positive changes that have taken place over the past 10 years. The Winter Commission recommends binding arbitration as a method to move the process forward (1993, 33). This technique is used as a final step for represented employees in the union states, and is also available in at least two of the nonunion states. But none of these suggestions will remove the just cause principle or the due process steps associated with it. In fact, the trend seems to be toward increasing these protections at all levels of government (OPM 1999b, 1), which will make the manager's job even more difficult.

Several personnel executives from the leading states argue that managers simply must step up and utilize the existing discipline process. An official from a central office, when told that managers believe the disciplinary system's procedures are a major factor in poor performers staying on the job, said:

> That is bull. And I have said it over and over again. You have just got to do it the right way. If you have a poor performer, it does take time, it does take effort, but you can get rid of that person. That is where the manager falls short. He just does not want to take the time to do it. The problem is not the process; it is following the process.

According to an agency personnelist from another state, "The mechanisms may be cumbersome, but they are there, and, if utilized, they can deal with poor performing employees in a rational and systematic way. At the end of the day you can get results, but those systems and procedures are just not often utilized like they are set up to be." The U.S. Office of Personnel Management makes the same argument, saying "managers must try harder to support justifiable actions against poor performers (1999b, 35). The federal

agency also exhorts higher level mangers to "articulate and convey clear expectations" (OPM 1999b, 35). This falls in line with the National Performance Review's call for the development of "a culture of performance that supports supervisors' efforts to deal with poor performers" (1993a, 41).

a) Summary

The just cause principle cannot easily be leveraged in service of other values, such as substantially reducing the duration or complexity of the discipline process. Streamlining and greater managerial commitment to working the system are the principal recommendations for change. The former seems to have made headway in the leading states, whereas the latter shows fewer signs, if any, of progress. There does not appear to be any dilution of traditional just cause protections. Even among those survey participants who commented on the time and tedium associated with the process, none complained about the value of the just cause principle. It simply takes time and perseverance to document performance or behavior problems. The discipline system is not structured for easy management (Fox and Somma 1997, 85). It is a bulwark against whim and caprice; and it does not appear to be changing in ways advocated by reinvention.

D. Deregulation

1. Background

The thrust of mainstream organization theory in the past 20 years has asserted that increasingly complex and volatile environments must be met with more nimble and responsive organizations. If standardization and hierarchy constitute the traditional organizational model, then contingency and

decentralization comprise the contemporary model. Public sector human resources management reflects the traditional approach. It emphasizes standardization and control, which is evidenced by its concentration on regulating personnel practices (Rainey 1994).

Osborne and Gaebler differentiate between rule-driven and mission-driven organizations (1992, chapt. 4). Entrepreneurial governments "get rid of the old rule books . . . define their fundamental missions . . . [then develop] rules that free their employees to pursue those missions" (110). Their assumption is that most rules have outlasted their usefulness and should be jettisoned, thus leaving organizations with only the rules that really are necessary. They write unfavorably about the regulations in public personnel management: "Civil service rules are so complex that most managers find them impenetrable" (125).

Deregulation is not to be confused with decentralization. Deregulation implies fewer rules, which can occur in a highly centralized system that makes no attempt to distribute authority to the periphery of the organization. Conversely, a decentralized system does not necessarily mean fewer rules; it may simply denote dealing with regulations at the field level rather than at the level of the central office. In accord with this distinction, it is instructive to note that only four of the 35 participants who responded to the deregulation inquiry mentioned decentralization.

2. The Problem

Paul Volcker and William Winter, who led commissions that issued influential reports on the public service, describe its problems in very harsh terms, mostly focusing on regulations.

Not even the most public-spirited government workers can succeed if they

are hemmed in on all sides by rules, regulations, and procedures that make it virtually impossible to perform well. The most talented, dedicated, well-compensated, well-trained, and well-led civil servants cannot serve the public well if they are subject to perverse personnel practices that punish innovation, promote mediocrity, and proscribe flexibility (1994, xv).

A more recent commission, which called for organizational restructuring of the federal government, also expressed deep concern for the public service. Again, the focal point is regulation. "Those who enter the civil service often find themselves trapped in a maze of rules and regulations that thwart their personal development and stifle their creativity" (National Commission on the Public Service 2003, 1).

The National Performance Review asserts that regulatory overkill is responsible for making government processes sluggish and ponderous. It claims the civil service system is one of the principal contributors to excessive regulation (1993a, 32). The Winter Commission states that government's executives, managers and employees need to be liberated "from the thicket of outmoded laws, internal regulations, and controls that has grown up around them over the years" (1993, 24).

3. Reinvention Solutions

All three reinvention reports have called for deregulation of public personnel systems. Their recommendations include two significant changes in the traditional approach to organizing human resources. First, the regulations should be relaxed, simplified, reduced or eliminated, which is the focus of this section. The second change, which the reports associate with deregulation, is

the delegation of rules to agency-level managers, who will have more discretion in how they are applied and greater accountability for the results. This is more accurately referred to as decentralization, since deregulation does not *necessarily* imply deregulation, and vice versa.[28]

As many have argued, public sector organizations operate in more attenuated environments than their private sector counterparts. Still, as James Q. Wilson notes, "even if we cannot expect deregulation in the public sector to yield the same results as in the private sector, we can at a minimum agree that detailed regulation is rarely compatible with energy, pride in workmanship, and the exercise of initiative" (1994, 45-46). With that said, deregulation, when applied to public HRM systems, attempts to remedy organizational rigidity and sluggishness "by reducing or eliminating the rules and regulations that impede the efficiency and effectiveness of government's personnel function" (Coggburn 2000, 24).

4. Findings

Deregulation is a word that can refer to reducing a variety of different governmental activities. In this study it is referring to the number and complexity of regulations related to human resources management. The areas a personnelist would think about in relation to this question include internal requirements related to position classification, testing, and grievance procedures; but they could also include externally imposed requirements, such as those related to federal laws and labor contracts. Almost three-quarters (72%) of the HRM experts from the leading states believe that the number and complexity of these personnel regulations have either remained the same or

[28] Decentralization was reviewed earlier in Chapter 4 and Chapter 5.

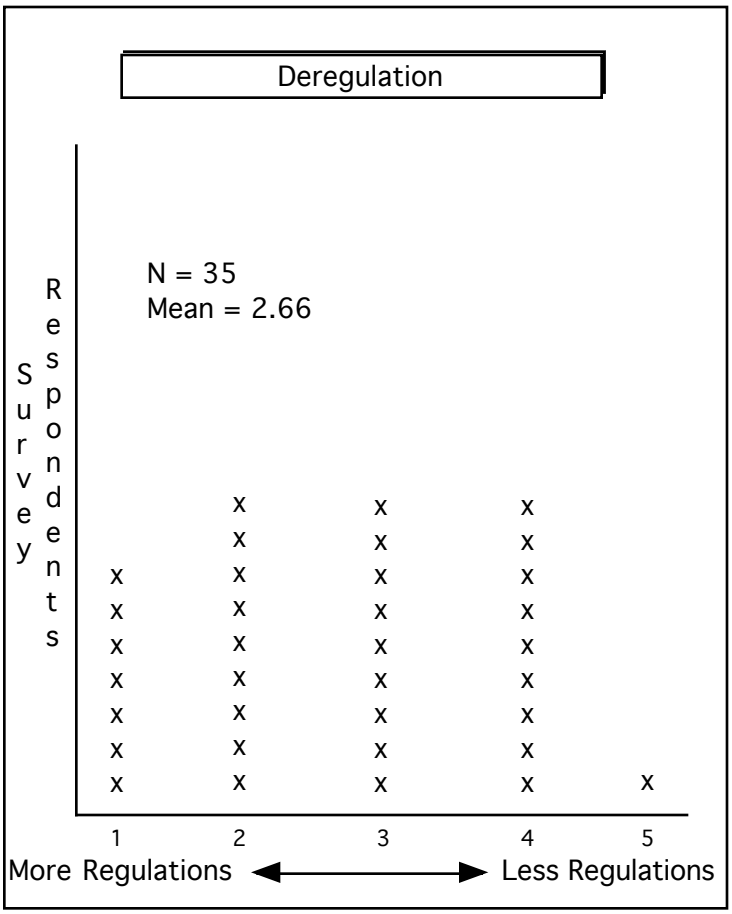
increased during the past 10 years (Figure 12). Even discounting the 26 percent who chose the status quo response, nearly half (46%) of the participants indicated that the number of regulations has expanded. This is not the trend reinvention proponents would hope to see in the leading reform states. They would want it to be moving in the opposite direction, toward fewer regulations.

Figure 12

Survey Question

In general, how do personnel regulations compare with 10 years ago?

1. *Much more numerous and complex*
2. *Somewhat more numerous and complex*
3. *About the same*
4. *Somewhat less numerous and complex*
5. *Much less numerous and complex*



Answer Choices	1	2	3	4	5	TOTAL
Percentage	20%	26%	26%	26%	2%	100%

The main theme to emerge from the interviews on this subject is the accretion of rules and regulations. Nineteen of the 29 respondents who

commented mentioned that regulations increased. No other subject associated with deregulation received half as much attention. Nevertheless, several important topics arose from the interviews. They relate to operational techniques that have had a positive impact in dealing with regulations. Examples include consolidating, streamlining, being more flexible, and using information technology.

a) Prevalence of Regulations

"Legal mandates and requirements just make being in HRM more complex." This matter-of-fact statement by a central office personnel executive sums up the consensus of those who commented on the increase in federal, state and union regulations which impact public personnel management.[29] The interviews unveil an inventory of laws and other sources which add to the regulatory mass. They include workman's compensation, drug and alcohol testing, the Fair Labor Standards Act, layoffs, the Family and Medical Leave Act (FMLA), organizational restructuring, catastrophic leave, Equal Employment Opportunity (EEO), registering alien workers, disability leave, Homeland Security, the Americans with Disabilities Act, retirement, discrimination, and benefits.

A retired personnel executive said about the rise in regulations, "First, you have a thick book of union agreements that you have to deal with, along with the civil service rules. Then on top of that there are a number of federal laws that add complexity. And the state has its laws, which sometimes provides more or different protections than the federal laws do." For example, he said

[29] On the face of it, one would think a difference might exist between the way personnelists in union and nonunion states answered the deregulation question. However, a comparison of mean, median and mode measures does not indicate any meaningful difference. For the union states, the measures were 2.71, 3, and 3, respectively; they compare to 2.61, 2, and 4, respectively, for the nonunion states.

his state provides the same kind of safeguards and benefits contained in the federal FMLA, but, whereas FMLA guarantees 12 weeks of unpaid time off, the state equivalent allows six months. Referring to the FMLA he said: "It just seemed like something extra that you had to do that may not accomplish a lot extra, but there were a number of things like that." A central office professional from another state put it this way: "Starting with the feds, they have just buried us alive in processes, procedures and rules."

Another central office HRM executive recounted not only the accretion of rules, but also gave his opinion about why regulations continue to increase, an opinion which is shared by others who spoke on this question.

A: We have so many rules, I cannot count them all. It has become more complicated and much more prevalent.

Q: To what do you attribute that?

A: Just our society. We have protections for everybody and rules that regulate how you treat almost everybody. Everybody has more rights than they ever had before, and they are all interrelated. We have our own civil service rules and statutes, and then we have federal regulations. We have union contracts that only grow every year and every year and every year in terms of employees' rights and privileges. The protections from violating anybody's rights keep expanding and becoming more complicated. Now and then they conflict with one another. So, sometimes my head hurts just thinking about all the things that we have to think about.

Q: Does it also mean that an HRM person must become more knowledgeable.

A: You either become more knowledgeable or you get into trouble more often. Not purposefully, but it has gotten to the point now where there are so many rules, regulations, procedures, guidelines and everything else that you are almost doomed at some point to miss one of those hurdles and fall.

A central office personnelist summed it up when she remarked, “No matter what we do operationally, the fact is the environment we live in is causing things to be more complex.”

b) Operational Techniques

Several personnelists acknowledged that, whereas the number of regulations has increased, internal measures have been taken to lessen the weight of the additional responsibility for the human resources office. Consolidation is one of the methods. “In other words,” as a central office executive said, “we had many, many, many operational bulletins that were out in the agencies. We went through and marked many of them as being obsolete. And we’ve told agency directors which ones were still relevant.” A personnelist from an agency in another state said they had rewritten the rules, paying particular attention to terminology, so the guidance being distributed could be understood more easily.

Expanding the use of online technology helps the central offices and agencies deal with regulations. A central office personnelist said, “We use online tools. Agencies and employees can go in to a secure website, using their own human resources information systems, and they can get benefit details, vacation and sick leave accrual, personal data, track grievances, read reports, file reports. It’s amazing.” A particularly telling example of the use of online technology was reported by another personnelist in a central office:

> We have an EEO assessment program that is online. Agencies can go in and cull a report which we have prepared on all of their hiring activities. Based on that report, they are given an indicator that

> there do not appear to be any EEO issues, or that there are some indications of some issues; for example, disparate impact. Or, another example, is making available every quarter the statewide payroll activity. They can see what the pay increases have been for all state employees who have been promoted. It gives them some benchmarks. If we come across something that appears wrong or has violated policy, we write a letter explaining what we have discovered and see to it that it is corrected. These not only make dealing with regulations easier for them, it's easier for us.

Three of the respondents mentioned the beneficial effect of streamlining the HRM process, such as conducting annual reviews of procedures, which includes getting suggestions from agency managers and HRM directors. Referring to the central office, an agency HRM executive said, "That's one of their goals—to streamline and simplify whenever possible and wherever possible, and involving end-users in the process."

5. Discussion and Analysis

A large majority (72%) of survey participants thinks regulations have either remained the same or increased in the past decade. An investigation of employment regulations in the federal government found that little change has occurred there either (Truman, Hindera and Roth-Johnson 2001, 436). A report by the U.S. Merit Systems Protection Board concludes that "deregulation has had limited success to date and much remains to be done" (1998, iii). The agency's study was based on perceptual data collected from a nationwide series of focus groups involving managers, supervisors, and personnelists. The report also found that:

- A reduction in rules and regulations has taken place in *some* areas, but there are other cases in which either no deregulation or an actual increase in regulations has occurred (original emphasis).

- Increases in regulations result from agencies having replaced eliminated HRM rules or from new legal requirements having been imposed.

- Many barriers keep deregulation from being effective, such as regulatory policy changes, union agreements, and budgetary restrictions (1998, ii-iii).

These concerns resonate with the findings from the leading states investigation. They underscore the fact that public personnel managers must deal with internal and external regulations. The former type relates to the management and administration of a state's internal personnel responsibilities, such as selection and classification, which are originally derived from statutes and reflect the administrative prerogatives of individual states. External regulations, on the other hand, are "universal regulations adopted for purposes larger than the operations of any particular government or agency" (Nathan 1994, 167-168). Many of these exert an impact on state personnel operations, yet there is often little that can be done by state political or administrative leaders to ameliorate their effect. Several examples emerged from the leading states survey, including workman's compensation, the Americans with Disabilities Act, the Fair Labor Standards Act, the Family Medical Leave Act, and others. As an agency personnelist said, "The single area where I feel most constrained is here at the agency level where we have no ability to shape these policies. There is so little flexibility to maneuver when the rules are already set."

Rules that have been eliminated by the central personnel office often are replaced by others that have been negotiated in collective bargaining

agreements (OPM 1998, 6). As a central office executive in a union state said, "It seems like every cycle of collective bargaining we add five or ten pages more to every contract, and we've got 19 unions." According to the U.S. Merit Systems Protection Board, "Deregulation has caused unions to fill the gap of reduced regulations in order to protect employees' rights, and union contracts have placed many new restrictions on managers" (1998, 9). Thus union agreements are frequently viewed as barriers to deregulation. An HRM executive from a union state's central office said:

> So, I think the agencies' perception from the labor relations end of it would be that regulations are a lot more complex. Throw in the federal stuff, along with the contract language provisions with which they have to deal, and that becomes burdensome, especially when government starts to downsize. When you start dealing with layoffs and restructuring you've got a whole lot of federal provisions you have to be concerned with.

These barriers do not seem to indicate a lack of commitment to the deregulating ideal proposed by reinvention. On the contrary, in the opinion of this investigator the respondents seem to embrace deregulation, as long as it does not undercut reasonable administrative control, organizational accountability, and legal protections. These qualifications, however, may be at the root of what is hampering the reduction of the number and complexity of regulations. As stated by MSPB, "There are limits to the amount of deregulation that can reasonably occur. It must be done within the parameters of the merit system principles, laws and public policy" (1998, i).

Some of the increase in regulatory burden may result from decentralization. On the one hand, decentralization--with its emphasis on empowered employees, flexibility and customer service--may aid in identifying and eliminating outmoded

rules and policies. On the other hand, it may be contributing to agencies' regulatory burden through load-shifting, that is, by passing work from one area or person to another. This is the argument made by an agency personnelist. "Take the FMLA for example," she said. "The central office got everybody trained and gave them guidance, so we were following the regulations. But now there is even more for the agencies to do, whereas in the past it was the central office that pretty much did most of the rules, regulations, policies and procedures."

a) Summary

According to more than half (54%) of the respondents, externally imposed requirements, which mainly originate from the federal government and unions, are barriers to deregulation. Improving guidance, using information technology, and updating resource materials can streamline the work of dealing with regulations. However, it may be that the public sector environment will not permit significant deregulation. Layers of legitimate constraints, accountability demands, and pluralistic pressures could prove impervious to much of the deregulation that either is being attempted or proposed for public personnel management (Romzek and Dubnick 1994). Thus far, there is little evidence to the contrary in the leading states.

E. Training and Development

1. Background

The value of training almost always is mentioned in association with the qualities that are needed for the proper functioning of an organization. As the

NPR asserts, "The ideal training program is designed to improve individual and organizational performance" (1993b, 43-44). This is especially the case with organizations that are moving away from the traditional hierarchical model and toward one with fewer organizational levels. The same can be said for work environments that focus on teams and group interactions (NAPA 1993, 10). Montgomery Van Wart explains how this is significant for investing in training:

> The traditional notion of human resource development was based on organizational stability because organizations were in fact rather static. Training was relatively straightforward and heavily skewed toward the beginning of employees' careers. The current notion guiding HRM development is to deploy personnel strategically, through not only initial training but also retraining . . ." (1998, 277-78).

In the traditional approach, training often is treated as a variable rather than as a fixed cost; thus training and development depend on fluctuating resources. Furthermore, training opportunities usually are limited to the needs of an employee's current position, rather than being a part of ongoing personal and professional development.

The central personnel office bears responsibility and authority for training policy in the majority of states; however, training needs are usually determined jointly in consultation with line agencies (NASPE 2000, 101-104; NASPE 1996, 85-89; Slabach 1994, 42). Agencies customarily provide or contract for instruction that relates to their own unique requirements, whereas the central office typically delivers training in areas of common need, such as personnel functions, supervision and management, and information technology.

The central personnel department and the agencies have their own training

budgets. Central personnel departments are increasingly required to be self-sustaining, which means they must deliver training on a contract basis. When agency funding is reduced, the central office must cut back on its training budget or eliminate its training division, which occurred in at least one of the six leading states.

2. The Problem

The majority of the criticism regarding public sector training is that it is chronically underfunded. Knowledgeable observers have charged that training and development are probably the most overlooked of all public personal functions (Shafritz, Hyde and Rosenbloom 1982, 350). The Volcker Commission arrived at a similar conclusion regarding the federal government. It charged that training and development was

> absurdly low, if training is understood to be an element of investment for growth and productivity. The federal government spends about three-quarters of one percent of its payroll dollars on training, compared with three to five percent in the most effective private firms (1989, 143).

According to the Winter Commission, if public organizations are expected to perform at a higher level of efficiency and effectiveness, enhance the quality of their services, and increase productivity, then

> energy needs to be captured and magnified by ensuring that state and local governments become learning centers. It is utterly self-defeating to that goal for governments to cut training money the instant that budgets get tight . . . It makes no sense to limit access to new skills and valuable information . . . (1993, 40-41)

In a word, reinvention views the workforce as an organization's most valuable resource, therefore it must be supported in terms of both its current and future needs. Employee investment is not optional; it ranks as a fundamental priority (NAPA 1993, 13).

3. Reinvention Solutions

Ronald Sylvia wrote over 20 years ago that "systematic training efforts have become part and parcel of strategies for organizational change and adaptation (1983, 138). The three reinvention reports strongly emphasize training and development, and for practically identical reasons. Empowered employees who work in a flattened, decentralized organization cannot succeed with a status quo mentality. In high performance organizations employees will be trusted problem solvers who will have the freedom to take risks. As the NPR states, "Empowered people need new skills--to work as teams, use new computer software, interpret financial and statistical information, cooperate with and manage other people, and *adapt*" (original emphasis) (1993a, 77). In other words, "The flat, lean agencies of tomorrow can only work if staffed by a new kind of employee. Public employees need the training to broaden their skills and horizons. . ." (Winter Commission 1993, 39). Or, as Osborne and Gaebler write, "Decentralization can work only if leaders are willing to invest in their employees" (1992, 275).

These statements from the reinvention reports do not constitute a solution; they simply are vigorous arguments for enlarging and sustaining training budgets. They assume that if the value of training is understood better, then its funding will be accorded a higher priority. Reinvention contends that training dollars are investment dollars, which will earn returns through greater

productivity, innovation, increased efficiency, and improved customer service.

As noted above, several central personnel departments' training divisions have been converted to self-sustaining operations. This and other examples of entrepreneurial government are based on the rationale that if the public provider offers a competitive product, then agencies will contract with them; otherwise, they will turn to private sector suppliers or provide the training themselves.

4. Findings

The wording of the question asked respondents to compare the "emphasis and resources" the central personnel department is committing to training today versus 10 years ago. It became apparent to the investigator in the early days of conducting interviews that the two words can produce two distinctly different streams of thought. In fact, this was remarked upon by survey respondents. From that point onward the difference was acknowledged by the interviewer, and it was made clear to participants that the investigation was interested in their views on both subjects, emphasis *and* resources. The distinction has added value to the study's consideration of how the training and development function has fared over the past decade. However, unless otherwise noted, the discussion and data set will only reflect answers or parts of answers that dealt with whether training *resources* have changed.

Sixty-nine percent of respondents believe that the central office's funding for training and development in the past decade either has remained about the same or decreased (Figure 13). The proportion of those who think resources have been seriously reduced (28%) is nearly equivalent to those who believe the reductions have been more modest (30%). On the other hand, almost one-

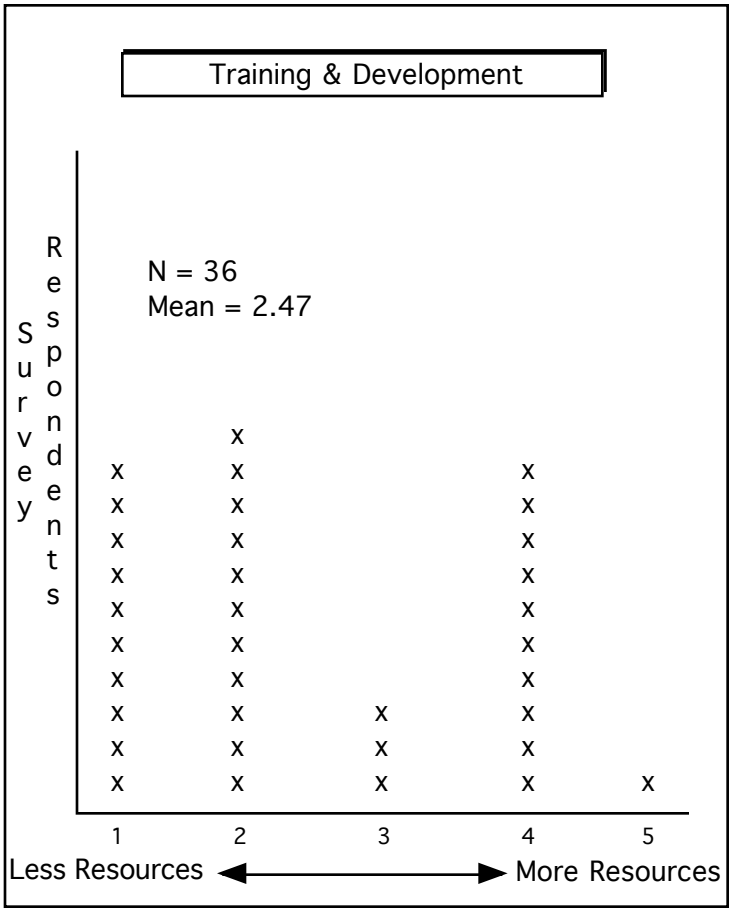
third (32%) think that at least moderate increases have occurred. Among the 11 HRM professionals who make up the 32 percent, four believe that more emphasis is being placed on training and development, not more funding. After adjusting for these four, only seven respondents (19%)[30] remain who think funding support for training has improved in the last decade. Or, looking at the results another way, 81 percent of the survey participants do not believe resources for training and development have improved in the past decade.

Figure 13

Survey Question

In general, how do the resources the central personnel department puts into training and development compare with 10 years ago?

1. *Many fewer resources*
2. *Somewhat fewer resources*
3. *About the same*
4. *Somewhat more resources*
5. *Many more resources*



Answer Choices	1	2	3	4	5	TOTAL
Percentage	28%	30%	11%	28%	3%	100%

[30] As will be discussed later in this section, one of the leading states has continued actively to support training and development. Four of these remaining seven respondents hail from that state.

The major theme to emerge from the interviews is clearly the impact of resource reductions. Other themes are less dour. One relates the trend toward self-sustaining training. Another focuses on partnering with universities in order to share and stabilize training. The final discussion concerns a state that is resisting the resource reduction pattern of recent years.

a) Resource Cutbacks

As described above, nearly 60 percent of the respondents believe fewer resources have been devoted to the training function of the central personnel department. However, two possibly confounding factors should be considered. The first is that at least three of the states have experienced some decentralization of training responsibility over the past 10 years. In one of them a law mandating that the central office provide managerial training for supervisors was changed; it now mandates that agencies take responsibility for making sure such training is provided. If agency budgets for training were increased to offset reductions in the central office, then it would be inaccurate to conclude that a devaluation of training had occurred; however, there was no indication of such counterbalancing.

The second consideration is the fact that for several years states have been experiencing serious fiscal stress. A reduction in training resources during this period could thus signify a general belt tightening rather than a reduction in the overall regard for training. "Very hard budget decisions had to be made by administrators," reported an agency HRM executive. "I do not think this is necessarily that training has been devalued." Nevertheless, it must be acknowledged that cutting back on training, even when budgets are tight, reflects a value choice. As a union representative remarked, "The individual

departments have *chosen* to channel that money into other efforts" (emphasis added). The comment of a union representative from one of the leading states reflects a similar viewpoint.

> When you get into tight budget crunches, one of the first things that departments do is dry up the training funds and other "soft" things they see, under the guise that there is no available money. I personally think it is one of the last things you ought to cut out. I think employees feel that way, too. When times are tough, the one area you do not want to cut out is providing topnotch, up-to-date training for your employees.

Keeping in mind the considerations delineated above, it may be unclear whether a lessened regard for training has transpired over the past decade. However, based on the views of the professionals who participated in the survey, it is unarguable that at least the central personnel departments in most of the leading states have received fewer funds. And reduced funding must in some way or another translate into a cutback in services and personnel. None of the departments, for example, employ as many people as they did a decade ago. This comment from an executive in a central office expressed the assessment of many respondents: "Very few resources are put into training and development, especially in the past three years. Even tuition reimbursement has stopped now. We just do not have the money. So many programs have deteriorated because there just is not any money there."

b) Self-sustaining Training

The director of a large agency's human resources department said her staff was doing more training than in years past. The agency maintains its own training department. She said, "We don't use the central personnel

department for very much, although we still use them for some things. On the whole we don't use them because we can do it cheaper by having our own staff, particularly considering the numbers of people that we train." Agencies can contract with outside providers or do it themselves.

An HRM director of an agency in another state described how the mode of providing training had changed for her state's central personnel department: "It is now a self-sustaining operation. It no longer receives appropriations, so they have to live on the basis of the fees they charge. On the other hand, the quality of those services has dramatically improved." Others have also linked service improvement to the self-sustaining delivery structure. A central personnel department executive from still another state remarked, "Agencies pay to come to our training program, and it is always full to capacity. So we are obviously delivering a quality product. They could go somewhere else."

It is important to note that a self-sustaining training operation is a central office is not immune from budget cuts. They often receive pass-through funds which go directly to the agencies, who can purchase training from various providers, including the central office. However, as an executive from a central personnel department reported, "When agencies' budgets are cut, the demand for training goes down, and then we cut back on our training. It is very much driven by the budgets of the individual departments."

c) A Training Countertrend

Although most respondents believe that training resources for the central personnel department have decreased over the past decade, one state must be considered an exception. The state's mean and median were 3.7 and 4.0, respectively. The state closest to it registered a 3.3 and 3; and the other

states were much further back in equivalent measures of support for training and development. Furthermore, not a single respondent from the exceptional state rated its resources as having decreased either modestly or significantly. In the other states, two or more survey participants judged that at least some decrease in resources had occurred. What accounts for this anomaly? According to a veteran executive in the state's central office, the answer may be due to a tradition of commitment to training.

> This is the area that has undergone the least amount of change in the last ten years in terms of resources and emphases. I think there has been a very, very strong emphasis on training and development since the beginning of my career with the state, not just the last 10 years. Let me give you an example: the state's employee assistance program was eliminated, yet there were not any resource cuts in the training and development division, all right? We probably put a lot more emphasis on that than others, and we have not lessened that emphasis or the resources.

Another part of the answer is connected to partnering with university resources. Three of the six respondents from the state remarked about having developed relationships with institutions of higher education. An executive in the state's central personnel department said, "You'd expect training to be the first thing to go when money gets tight. That's what you always hear." He went on to explain that the central office formed partnerships with educational institutions. He gave an example of a local technical college providing software training. The college provides the labs and instructors. "Each agency has to fork over the money to send the individuals. It has been very profitable for the college involved and, of course, for us it's been a great deal."

5. Discussion and Analysis

Other than knowing that a very high proportion of HRM experts in the leading states thinks resources have been cut back, there are no objective data available to evaluate training in these or other states. How much money they spend on training and development is unknown (Thompson and Radin 1997, 9); furthermore, very little research has been conducted in this area (Gray et al., 1997, 187). A trend toward a similar condition of ignorance seems to be underway at the federal level. The Office of Personnel Management has not collected training data or published a report on training since 1993 (Lombard 2003, 1109).

Scaling back on training portends serious problems for decentralization, which probably ranks as reinvention's core recommendation. In a decentralized and deregulated organizational structure, "managers need to thoroughly learn the personnel system . . . [because they] need to be held accountable for the HRM outcomes that result from their actions" (NAPA 1995, 37). A retired HRM executive explained why he believes cutbacks will negatively impact decentralization.

> Fundamentally, I think this really hurts the next step in the evolution of delegation for state agencies. Managers need a support system that gives them a comfort zone, which means they have enough theory and practice behind them so they feel comfortable enough to do the personnel work. A lot of managers now just do not have that, and they are missing it, and they complain about it. But we just do not have the staff.

An HRM official in a state central personnel department provided a similar explanation:

> We gave agencies the authority to have discretionary compensation, but we never followed up with a lot of what I think is fundamental training on how to use it once you get it. Some managers have never had discretionary compensation authority before. We need to get to the bureau directors and division administrators and take them through the theory behind this approach to compensation--how to deal with discretionary performance, how to benchmark, what to do when a subordinate comes in and says, "Gee, I've done this, I want to be paid for it. What are your benchmarks?" They have never had that training before.

The personnel work to which he refers can be daunting. It includes such skills and responsibilities as "writing job descriptions, classifying positions, developing crediting plans for rating and ranking job applicants, justifying selection decisions, determining employee training needs . . . [and] identifying methods to meet those needs . . ." (Lombard 2003, 1125).

The federal government, usually a model for personnel reform, has virtually abdicated direct, hands-on responsibility for training. In 1994 the U.S. Office of Personnel Management eliminated its training function in order to help meet its downsizing goals (MSPB 2001, 7). Training responsibility has been distributed to other offices in government. Judith Lombard describes some of the consequences:

- No single office handles training or speaks for OPM on employee training matters.
- Many agency personnel offices do not have the expertise or staff to provide adequate training.
- Agencies reduced or abolished training requirements for supervisors and managers (2003, 1119 -1127).

The retrenchment in training began occurring *after* a large majority (76%) of federal managers rated the training they received prior to becoming supervisors as incomplete or nonexistent. The most neglected areas were in HRM skills such as managing performance, interviewing, and dealing with poor performing employees (MSP 1993, 32).

In the midst of OPM's problems and the states' resource reductions, it is important to recall the strong conceptual support that exists in the leading states for training and development. For example, the disconnect between the federal government's central personnel office and the training and development function does not appear to have occurred in the leading states. Respondents frequently credited the central offices' commitment to providing or emphasizing employee training. Forty-four percent of those who commented on the training question believe it is emphasized to a greater degree than it was a decade ago. This assessment corresponds to Frank Thompson and Beryl Radin's belief that "the message that training is highly desirable . . . is getting through to state officials" (1997, 9). It is also worth noting that in its third nationwide survey on the roles and functions of state personnel systems, NASPE included a section on training and development, which was added because of the "increasing emphasis" being shown by state managers (1996, 85).

As discussed above, one of the six leading states has continued its support for training throughout the rough years of budget cutbacks. This is the example to uphold as the exemplar of the REGO model. It is also the standard by which to compare how the other leading states have dealt with training. Unfortunately, making such a comparison underscores the weakness of the overall support.

a) Summary

There is no credible way to finesse the conclusion that most of the leading states do not adequately fund the training and development of their employees. Fifty-eight percent of their HRM veterans believe resource support is worse than it was a decade ago. Reinvention proponents will always claim that saving on training is no savings at all. As Paul Epstein argues, supporting employees through training is a "leveraged form of investment because it increases a government's ability to generate future productivity gains from within" (1993, 363). Its neglect signals a failure to take seriously the abundance of evidence that has accumulated since the late-1980s, which confirms that training is an "absolute necessity" for entrepreneurial, high-performing organizations (Gray et al. 1997, 189).

This concludes the fourth of the study's five chapters that focus on disclosing and discussing the research findings. It began with Chapter 4, which traced the central personnel departments' transformations from concentrating on compliance to becoming service providers and consultants. This chapter and the two preceding it reviewed the specific reinvention recommendations that were selected for investigation. In the next chapter, the disclosure and discussion shifts to the respondents' views regarding merit principles and oversight, which generally are regarded as the underpinnings of traditional civil service systems.

VIII. The Status of Merit and Oversight

Merit principles undergird most employment systems in federal, state and municipal governments throughout the country. Responsibility for protecting these standards is broadly distributed, but the formal responsibility usually falls to the central personnel department. This study's main focus is to assess how reinvention recommendations for HRM reform have been implemented in the leading states. However, regard for merit principles and support for oversight are so integrally connected as to be virtually inseparable. The National Performance Review, for example, endorses reinvention reforms, but not at the expense of merit. It states that the NPR "will create a system which . . . will hold agency managers accountable for mission accomplishment while adhering to principles of merit . . ." (1993b, 3).

A. Merit Principles

The traditional challenge to fair and open competition for public employment has been patronage, a system that trades government jobs for political support. Almost 45 years ago Frank Sorauf declared patronage at the federal level to be virtually extinct. As for its existence in state and local governments, he said the political machines that sponsored it were "in hurried retreat" (1960, 28). Today, several observers believe merit practices are again under threat, but not from old patronage. Instead they worry about the effect of decentralization. As a union representative from a leading state said, "A lot of freewheeling personnel actions can take place in the name of flexibility; we just do not have enough experience with it yet, but it is our number one concern."

One of the survey's inquiries (Question 29) dealt directly with the issue of whether regard for merit principles was being undermined by the competing values of managerialism, which support increased flexibility, deregulation and decentralization. As David Carnevale said almost a decade ago, "In the galaxy of personnel values, it is managerialism that is now winning the day" (1996, 6). A similar attitude currently exists in the leading states.

The interview excerpts below reveal a two-part conclusion about decentralization in the leading states. First, the respondents clearly recognize that delegating authority increases the opportunity for abuse, which can range from an intentional skirting of merit practices to carelessness or incompetence. Second, this sample of survey participants appears willing to accept the higher risk in exchange for a more efficient system.

- I firmly believe that most of the people in our personnel system do not think it should be structured to prevent abuse. Instead, it should be structured to allow appropriate management operation, then if the system is abused, punish the offenders.

- Giving managers more discretion does make the system more vulnerable to mischief. But it also makes it more efficient. If you do not have to worry about covering your behind then you can actually streamline a whole lot of things.

- You don't want to [lessen commitment to merit standards], so that's why changes have to be carefully thought out and implemented. But I think the greater danger is that we do not change.

- I am very comfortable with the changes that have taken place. But I have to say that the more flexibility you create, which is a good thing, the more opportunities you also create for manipulation of the system. It is also easier to do now, and it is very hard to prove. It just goes hand in hand; the more flexible you get, the more possibility there is for somebody to manipulate something because they have more control of it.

- Our policies have a lot of flexibility and they are not based on absolutes. You know, some managers are going to do what they want to do. We cannot control every manager. The way things are done now, there are not many things to stop them; so if someone is prone to circumventing--not really the system and not really breaking the rule, but breaking the principle--it is easier for them to do that now.

Only a minority of respondents directly addressed the tradeoffs between delegating authority and expanding merit vulnerability. But virtually all HRM professionals recognize the reality. It is a calculus that does not need expression. Nevertheless, most convey confidence in their system's overall integrity. As an executive in a central office said, "Our system is like anybody else's. There are some unreasonable people out there, but the vast majority of them are reasonable and they are interested in doing a good job and they are interested in fairness." This appears to be confirmed by the overall results from Question 29, which appears below.

> *The principles, laws, and policies that have evolved in public personnel systems attempt to achieve efficiency and effectiveness within a context of fair, open and merit-based competition. However, these are sometimes viewed as obstacles to better management. Are you concerned that the effort to achieve efficiency and effectiveness may risk lessening the commitment to fair, open and merit-based competition in your state?*

Thirty-two survey participants responded to the question above. Their views were categorized in one of three ways: not significantly concerned that merit principles are at risk, marginally concerned, or moderately concerned (Table 4). None of the respondents had personal knowledge of a trend toward merit abuse. The concern they expressed was not related to political

favoritism; instead, it was associated with the consequences of downsizing and decentralization, which can unwittingly lead to inefficiency and unfairness.

Table 4. Respondents' Level of Concern About Status of Merit Principles

Level of Concern	Evidence of Abuse	Number of Responses	Percentage
Insignificant	no	11	34%
Marginal	no	14	44%
Moderate	no	7	22%
Total	—	32	100%

In order for decentralization to be effective, managers need to learn and practice HRM skills, agency personnel offices must provide the managers with expert assistance, and central departments must be available for consultation and review. Otherwise, the likelihood of unintended failures is enhanced. For example, using poorly validated testing methods or promoting without posting can violate merit principles just as surely as brazen favoritism. As a personnelist in a state agency remarked, "If I see a supervisor in an agency who does the hiring but has no idea about the laws, the civil rights aspects, then I can right away see problems down the road for that agency." These are the kinds of concerns that resonated with most of the respondents.

B. Oversight

The challenge for public personnel officials is to balance procedures that encourage discretion and flexibility with those that guard against favoritism, patronage and other mischief. The paradoxical quality of the task is that promoting the former is often thought to expand the possibility of the later. The traditional solutions have been to accompany decentralization with assessment and oversight mechanisms to protect merit principles and assure the meeting of policy objectives (MSPB 1998, 12) The delegation of authority to federal government agencies, a key feature of the 1978 Civil Service Reform Act, was premised on a "strong oversight role" for the central personnel office (MSPB 1989b, 21).

The NPR and Osborne and Gaebler have been excoriated with criticism about how their prescriptions are filled with banalities and clichés, yet are short on historical memory and regard for institutional controls. The National Academy of Public Administration urges accountability that "focuses on the exercise of leadership and judgment within broad guidelines, rather than on detailed rules and procedures and prior controls" (1993, 18).

Others would argue that to ignore oversight or to assume "leadership and judgment" will take the place of clear, precise standards is equivalent to "carelessness about the value of control" (Garvey 1995, 101). This sentiment accords with the Winter Commission's position that "constraints on managerial discretion were put in place to ensure the primacy of merit, and cannot be dropped without instituting clear protections for those who might face discrimination" (1993, 26).

As recounted earlier, the U.S. Office of Personnel Management's fitful

attempts to locate middle ground are well known. As the General Accounting Office charged, OPM continues to struggle with the challenge of finding "a balance between promoting the flexibilities necessary for all agencies . . . to meet their strategic goals more effectively, and pursuing the appropriate level of monitoring and oversight of agencies' adherence to the merit principles" (GAO 2000, 3).

In the states, most of the ways in which the monitoring of personnel practices is accomplished involve various types of audits. However, nearly one-third of the states in the U.S. conduct little or no audits, and almost 20 percent rely on reports of critical incidents before undertaking review (Housel 1995, 18-20). This study's survey did not inquire about the leading states' specific methods or practices. Rather, respondents were asked if they had confidence that their states' oversight and review mechanisms are adequate to prevent infringement of merit principles (Question 30).

> *Do you have confidence that oversight and review mechanisms in your state are adequate to prevent infringement of merit principles?*

Responses were coded based on expressions of unqualified confidence, qualified confidence, and no confidence (Table 5).

Table 5. Confidence in Adequacy of Oversight Mechanisms to Prevent Infringement of Merit Principles

Confidence Level	Unqualified	Qualified	None	TOTAL
Respondents	9	17	2	28
Percentage	32%	61%	7%	100%

The group of 17 which expressed qualified confidence actually consists of two identifiable subgroups: about two-thirds (11 respondents) revealed minor reservations, whereas one-third (6 respondents) voiced somewhat greater apprehension about the adequacy of oversight. It was common for respondents to state that no system is perfect, which goes without saying; but it also was common for them to acknowledge that decentralized systems are more vulnerable than their centralized, compliance-oriented predecessors. This viewpoint was succinctly stated by an agency HRM executive:

> I am not uncomfortable with it, but you know, I am also realistic. You delegate a lot of things out to agencies, you have removed some of the prior approvals, and you have limited the HRM staff both at the central personnel office and within the agencies. You have given more flexibility to a lot more people. I just think that it is inevitable that there are going to be more abuses.

Respondents also expressed concern about lessened capacity in the central personnel departments. As one agency HRM executive said, "The central office has lost a lot of staff over the years. Even with Internet technology it is hard to do oversight without staff." The agency HRM executive continued, "The central office gives us a lot of help, but in terms of their really doing an oversight audit kind of function, that probably is asking too much. So, I'm a little concerned."

Several survey participants mentioned their unions in connection with oversight protection. A central office personnelist said:

> Yes, I think oversight could be better, but I am not too worried about that. I think that between our efforts and the unions there won't be too much of a problem. Unions are a big regulator. They watch what departments are doing. I think

> they are a big help in that. So, I think there are enough controls in place today to make me not worry that we have done anything to hurt the merit system.

The notion that merit principles are protected by multiple overseers has also been noted in the public personnel literature. One of the best examples is what Carnevale terms the Madisonian defense, which holds that self-interest spawns an abundance of checks and balances.

> If central oversight fails . . . the unions will let us know. So will women's groups and interests representing people of color. The political parties will keep an eye on each other so neither gains unfair advantage in hiring. We have a vigilant press, good government groups, human relations commissions, customer complaint mechanisms, and . . . the professional norms of personnelists themselves (1996. 7).

Others make a similar point, calling attention to statutes, administrative rules, the open flow of information, legislative oversight authorities, budget control mechanisms, staffs of analysts--all of which make for a substantial "transparency of information" (Thompson and Riccucci 1998, 245).

This chapter has shown that personnelists in the leading states are supportive of merit principles. As reported above, there is no evidence of either a disenfranchisement with the venerable merit system nor a perception of the existence of menacing trends. There is, however, a willingness to take a greater risk with possible infractions in exchange for a more efficient and effective civil service. At the same time, no respondent expressed serious doubts about the system's ability to uncover and correct impropriety.

VIII. Conclusion

The purpose of this study has not been to question reinvention's assumptions or the connecting logic that holds them together. Rather, it has been to investigate whether selected REGO recommendations for personnel reform are being implemented in the leading states. In the last five chapters, the status of the leading states' central personnel departments, merit principles, and oversight mechanisms have been evaluated. Also, the personnel practices at issue have been examined in terms of their backgrounds, problems, recommended solutions, and survey results. In this concluding chapter, the findings and assessments will be reviewed with an eye toward making a cumulative evaluation of what they may portend for reinvention of the leading states' HRM systems.

A. Summary of the Research Findings

Overall progress toward embracing reinvention of human resources management practices in the leading appears to have been modest. A concise summary of the quantitative responses to the questions about the 11 reform recommendations is presented below (Table 6).[31] The HRM practices have been divided into three groups based on the extent of their implementation over the past 10 years. A calculation of mean improvement percentages, based on the data in the table, allow for a succinct comparison.[32] The measurements disclose the proportion of respondents in each group who believe that at least some

---

[31] The information contained in Table 7 is an accumulation of the data displayed in the tables that appeared at the beginning of chapters 5, 6 and 7.

[32] The mean improvement percentage is computed by averaging the percentage number in each group's "some better" and "much better" cells. For example, the 88% parameter for the *Strong Support* group was calculated by: 25+43+43+61+46+46=264/3=88.

improvements have been made. An average of 88 percent of the respondents think personnel practices in the *Strong Support* group have progressed. In the *Moderate Group* the average proportion decreases to 53 percent. And only [26] percent believe the human resources management procedures in the *Weak Support* category have improved.

Table 6. Rating by Survey Participants from Leading States of the Amount of Change in Selected Personnel Practices, 1994-2003

		Much Worse	Some Worse	About the Same	Some Better	Much Better	TOTAL	MEAN	N
Strong Support	Classification	0%	6%	8%	25%	61%	100%	4.42	36
	Decentralization	3%	0%	8%	43%	46%	100%	4.29	35
	Selection	0%	8%	3%	43%	46%	100%	4.26	35
Moderate Support	Emp Involvement	0%	0%	47%	31%	22%	100%	3.75	32
	Perf Measurement	3%	10%	32%	42%	13%	100%	3.52	31
	Lbr-Mgt Relations	6%	25%	17%	33%	19%	100%	3.36	36
Weak Support	Performance Pay	6%	11%	53%	22%	8%	100%	3.17	36
	Privatization	3%	0%	78%	19%	0%	100%	3.13	32
	Poor Performers	3%	19%	56%	22%	0%	100%	2.97	36
	Deregulation	20%	26%	26%	26%	2%	100%	2.66	35
	Training	28%	30%	11%	28%	3%	100%	2.47	36

1. Positive Conclusions

What seems like a tepid response to the REGO recommendations does not tell the whole story. Two of the findings stand out as being of special significance for the future success of reinvention. First, the personnel practices in the *Strong Support* group are among those that REGO proponents believe to

be the most important. Classification and selection are the building blocks of any personnel system. REGO recommends that reducing and broadening classes will allow managers more freedom to design job descriptions and introduce flexibility in making compensation decisions. Changes in the selection process received more acclaim from survey respondents than any other REGO recommendation. The third HRM practice in the *Strong Support* group is decentralization, which is an authority transfer designed to grant agency-level managers and personnelists the "discretion and flexibility . . . to respond sensibly, creatively and responsively" (Thompson 1993, 313). The fact that these fundamental reforms--classification, selection and decentralization--top the progress list with an 88% mean improvement rating constitutes strong evidence that the leading states are moving toward the managerial model advocated by reinvention proponents.

The second positive conclusion concerns the partnership mentality that was discussed earlier. It is the framework that supports decentralization. There would be no base of support for agency-level HRM offices without the service-oriented, consultative relationship provided by the central personnel department. This kind of association is widely promoted in the public personnel literature, but examples are hard to find. The U.S. Office of Personnel Management does not offer a model to emulate. It has been struggling to find an identity since its creation 26 years ago.

One close observer of civil service systems wrote that central agencies often have been prominent in the reform process, but they "have done little about changing their own structures and behaviors" (Peters 1998, 84). By contrast, executives in the central offices of the leading states changed not only their

practices, but also their basic assumptions about their departments' role in the personnel system. J. Stephen Ott describes this as a change in organizational culture, which he defines as the "unifying theme that provides meaning, direction, and mobilization for organizational members" (1998, 120).[33] The cultural shift achieved by the central personnel offices ranks as the most important finding of this investigation, and the most meaningful for reinvention.

2. Guarded Conclusions

One of the country's leading scholars in public personnel management, Steven Hays, has identified two areas which he believes are likely to hinder the advance of reform of public personnel management (2001, 220-221). One is the deficient condition of some of the HRM techniques, which, in this study, have been referred to as personnel practices. He is especially concerned that the challenges posed by decentralization "are compounded by uncertainty over the *quality* and *effectiveness* of the techniques on which the field depends" (original emphasis) (2001, 221). The other potential impediment is the capacity of HRM to carry out its responsibilities.

a) Adequacy of Personnel Practices

Hays cites three deficient personnel practices to illustrate his argument. They are performance evaluation, performance pay, and test validity. His unease is supported in each instance by the findings of this study. Only about half (55%) of the respondents believe evaluation is being practiced at least somewhat more frequently than a decade ago, and they say much of it is

[33] Ott provides several additional qualities that reflect organizational culture. The ones quoted above are the most appropriate for use here.

informal and sporadic. As for performance pay, more than two-thirds (70%) think it either has made negligible progress or has regressed, and several participants spoke of it in terms that ranged from cynical to scornful.

The issue of test validity serves as a barometer for measuring the level of regard for merit-based selection techniques. Research indicates that the methods used most often by agencies of the federal government to identify entry-level professional and administrative job candidates are "among the worst available" (MSPB 1999, 1-2). They include unstructured interviews and training/experience ratings, both of which were frequently mentioned by participants in the leading states survey. Using unsound hiring techniques in order to speed up the process is not necessary. Reliable selection measures can compatibly coexist with decentralization and efficient selection procedures (Pynes and Bartels 1996).

Hays cited the three HRM techniques to illustrate his concern that many personnel practices may be deficient. Based on the findings from this study, there are other examples he could have used as well. Discipline (poor performers), deregulation, and privatization all received weak support. However, there is one HRM practice that should be singled out for special emphasis, not solely because of its low status in the investigation's results, but also because of its high value to a reinvented personnel system. It is training and development, which ranked lowest in the progress of its implementation over the past 10 years.

As noted earlier, the federal government's recent record on training reveals a distressing situation. Donald Kettl says the U.S. Office of Personnel Management has "lost most of its ability to train government employees"

(1998, 54). It has been at least a decade since the agency collected or published data on training at the federal level (Lombard 2003, 1109). Fifteen years ago the Volcker Commission reported that the U.S. government spent only three-fourths of one percent of its payroll on civilian training, compared to three to five percent in "the most effective private firms" (1989, 50). A more recent investigation suggests that one and a half percent may represent the current federal training budget (Ingraham, Selden and Moynihan 2000, 57). The amount spent by the states is simply unknown (Thompson and Radin 1997, 9). What is known about the leading states, based on the views of 69 percent of the survey respondents, is that the amount they expend for training either has not changed or has decreased in the past 10 years.

The need for training is invariably mentioned in association with the qualities required for the routine functioning of an organization, moreso for high performance organizations, and greater still for organizations that are decentralized and deregulated. The endless possibilities for applying information age technology in support of organizational missions, goals and objectives only adds to the training challenge (Heeks and Davies 1999, 44).

If, as stated by the National Performance Review, "knowledge workers are our most important source of progress" (1993a, 77), then they must be provided with developmental opportunities. This logic is unequivocally endorsed by REGO proponents. Many observers have warned of the consequences of failing to invest in human capital. Marc Holzer, a highly regarded management and productivity scholar, states that chronic underfunding will result in "at least a bottleneck to improved quality, at most a fatal constriction" (1995, 624). Bert Rockman stresses that without sufficient investment "devolution of

responsibility will ensue in the absence of any managerial capacity or means of ensuring quality" (1998, 34).

States may say that fiscal stress has forced the cutbacks, but two considerations counter such claims. First, the states' fiscal problems date back three or fours years, yet, according to most respondents, there has been no improvement in training and development funding for at least 10 years. The cutbacks may represent a victory of cost containment over human capital investment, which some observers have warned could be "the biggest challenge the public service will face this decade" (Ingraham, Selden and Moynihan 2000, 57). Second, as described earlier, one of the leading states set a counter example. It continued to fund training, through good times and bad. This is the path followed by those who take to heart the assertion that training and career development constitute a "basic productivity investment . . . [which] should not be disproportionately reduced . . . even in cutback periods" (Epstein 1993, 366).

b) Adequacy of Capacity

Another impediment to reinventing public personnel systems is the capacity of HRM to carry out its responsibilities. Under decentralization line managers are taking over many personnel functions, but concern exists about whether they are competent to do the work. Are they prepared? Do they have the knowledge and skills? If not, according to Osborne and Gaebler, decentralization will fail (1992, 275). Employee development is the variable Hays singles out as being essential to preparing managers (2001, 220). Since the subject of training was discussed at length above, all that will be added

here is to recall a recent statement about OPM by the U.S. General Accounting Office, which affirmed the importance of training in order for the central personnel agency to "transform from a rules-monitoring organization to a customer-oriented organization that partners with agencies in managing their human capital" (GAO 2003, 25).

The problem of diminished capacity, however, extends beyond a lack of adequate training. Downsizing, which was mentioned frequently in the interviews, may have reduced the ability of central offices to fulfill the advise and consult function that decentralization requires of them. The leading states' central personnel offices have been reduced by an average of 45 percent in the past 10-12 years (Table 7).[34]

Table 7. Change in Number of Staff in Central Personnel Offices of Five of the Leading States, 1994-2003

State	1994	2003	Reduction
A	250	205	18%
B	125	95	84%
C	100	39	61%
D	108	94	13%
E	118	58	51%

In the opinion of this investigator, the concern expressed by respondents about the effects of downsizing ranged from believing that any additional cuts would mean loss of important services to believing that the Rubicon already has been crossed. An example of the latter circumstance was expressed by a central office executive who was asked if the decline in his staff had been offset

[34] Information from one of the states was not collected because two reorganizations of the central office since 1994 resulted in changed structure and staffing patterns.

by an increase in the personnel staffs of the agencies. He said cuts had been across the board. When asked if increased efficiencies had compensated for the reductions in force, he answered:

> Yes, to a point. But I think if you are just looking at the quantity of work, I think there has been a pretty fair offset. When you look at the quality of work, the additional things that should be done, I think those have been shaved: the training, the performance evaluation and development, succession planning—those kinds of things—have all been sacrificed just to do the core functions.

This short answer reveals two circumstances that would alarm reinvention proponents. The first is the maintenance-level condition of this leading state's central personnel office. The second is that this veteran HRM professional would refer to training, performance evaluation, and succession planning[35] as "additional things" rather than "core functions."

Concern for diminished techniques and capacity cannot be glazed over. Their importance in producing and sustaining high-level HRM performance has been stated unambiguously in the reinvention publications. Looking to the future through the lenses of reinvention prescriptions, it is clear that classification, decentralization, and selection, which are among the most discussed and endorsed of the REGO proposals, have made impressive advances, although they are not without their worrisome elements, as discussed and assessed in earlier chapters. The advance of other techniques (employee participation, evaluation, and labor relations) has been more

[35] Succession planning (also referred to as workforce planning and human resources planning) is increasingly becoming an important part of public personnel administration. It is a formal process and set of procedures for developing strategies in order to anticipate future human resources needs (Cayer 1996, 55-56; Selden, Ingraham and Jacobson 2001, 602-603).

equivocal, but some improvements appear to have been made. The remaining personnel practices (performance pay, privatization, discipline, deregulation, and training) have simply not moved forward; in fact, the evidence suggests they have regressed.

B. Status of Reforms

In previous chapters, REGO recommendations were appraised individually. In this chapter, an attempt has been made to tie those appraisals to the whole of the reinvention movement by assessing the favorable and unfavorable implications of the research. Two other subjects, administrative history and personnel values, will be revisited now in order to place this study's findings in an even broader context.

As discussed earlier, reinvention is the latest in a long line of administrative reforms. It represents a continuation of the antibureaucratic trend of the past 50 years, yet it is unique in its emphasis on managerialism and entrepreneurialism. The societal values associated with reinvention are efficiency, responsiveness and accountability, as contrasted with merit, equity and neutrality, which are the values affiliated with the traditional model. A useful construct for conveying the implications of the research for both administrative reform and societal values is illustrated below (Figure 14).

The traditional civil service system generally is described as being highly centralized, hierarchical, rule-driven, compliance-oriented, and innovation-averse (Carnevale 1992, 22-23). The reform models are:

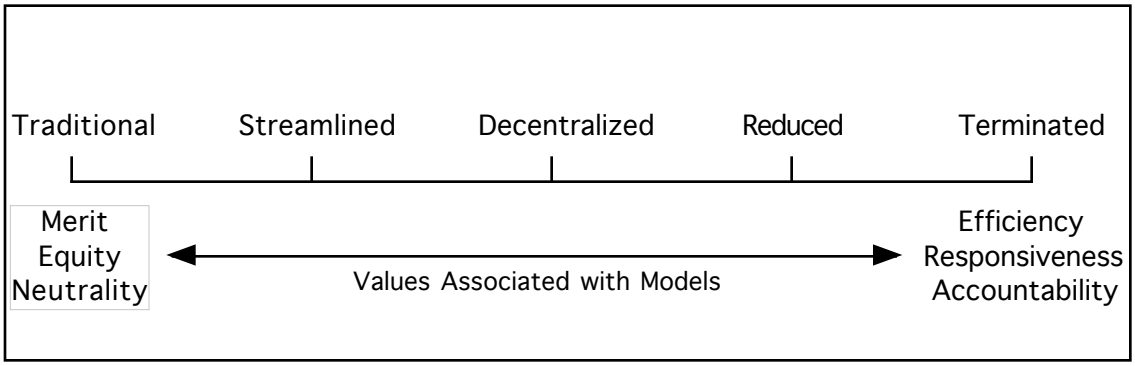
- Streamlined: Modernizing civil service systems and processes; simplifying hiring, classification, pay, rewards, and appraisal functions in order to reduce delays, complexity, and paperwork.

- Decentralized: Decentralizing and delegating personnel functions to agency managers so they have more control and flexibility over employee selection, compensation, appraisal, discipline, etc.

- Reduced: Retrenchment of central control by cutting back on the scope of civil service protections so that employee staffing, dismissals, transfers, or length of contracts are easier and faster to accomplish for agencies.

- Terminated: Ending or abolishing civil service so that new hires are excluded from the system and eventually each agency will have its own excepted employees (Shafritz et al., 1991, 79-80).

Figure 14. Models of State Civil Service Systems and Range of Associated Values



No public personnel system will fit neatly in any one of these civil service models. As for human resources management in the leading states, it is a composite that reflects the characteristics of three models. Its heritage is linked to the traditional system, yet many elements of the streamlined and decentralized models also are appropriate.

The legacy of the traditional approach is evidenced by the fact that the central personnel office is charged with the ultimate responsibility for general policy development and oversight. For example, the central office has the prerogative to take back delegated authority from agencies who misuse or

mishandle their responsibilities. An HRM executive explained the central office function in a decentralized structure.

> There are certain centralized rules that have to be followed. We will never get away from that. Now, we have delegated out a lot of responsibility, but we still have to ensure that the rules and regulations, the basic merit principles, are being followed. We cannot relinquish that responsibility.

The leading states also can be described as reflecting the streamlined model of reform. Streamlining does not imply deregulation or decentralization. It indicates that systems and procedures are kept current relative to internal improvements, modifications, and best practices. The leading states survey revealed a host of examples of simplified, clarified, and improved procedures, many of which were recounted in earlier chapters. Almost half (46%) of the respondents used the word *streamline* to describe how methods had been refined or revised. Examples covered all areas of human resources management, including grievance procedures, selection and recruitment, training, classification, dealing with poor performers, and information technology.

The decentralized model of reform is based on the notion that centrally oriented organizations do not possess the flexibility to respond effectively to customer and other environmental demands. A decentralized organization, on the other hand, is structured to make better and quicker decisions because responsibility is closer to the point of service delivery, and decisions do not pass through layers of bureaucracy to obtain approval. Eighty-nine percent of

the respondents claim their personnel systems have been at least moderately decentralized in the past decade.

The retrenchment model represents the level of reform at which the range of traditional civil service protections is diminished; as a consequence, less central control is required. In the opinion of the investigator, this study has not uncovered evidence suggesting that the retrenchment model describes any part of the HRM reform activity in the leading states. Several personnel executives expressed a willingness to take a cautious risk with merit protections in order to achieve a more efficient and improved personnel system, especially regarding the selection process. Yet, none of the respondents spoke disparagingly of merit principles; in fact, their regard for merit seemed firm. They also expressed reasonable confidence that oversight mechanisms would discover and deal with mischief or mismanagement.

Some observers take a less benign view of the reforms represented by the personnel practices of the leading states. Steve Hays, for example, contends that "professionalism, neutral competence, and expertise are being challenged by pressures for accountability and responsiveness" (Hays 2001, 221). He views the trend toward managerialism--represented by, for example, strong support for decentralization--as an "epic struggle" over contending values. Others think the challenge is less about seeking dominance than about finding balance. The National Performance Review (1993b, 4) and the Winter Commission (1993, 26) support traditional merit system principles, but also

argue aggressively for reform.[36] Their approach accords with the U.S. General Accounting Office's position, which advocates matching the appropriate level of flexibility with the appropriate level of oversight, and doing so within the framework of merit (2000, 3).

The contrast between the epic struggle and the search for balance can be likened to whether reinvention represents revolutionary or evolutionary change. Some observers believe reinvention constitutes a revolutionary wave of administrative reform (Denhardt 1993, ix; Hays and Kearney 2001, 586). Others characterize it as evolutionary or incremental (Brudney and Wright 2002, 357; Carnevale and Housel 2001; Kettl 1998, viii; Nigro 2003, 369-371). The leading states, in light of this study's findings, seem to fit best in the evolutionary, balance-seeking mode of personnel change.

An observation made more than a decade ago captures an important part of the recent history of the leading states. "In the real world of civil service reform, the tortoises are winning the race" (Walters 1992, 30). This study supports the notion that the HRM systems of the states it has investigated are moving forward in an evolutionary fashion, but whether they are "winning" in terms set forth by reinvention is yet to be determined. The personnel practices that received the survey participants' strongest support are among those most widely endorsed by REGO proponents. However, almost three times as many procedures lag behind. In many cases, far behind.

---

[36] In the public sector administrative reform literature, Osborne and Gaebler's *Reinventing Government* (1992) is virtually alone in its lack of attention to merit principles, accountability requirements, and oversight mechanisms.

C. Future Research

Two avenues of further research are suggested by the emerging role of the states' central personnel departments. To recap, this study has found that the leading states' central offices have adopted a partnership mentality. It involves a sequential three-step process. It begins with establishing an efficient and responsive pattern of service to agency-level HRM offices. In the next step the central personnel department assumes the role of internal consultant by providing agency-level HRM offices with the advice and expertise they need in order to assume the larger responsibilities delegated to them by decentralization. In the third step the central office assists agency personnelists in making strategic-level contributions which focus on the mission, goals and objectives of the organization. One suggestion for future research is to test whether these steps are replicated in other subnational settings in which central HRM systems are decentralizing, empowering employees, and becoming less hierarchical. John Hart asserts that the "logic" of this situation should lead to a reduced role for central agencies because there is less to control, coordinate and oversee (1998, 286). This study's investigation, however, suggests an altered, yet still vital role for the central office.

Another suggested line of inquiry would be to examine how an agency-level HRM office becomes "an integral part of the strategic planning process" (Ban 1998, 26). Or, as the U.S. Merit Systems Protection Board recently put it, "How does one go about becoming a strategic partner?" (2003, 3). This is the process whereby human resources management converts from providing mainly "functional or administratively oriented activities . . . [to] integrated or

strategy-driven activities" (Mesch, Perry and Wise 1995, 386). Several variables came to light during the interviews with the leading states' personnelists. They included the agency or department chief's orientation toward human resources management, the resources and expertise of the staff of the agency's personnel office, and the professional background and personal disposition of the director of the agency's HRM office. However, no pattern emerged. In fact, this investigator was of the impression that respondents believe the qualities that combine to produce a strategically oriented HRM operation result from a somewhat random process. Further investigation is needed to discern relevant variables and patterns.

IX. Reference List

Abosch, Kenan S. 1995. The promise of broadbanding. *Compensation & Benefits Review* 27, no 1: 54-58.

Adams, J. Stacy. 1989. Toward an understanding of inequity. In *Classics of organizational behavior* (2nd edition), ed. Walter E. Natemeyer and Jay S. Gilberg, 79-95. Danville, ILL: Interstate Press & Publishers.

Ammons, David N. 1999. A proper mentality for benchmarking. *Public Administration Review* 59, no. 2: 105-109.

Anderson, James E. 2000. *Public policymaking* (4th edition). New York, NY: Houghton Mifflin.

Argyris, Chris, and Donald Schön. 1978. *Organizational learning: A theory of action perspective*. Reading, MA: Addison Wesley. Cited in Mark K. Smith. Donald Schön: Learning, reflection and change. In *The encyclopedia of informal education*. Internet; www.infed.org/thinkers/et-schon.htm; accessed 6/11/04.

Arnold, Peri. 1995. Reform's changing role. *Public Administration Review* 55, no. 5: 407-417.

Auger, Deborah A. 1999. Privatization, contracting, and the states: Lessons from state government experience. *Public Productivity & Management Review* 22, no. 4: 435-454.

Balk, Walter L. 1996. *Managerial reform and professional empowerment in the public service*. Wesport, CT: Quorum Books.

Ban, Carolyn. 1998. The changing role of the personnel office. In *Handbook of human resource management in government*, ed. Stephen E. Condrey, 19-34. New York, NY: Jossey-Bass.

Ban, Carolyn. 1998a. Reinventing the federal civil service: Drivers of change. *Public Administration Quarterly* 22, no. 1: 21-34.

Ban, Carolyn. 1997. Hiring in the public sector: Expediency management or structural reform? In *Public personnel management: Current concerns, future challenges* (second edition), eds. Carolyn Ban and Norma M. Riccucci. White Plains, NY: Longman.

Ban, Carolyn. 1991. The realities of the merit system. In *Public personnel management: Current concerns, future challenges*, eds. Carolyn Ban and Norman M. Riccucci, 17-28. White Plains, NY: Longman.

Ban, Carolyn, and Norman M. Riccucci. 1993. Personnel systems and labor relations: Steps toward a quiet revitalization. In *Revitalizing state and local public service*, ed. Frank J. Thompson. San Francisco, CA: Jossey-Bass.

Bell, Daniel. 1976. *The coming of post-industrial society: A venture in social forecasting*. New York, NY: Basic Books.

Benitez, Ben. 1995. Reinvention battle must continue and must be won. *The Public Manager* 24, no. 2: 27-31.

Bennis, Warren G. 1989. Organizations of the future. In *Classics of organizational behavior* (2nd edition), eds. Walter E. Natemeyer and Jay S. Gilberg, 300-312. Danville, ILL: Interstate Press & Publishers.

Berman, Evan. 2003. Productivity and privatization: The human resource management connection. In *Public personnel administration: Problems and prospects* (4th edition), eds. Steven W. Hays and Richard C. Kearney, eds.: 183-195. Upper Saddle River, NJ: Prentice Hall.

Berman, Evan M., Jonathan P. West, and Xiao Hu Wang. 1999. Using performance measurement in human resource management: A survey of U.S. counties. *Review of Public Personnel Administration* 19, no. 2: 5-17.

Berry, Curtis. 2000. Development in personnel/human resources management in state government. In *Handbook of state government administration*, ed. John J. Gargan, 177-219.

Blake, Robert R., and Jane S. Mouton. 1978. Grid organization development. In *Classics of organizational behavior*, ed. Walter E. Natemeyer, 328-335. Oak Park, IL: Moore.

Bowling, Cynthia. J., and Deil S. Wright. 1998. Public administration in the fifty states: A half-century administrative revolution. *State and Local Government Review* 30, no. 1: 52-64.

Box, Richard C. 1999. Running government like a business: Implications for public administration theory and practice. *American Review of Public Administration* 29, no. 1: 19-43.

Bruce, Willa Marie. 1997. Oppositional and connectional paradigms: Ways to study and practice employee discipline. In *Public personnel management: Current concerns, future challenges* (second edition), eds. Carolyn Ban and Norma M. Riccucci, 253-266. White Plains, NY: Longman.

Brudney, Jeffrey L., and Deil S. Wright. 2002. Revisiting administrative reform in the American states: The status of reinventing government during the 1990s. *Public Administration Review* 62, no. 3: 353-361.

Brudney, Jeffrey L., F. Ted Hebert, and Deil S. Wright. 1999. Reinventing government in the American states: Measuring and explaining administrative reform. *Public Administration Review* 59, no. 1: 19-30.

Budman, Matthew. 1998. Mixed results. *Across the board* 35, no. 6: 23-28.

Caiden, Gerald E. 1995. False promises: The NPR in historical perspective. In *Inside the reinvention machine: Appraising governmental reform*, eds. Donald F. Kettl and John J. Dilulio, Jr., 87-106.

Carnevale, David G. 1998. The high-performance organization in government. In *Handbook of human resource management in government*, ed. Stephen E. Condrey, 243-257. San Francisco, CA: Jossey-Bass.

Carnevale, David G. 1996. Merit system reform: A fifty state study. *Periscope* 16, no. 2: 6-7. (*Periscope* is the newsletter of the Section on Personnel and Labor Relations of the American Society for Public Administration.) Washington, D.C.: American Society for Public Administration.

Carnevale, David G. 1992. The learning support model: Personnel policy beyond the traditional model. *American Review of Public Administration* 22, no. 1: 19-36.

Carnevale, David G., and Steven W. Housel. 2001. Human resource management reform in the states: Entrepreneurialism and incremental change. In *Radical reform of the civil service*, eds. Stephen E. Condrey and Robert Maranto, 151-175. New York, NY: Lexington Books.

Carnevale, David G., and Steven W. Housel. 1995. Recruitment of personnel. In *Handbook of public personnel administration*, eds. Jack Rabin, Thomas Vocino, W. Bartley Hildreth, and Gerald J. Miller, 241-265. New York, NY: Marcel Dekker.

Carnevale, David G., Steven W. Housel and Natasha Riley. 1995. *Merit system reform in the states: Partnerships for change.* Norman, OK: Programs in Public Administration, University of Oklahoma.

Cayer, Joseph N. 1996. *Public personnel administration in the United States* (3rd edition). New York, NY: St. Martin's Press.

Cayer, Joseph N. 1975. *Public personnel administration in the United States*. New York, NY: St. Martin's Press.

Chi, Keon. 1999. Privatization in state governments: An update. Paper presented at the National Conference of the American Society for Public Administration, Orlando, FL, April 10-14.

Chi, Keon. 1998. State Civil Service Systems. In *Handbook of human resource management in government*, ed. Stephen E. Condrey, 35-55. New York, NY: Jossey-Bass.

Chi, Keon. 1994. Privatization in state government: Trends and issues. Paper presented at the National Conference of the American Society for Public Administration, Kansas City, KS, July 23-27.

Chi, Keon, and Cindy Jasper. 1998. Private practices: A review of privatization in state government. Lexington, KY: The Council of State Governments.

Cleveland Board of Education v. James Loudermill et al. 1985. L.Ed. 2d 506. Cited in Willa Marie Bruce. Oppositional and connectional paradigms: Ways to study and practice employee discipline. In *Public personnel management: Current concerns, future challenges* (2nd edition), eds. Carolyn Ban and Norma M. Riccucci, 1997, p. 255. White Plains, NY: Longman.

Coplin, William D., Astrid E. Merget and Carolyn Bourdeaux. 2002. The professional researcher as change agent in the government-performance movement. *Public Administration Review* 62, no. 6: 699-711.

Coggburn, Jerrel D. 1999. In search of deregulation: Exploring administrative reform in the American states. Ph.D. disseration, University of South Carolina.

Coggburn, Jerrell D. 2000. The effects of deregulation on state government personnel administration. *Review of Public Personnel Administration* 20, no. 4: 24-40.

Davis, Charles R. 1996. *Organization theories and public administration*. Westport, CT: Praeger.

Delaney, John T., and Mark A. Huselid. 1996. The impact of human resource management practices on performance in for-profit and nonprofit organization. *Academy of Management Journal* 39, no. 4: 949-969.

Deming, W. Edwards. 1986. *Out of crisis*. Cambridge, MA: MIT Center for Advanced Engineering Study.

Denhardt, Robert B. 1993. *The pursuit of significance: Strategies for managerial success in public organizations*. Belmont, CA: Wadsworth.

Denhardt, Robert B., and Linda deLeon. 1995. Great thinkers in personnel management. In *Handbook of public personnel administration*, eds. Jack Rabin, Thomas Vocino, W. Bartley Hildreth and Gerald J. Miller, 21-41. New York, NY: Marcel Dekker.

Deshpande, Satish P. 1995. Factors influencing employee association members' votes for unionization. *The Journal of Psychology* 129, no. 6: 621-628.

Dilulio, John J. 1994. What is deregulating the public service? In *Deregulating the public service: Can government be improved?* ed. John J. Dilulio, 1-11. Washington, D.C.: The Brookings Institution.

Donahue, John D. 1990. *The privatization decision*. New York, NY: Basic Books. Cited in Hal G. Rainey. *Understanding and managing public organizations* (2nd eddition), 1997, p. 371. Englewood Cliffs, NJ: Prentice Hall.

Downs, Anthony. 1967. *Inside bureaucracy*. Boston: Little, Brown.

Dresang, Dennis L. 1982. Diffusion of civil service reform: The federal and state governments. *Review of Public Personnel Administration* 2, no. 2: 35-47.

Dubnick, Melvin. 1994. A coup against king bureaucracy. In *Deregulating the public service: Can government be improved?* ed. John J. Dilulio, 249-287. Washington, D.C.: The Brookings Institution.

Dunn, William. 1994. *Public Policy Analysis: An Introduction* (2nd edition). Englewood Cliffs, NJ: Prentice Hall.

Ehrlich, Clifford J. 1997. Human resource management: A changing script for a changing world. *Human Resource Management* 36, no. 1: 85-89.

Elling, Richard C. 1994. The line in Winter: An academic assessment of the first report of the National Commission on the State and Local Public Service. *Public Administration Review* 54, no. 2: 107-109.

Elling, Richard C. 1992. *Public management in the states: A comparative study of administrative performance and politics*. Westport, Connecticut: Praeger.

Epstein, Paul. 1993. Reinventing government is not enough: Invest in government productivity growth. *Public Productivity & Management Review* 16, no. 4: 357-69.

Fayol, Henri. 1949. *General and industrail management*. Translated by Constance Storrs. London: Pittman.

Finkle, Arthur L. 1995. The practice of employee discipline. In *Handbook of public personnel administration*, eds. Jack Rabin, Thomas Vocino, W. Bartley Hildreth and Gerald J. Miller, 602-615. New York, NY: Marcel Dekker.

Follett, Mary Parker. 1971. The giving of orders. In *Organization theory: Selected readings*, ed. Derek S. Pugh. Harmondsworth, United Kingdom: Penguin. Cited in Laurie J. Mullins. *Management and organisational behaviour* (3rd edition), 1993, p. 247. London: Pitman.

Follett, Mary Parker. 1924. Creative Experience. New York, NY: Longman Green and Co.

Fox, Charles J., and Mark Somma. 1997. It's not civil service, but leadership and communication: Response to DeSoto and Castillo. *Review of Public Personnel Administration* 17, no. 1: 84-91.

Fox, Charles J. 1996. Reinventing Government as Postmodern Symbolic Politics. *Public Administration Review* 56, no. 3: 256-262.

Fox, Charles. 1993. Professional norms and actual practices in local personnel administration. *Review of Public Personnel Administration* 13, no. 2 (Spring): 5-28.

Fox, Charles J. 1991. Employee performance appraisal: The keystone made of clay. In *Public personnel management: Current concerns--future challenges*, eds. Carolyn Ban and Norma M. Riccucci, 58-72. White Plains, NY: Longman.

Frederickson, H. George. 1992. Painting bull's eyes around bullet holes. *Governing* 6, (October).

Friedrich, Carl J. 1952. Some observations on Weber's analysis of bureaucracy. In *Reader in bureaucracy*, eds. Robert K. Merton, Ailsa P. Gray, Barbara Hockey, and Hanan C. Selvin, 27-33. New York, NY: The Free Press.

French, Wendell L. 1986. *Human resources management*. Boston: Houghton Mifflin.

Garvey, Gerald. 1995. False promises: The NPR in historical perspective. In *Inside the reinvention machine: Appraising governmental reform*, eds. Donald F. Kettl and John J. Dilulio, Jr., 87-106.

Gawthrop, Louis C. 1999. Public entrepreneurship in the lands of oz and uz. *Public Integrity* 1, no. 1: 75-86.

Gerth, Hans, and C. Wright Mills. 1946. *From Max Weber: Essays in sociology*. New York: Oxford University Press.

Gianakis, Gerasimos A. The promise of public sector performance measurement: Anodyne or placebo? *Public Administration Quarterly* 26, no. 1:35-64.

Gibbs, Christine. 1994. Introduction. *Public Administration Review* 54, no. 2: 105-107.

Gillham, Bill. 2000. *The research interview*. New York, NY: Continuum International.

Gordon, George J., and Michael E. Milakovich. 1998. *Public administration in America* (6th edition). New York, NY: St. Martin's Press.

Grady, Dennis O., and Brian Hunt. 1993. Managing the states' personnel systems: The actors, orientations, and issues." *Review of Public Personnel Administration* 13, no. 1: 5-21.

Gray, George R., McKenzie E. Hall, Marianne Miller, and Charles Shasky. 1997. Training practices in state agencies. *Public Personnel Management* 25, no. 2: 187-202.

Guba, Egon G., and Yvonne S. Lincoln. 1981. *Effective evaluation*. San Francisco: Jossey-Bass. Cited in Bill Gillham. *The research interview*, 2000, p. 78. New York, NY: Continuum International.

Gullick, Luther. 1937. Notes on the theory of organization. In *Papers on the science of administration*, eds. Luther Gullick and Lyndall Urwick. New York: Institute of Public Administration.

Guy, Mary E. 1997. REGO, organizational architecture, and reality. *International Journal of Public Administration* 20, no. 1: 113-138.

Hackman, J. Richard, and Greg R. Oldham. 1989. Work redesign. In *Classics of organizational behavior* (2nd edition), eds. Walter E. Natemeyer and Jay S. Gilberg, 328-335. Danville, IL: Interstate Press and Publishers.

Halachmi, Arie. 1995. The practice of performance appraisal. In *Handbook of public personnel administration*, eds. Jack Rabin, Thomas Vocino, W. Bartley Hildreth and Gerald J. Miller, 321-355. New York: Marcel Dekker.

Halachmi, Arie, and Marc Holzer. 1987. Merit pay, performance targeting and productivity. *Review of Public Personnel Administration* 7, no. 2: 80-92. Cited in Arie Halachmi. The practice of performance appraisal. In *Handbook of public personnel administration*, eds. Jack Rabin, Thomas Vocino, W. Bartley Hildreth and Gerald J. Miller, 1995. New York: Marcel Dekker, 321-355.

Hart, John. 1998. Central agencies and departments. In *Taking stock: Assessing public sector reforms*, eds. B. Guy Peters and Donald J. Savoie, 285-309. Montreal: McGill-Queen's University Press.

Hatch, Mary Jo. 1997. *Organization theory: Modern, symbolic, and postmodern perspectives*. New York, NY: Oxford University Press.

Hays, Steven W. 2001. Changing roles in human resources. In *Handbook of public management practice and reform*, ed. Kuotsai Tom Liou, 205-223. New York: Marcel Dekker.

Hays, Steven W. 1998. Staffing the bureaucracy: Employee recruitment and selection. In *Handbook of human resource management in government*, ed. Stephen E. Condrey, 298-321. New York, NY: Jossey-Bass.

Hays, Steven. W. 1996. The "state of the discipline" in public personnel administration. *Public Administration Quarterly* 20, Fall: 285-304.

Hays, Steven W. 1995. Employee discipline and removal: Coping with job security. In *Public personnel administration: Problems and prospects* (3rd edition), eds. Steven W. Hays and Richard C. Kearney, 145-161. Upper Saddle River, NJ: Prentic Hall.

Hays, Steven W., and Richard C. Kearney. 2003. The issues. In *Public personnel administration: Problems and prospects* (4th edition), eds. Steven W. Hays and Richard C. Kearney, 181-182. Upper Saddle River, NJ: Prentic Hall.

Hays, Steven W., and Richard C. Kearney. 1998. Reinventing government, the new public management and civil service systems in international perspective: The danger of throwing the baby out with the bath water. *Review of Public Personnel Administration* 18, no. 4: 38-54.

Hays, Steven W., and Richard C. Kearney. 1995. Promotion of personnel--career advancement. In *Handbook of public personnel administration*, eds. Jack Rabin, Thomas Vocino, W. Bartley Hildreth and Gerald J. Miller, 499-529. New York, NY: Marcel Dekker.

Hays, Steven W., and Richard C. Kearney. 1994. Labor management relations and participative decision making: Toward a new paradigm. *Public Administration Review* 54, no. 1: 44-51.

Heclo, Hugh. 1991. The idea of civil service: A third force. In *Classics of public personnel policy* (2nd edition), ed. Frank J. Thompson, 41-57.

Hedge, David M. 1998. *Governance and the changing American states*. Boulder, CO: Westview Press.

Heeks, Richard, and Anne Davies. 1999. Different approaches to information age reform. In *Reinventing government in the information age*, ed. Richard Heeks, 22-48. New York, NY: Routledge.

Heinrich, Carolyn J. 2002. Outcomes-based performance management in the public sector: Implications for government accountability and effectiveness. *Public Administration Review* 62, no. 6: 712-725.

Henry, Nicholas. 1995. *Public administration and public affairs* (6th edition). Englewood Cliffs, New Jersey: Prentice Hall.

Herzberg, Frederick. 1978. One more time: How do you motivate employees? In *Classics of organizational behavior*, ed. Walter E. Natemeyer, 95-106. Oak Park, IL: Moore.

Hindera, John L., and Jyl. J. Josephson. 1998. Reinventing the public employer-employee relationship: The just cause standard. *Public Administration Quarterly* 22, no. 1: 98-113.

Holzer, Marc. 1995. Productivity and quality management. In *Handbook of public personnel administration*, eds. Jack Rabin, Thomas Vocino, W. Bartley Hildreth and Gerald J. Miller, 617-632. New York, NY: Marcel Dekker.

Hou, Yilin, Patricia Ingraham, Stuart Bretschneider, and Sally Coleman Selden. 2000. Decentralization of human resource management: Driving forces and implications. *Review of Public Personnel Administration* 20, no. 4: 9-23.

Housel, Steven W. 1995. Delegation of personnel authorities in state governments. Paper presented at the Annual Conference of the Oklahoma Poliitical Science Association, Edmond, OK, November.

Hyde, Albert C. 1995. Placing the individual into the organization: Staffing and classification in human resources management. In *Handbook of public personnel administration*, eds. Jack Rabin, Thomas Vocino, W. Bartley Hildreth and Gerald J. Miller, 285-320. New York, NY: Marcel Dekker.

Ingraham, Patricia. 2003. Government performance: Why management matters. Baltimore, MD: Johns Hopkins University Press.

Ingraham, Patricia. 2002. The Government Performance Project: About the project: Questions & answers. Internet; http://www.maxwell.syr.edu/gpp/about/questions.asp; last updated 2/19/02; accessed 3/3/03.

Ingraham, Patricia. 1993. Of pigs in pokes and policy diffusion: Another look at pay-for-performance. *Public Administration Review* 53, no. 4: 348-356.

Ingraham, Patricia, Willow Jacobson, and Ora-Orn Poocharoen. 2002. Simply meritorious: Recruiting and hiring reforms in the federal government. Paper presented at the National Conference of the American Society for Public Administration, Phoenix, AZ, March 24-26.

Ingraham, Patricia W., Philip G. Joyce, and Amy Kneedler Donahue. 2003. *Government performance: Why management matters*. Baltimore, MD: The Johns Hopkins University Press.

Ingraham, Patricia W., Sally Selden, and Donald P. Moynihan. 2000. People and performance: Challenges for the future public service: The report from the Wye River Conference. *Public Administration Review* 60, no. 1: 54-60.

Jayaratne, Srinika. 1993. The antecedents, consequences, and correlates of job satisfaction. In *Handbook of organizational behavior*, ed. Robert T. Golembiewski, 111-140. New York, NY: Marcel Dekker.

Jreisat, Jamil E. 2001. The new public management and reform movement. In *Handbook of public management practice and reform*, ed. Kuotsai Tom Liou, 539-559. New York: Marcel Dekker.

Jreisat, Jamil E. and Frank P. Sherwood. 1994. Reinventing government in Florida. *Florida Center for Public Management Monograph Series*. Tallahassee, FL: Florida Center for Public Management. Cited in Maria P. Aristigueta. 2002. Reinventing state government: Managing for results, p. 148. *Public Administration Quarterly* 26, no. 2: 147-173.

Kaufman, Herbert. 1956. Emerging conflicts in the doctrines of public administration. *American Political Science Review* 50, no. 4: 1057-1073.

Kazee, Thomas K. 1994. *Who runs for Congress? Ambition, context, and candidate emergence*. Washington, D.C.: Congressional Quarterly.

Kamensky, John M. 1996. Role of the "reinventing government" movement in federal management reform. *Public Administration Review* 56, no. 3: 247-253.

Kearney, Richard C. 2003. Problems and prospects for public employee unions and managers. In *Public personnel administration: Problems and prospects* (4th edition), eds. Steven W. Hays and Richard C. Kearney, 319-333. Upper Saddle River, NJ: Prentice Hall.

Kearney, Richard C. 2001. Public labor-management relations. In *Handbook of public management practice and reform*, ed. Kuotsai Tom Liou, 225-242. New York: Marcel Dekker.

Kearney, Richard C., and Steve W. Hays. 1994. Labor-management relations and participative decision making: Toward a new paradigm. *Public Administration Review* 54, no. 1: 44-51.

Kearney, Richard C., and Frank Whitaker. 1988. Behaviorally Anchored Disciplinary Scales (BADS): A new approach to discipline. *Public Personnel Management* 17, no. 3: 341-350.

Kellough, J. Edward, and Sally Coleman Selden. 2003. The reinvention of public personnel administration: An analysis of the diffusion of personnel management reforms in the states. *Public Administration Review* 63, no. 2: 165-176.

Kellough, J. Edward, and Sally Coleman Selden. 1997. Pay-for-performance systems in state government: Perceptions of state agency personnel managers. *Review of Public Personnel Administration* 17, no. 1: 5-21.

Kettl, Donald F. 1998. *Reinventing government: A fifth-year report card: A report.* Washington, D.C.: The Brookings Institution.

Kettl, Donald F. 1994. Managing on the frontiers of knowledge: The learning organization. In *New paradigms for government: Issues for the changing public service*, eds. Patricia W. Ingraham and Barbara S. Romzek, 19-40. San Francisco: Jossey-Bass.

Kettl, Donald F. 1988. Performance and accountability: The challenge of government by proxy for public administration. *American Review of Public Administration* 18, no. 1: 9-28.

Kingdon, John W. 1995. *Agendas, alternatives, and public policies* (2nd edition). New York, NY: HarperCollins.

Klingner, Donald E. 1998. Beyond civil service: The politics of the emergent paradign. In *Handbook of human resource management in government*, ed. Stephen E. Condrey, 56-74. San Fransisco: Jossey-Bass.

Kopczynski, Mary, and Michael Lombardo. 1999. Comparative performance measurement: Insights and lessons learned from a consortium effort. *Public Administration Review* 59, no. 2: 124-134.

Kuhn, Thomas. 1962. *The structure of scientific revolutions*. Chicago, IL: University of Chicago Press.

Laabs, Jennifer. 1998. Why HR can't win today. *Workforce* 77, no. 5: 63-74.

Lachance, Janice. 1999. Speech delivered to The Capital Area Chapter of the American Society for Public Administration at the Brookings Institution on 7/12/99. Washington, D.C.; Internet; www.opm.gov/speeches/1999/aspa.htm.; accessed 11/11/03.

Lane, Larry. 1992. The office of personnel management. In *The promise and paradox of civil service reform*, eds. Patricia W. Ingraham and David H. Rosenbloom, 97-119. Pittsburgh, PA: University of Pittsburgh Press.

Lane, Frederick S. 1994. Public personnel management and labor relations. In *Current issues in public administration* (5th edition), ed. Frederick S. Lane, 238-241. New York, NY: St. Martin's.

Lasswell, Harold D. 1951. The policy orientation. In *The policy sciences: Recent developments in scope and method*, eds. Daniel Lerner and Harold D. Lasswell. Stanford, CA: Stanford University Press. Cited in William N. Dunn. *Policy analysis: An introduction* (2nd edition), 1994, p. 46. Englewood Cliffs, NJ: Prentice Hall.

Lavigna, Robert. 2003. Reforming public sector human resource management: Best practices from the practitioner's view. In *Public personnel administration: Problems and prospects*, eds. Steven W. Hays and Richard C. Kearney, 352-366. Upper Saddle River, NJ: Prentice Hall.

Lawther, Wendell C. 2003. Privatizing personnel: Outsourcing public sector functions. In *Public personnel administration: Problems and prospects* (4th edition), eds. Steven W. Hays and Richard C. Kearney, 196-208. Upper Saddle River, NJ: Prentic Hall.

Leavitt, William M., and Gail Johnson. 1998. Employee discipline and the post-bureaucratic public organization: A challenge in the change process. *Review of Public Personnel Administration* 18, no. 2: 73-81.

Levine, David I., Edward Lawler, Susan A. Mohrman, and Gerald F. Ledford. 1995. *Industrial Relations*, forthcoming. Cited in Pat McLagan and Christo Nel. The dawning of a new age in the workplace, 1995, p. 11. *The Journal for Quality and Participation* 18, no. 2: 10-15.

Light, Paul C. 1999. *The new public service*. Washington, D.C.: Brookings Institution.

Light, Paul C. 1994. Creating government that encourages innovation. In *New paradigms for government: Issues for the changing public service*, eds. Patricia Ingraham and Barbara Romzek. San Francisco: Jossey-Bass Publishers.

Likert, Rensis. 1980. An integrating principle and an overview. In *The great writings in management and organizational behavior*, eds. Louis E. Boone and Donald D. Bowen, 224-248. Tulsa, OK: PennWell.

Little Hoover Commission. 1995. *Too many agencies, too many rules: Reforming California's civil service*. Sacramento, CA: Milton Marks Commission on California State Government Organization and Economy.

Lombard, Judith M. 2003. Reinventing human resource development: Unintended consequences of Clinton administration reforms. *International Journal of Public Administration* 26, nos. 10 & 11: 1105-1133.

Long, Norton. 1992. Power and administration. In *Public administration: Concepts and cases* (5th edition), ed. Richard J. Stillman II. Boston, MA: Houghton Mifflin.

Lopez, John F., and Joe D. Tanner. 1997. How can we fix the merit system? In *State government: CQ's guide to current issues and activities 1997-98*, ed. Thad L. Beyle. Washington, D.C.: Congressional Quarterly, Inc.

Macy, John. W. 1971. *Public service: The human side of government.* New York: HarperCollins.

Maslow, Abraham H. 1980. A theory of human motivation. In *The great writings in management and organizational behavior*, eds. Louis E. Boone and Donald D. Bowen, 89-110. Tulsa, OK: PennWell.

Maslow, Abraham H. 1954. *Motivations and Personality*. New York, NY: HarperCollins.

McGregor, Douglas. 1978. The human side of enterprise. In *Classics of organizational behavior*, ed. Walter E. Natemeyer, 12-18. Oak Park, IL: Moore.

McIver, John P., and Edward G. Carmines. 1981. *Unidimensional scaling*. Beverly Hills: Sage. Cited in Joseph A. Gliem and Rosemary R. Gliem. Calculating, interpreting, and reporting Cronbach's Alpha reliability coefficient for Liker-type scale. Paper presented at the Midwest Research-to-Practice Conference in Adult, Continuing, and Community Education held at The Ohio State University, Columbus, OH. Oct. 8-10, 2003.

McLagan, Pat, and Christo Nel. 1995. The dawning of a new age in the workplace. *The Journal for Quality and Participation* 18, no. 2: 10-15.

Meier, Kenneth J. 1994. *The politics of sin: Drugs, alcohol, and public policy*. Armonk, NY: M.E. Sharpe.

Merton, Robert K. 1952. Bureaucratic structure and personality. In *Reader in Bureaucracy*, eds. Robert K. Merton, Ailsa P. Gray, Barbara Hockey, and Hanan C. Selvin, 361-371. Glencoe, Illinois: The Free Press.

Mesch, Debra J., James L. Perry, and Lois Recascino Wise. 1995. Bureaucratic and strategic human resources management: An empirical comparison in the federal government. *Journal of Public Administration Research and Theory* 5, vol. 4: 385-402.

Micklethwait, John, and Adrian Wooldridge. 1996. *The witch doctors*. London: Heinemann.

Miles, Matthew B., and A. Michael Huberman 1994. *Qualitative data analysis* (2nd edition). Thousand Oaks: Sage.

Miner, John B. 2002. *Organizational behavior: Foundations, theories, and analyses*. New York, NY: Oxford University Press.

Moe, Ronald C. 1994. The "reinventing government" exercise: Misinterpreting the problem, misjudging the consequences. *Public Administration Review* 54, no. 2: 111-122.

Morgan, David R., and Robert E. England. 1988. The two faces of privatization. *Public Administration Review* 48, no. 6: 979-987.

Mosher, Frederick C. 1968. *Democracy and the public service*. New York, NY: Oxford University Press.

Mosher, William E., J. Donald Kingsley, and O. Glenn Stahl. 1950. *Public personnel administration* (3rd edition). New York: Harper & Brothers.

Mullins, Laurie J. 1993. *Management and organisational behavior* (3rd edition). London: Pittman.

Naff, Katherine C. 2003. Why public managers hate position classification. In *Public personnel administration: Problems and prospects*, eds. Steven W. Hays and Richard C. Kearney. Upper Saddle River, NJ: Prentice Hall.

Nalbandian, John. 1991. Performance appraisal: If only people were not involved. In *Classics of public personnel policy* (2nd edition), ed. Frank J. Thompson, 191-207. Pacific Grove, CA: Brooks/Cole.

Nalbandian, John, and Donald Klingner. 1981. The politics of public personnel administration: Towards theoretical understanding. *Public Administration Review* 4, no. 5: 541-549.

Nathan, Harriet. 1986. *Critical choices in interviews: Conduct, use, and research*. Berkeley, CA: Institute of Governmental Studies.

Nathan, Richard P. 1995. Reinventing government: What does it mean? *Public Administration Review* 55, no. 2: 213-215.

Nathan, Richard P. 1994. Deregulating state and local government: What can leaders do? In *Deregulating the public service: Can government be improved?* ed. John J. Dilulio, Jr., 156-174. Washington, D.C.: The Brookings Institution.

National Academy of Public Administration (NAPA). 1995. *Strategies and alternatives for transforming human resources management*. Washington, D.C.: National Academy of Public Administration.

National Academy of Public Administration (NAPA). 1993. *Leading people in change: Empowerment, commitment, accountability*. Washington, D.C.: National Academy of Public Administration.

National Association of State Budget Officers and National Governors Association. 2004. The fiscal survey of states. Washington, D.C.

National Association of State Personnel Executives (NASPE). 2003. About NASPE. Internet; http://www.naspe.net/index.htm; accessed 11/7/03.

National Association of State Personnel Executives (NASPE) 2000. *State personnel office: Roles and functions*, 4th ed. Lexington, KY: Council of State Governments.

National Association of State Personnel Executives (NASPE). 1996. *State personnel office: Roles and functions*, 4th ed. Lexington, KY: Council of State Governments.

National Association of State Personnel Executives (NASPE). 1991. *State personnel office: Roles and functions*, 4th ed. Lexington, KY: Council of State Governments.

National Association of State Personnel Executives (NASPE). 1987. *State personnel office: Roles and functions*, 4th ed. Lexington, KY: Council of State Governments.

National Commission on the State and Local Public Service (Winter Commission). 1993. *Hard truths/tough choices: An agenda for state and local reform*. Albany, NY: The Nelson A. Rockefeller Institute of Government.

National Commission on the Public Service (Volcker Commission). 2003. *Urgent business for America: Revitalizing the federal government for the 21st century*. Washington, D.C.: The Brookings Institution.

National Commission on the Public Service (Volcker Commission). 1989. *Leadership for America: Rebuilding the public service*, report of the National Commission on the Public Service. Washington, D.C.: The Brookings Institution.

National Governors' Association (NGA). 1993. *An action agenda to redesign state government*. Washington, DC: National Governors Association.

National Performance Review. 1993a. *From red tape to results: Creating a government that works better and costs less*. Washington, D.C.: U.S. Government Printing Office.

National Performance Review. 1993b. *From red tape to results: Creating a government that works better and costs less: Reinventing human resource management* (accompanying report). Washington, D.C.: U.S. Government Printing Office.

National Performance Review. 1993c. *Staff handbook*. Washington, D.C.: U.S. Government Printing Office. Cited in John M. Kamensky. 1996. Role of the "reinventing government" movement in federal management reform, p. 252. *Public Administration Review* 56, no. 3: 247-253.

Nigro, Loyd. 2003. The reform agenda: Where do we go from here? In *Public personnel administration: Problems and prospects*, eds. Steven W. Hays and Richard C. Kearney. Upper Saddle River, NJ: Prentice Hall.

Nigro, Felix A., and Lloyd G. Nigro. 1994. *The new public personnel administration* (4th edition). Itasca, IL: F. E. Peacock.

Nigro, Felix A., and Lloyd G. Nigro. 1989. *Modern public administration* (7th edition). New York, NY: HarperCollins.

Nigro, Felix A., and Lloyd G. Nigro. 1986. *The new public personnel administration*. Itasca, IL: Peacock.

Niskanen, William. 1971. *Buureaucracy and representative government*. Chicago, IL: Aldine-Altherton.

Osborne, David, and Ted Gaebler. 1992. *Reinventing government*. Reading, MA: Addison-Wesley.

Osborne, David E., and Peter Pastrik. 1997. *Banishing bureaucracy: The five stages for reinventing government*. Cambridge, MA: Perseus.

Ott, J. Steven. 1998. Understanding organizational climate and culture. In *Handbook of human resource management in government*, ed. Stephen E. Condrey, 116-140. San Francisco, CA: Jossey-Bass.

Peckenpaugh, Jason. 2001. Merit board renews fight against "rule of three" hiring law. *GovExec.com*, published February 8. Internet; http://www.govexec.com/dailyfed/0201/020801p1.htm; accessed 1/3/03.

Perry, James L. 2003. Compensation, merit pay, and motivation. In *Public personnel administration: Problems and prospects* (4th edition), eds. Steven W. Hays and Richard C. Kearney, 143-153. Upper Saddle River, NJ: Prentice Hall.

Perry, James L., and Debra J. Mesch. 1997. Strategic human resource management. In *Public personnel management: Current concerns, future challenges*: 21-34. White Plains, NY: Longman.

Perry, James L., and Kenneth L. Kraemer. 1993. The implications of changing technology. In *Revitalizing state and local public service: strengthening performance, accountability, and citizen confidence*, ed. Frank J. Thompson, 225-245. San Francisco: Jossey-Bass.

Peters, B. Guy. 1998. What works? The antiphons of administrative reform. In *Taking stock: Assessing public sector reforms*, eds. B. Guy Peters and Donald J. Savoie, 78-107. Montreal: McGill-Queen's University Press.

Peters, B. Guy. 1996. *The future of governing: Four emerging models*. Lawrence, KS: University Press of Kansas.

Peterson, Mark A. 1990. *Legislating together: The White House and Capitol Hill from Eisenhower to Reagan*. Cambridge, MA: Harvard University Press.

Pfiffner, James P. 1998. The American tradition of administrative reform. In *The White House and the Blue House: Government reform in the United States and Korea*, eds. Yong Hyo Cho and H. George Frederickson, 215-251. New York, NY: University Press of America.

Poland, Orville F. 1971. Why does public administration ignore evaluation? *Public Administration Review* 31, no. 2. Cited in Nicholas Henry. *Public administration and public affairs* (6th edition), 1995, p. 181. Englewood Cliffs, NJ: Prentice-Hall.

Porter, Lyman W., and Edward E. Lawler. 1968. *Management attitudes and performance*. Homewood, IL: Irwin.

Pressman, Jeffrey L., and Aaron B. Wildavsky. 1984. *Implementation: How great expectations in Washington are dashed in Oakland: Or, why it's amazing that federal programs work at all, this being a saga of the Economic Development Adminstration as told by two sympathetic observers who seek to build morals on a foundation of ruined hopes* (3rd edition). Berkeley, CA: University of California Press.

Pynes, Joan E., and Lynn K. Bartels. 1996. The times they are a changing: Implications of workplace changes for the development of selection examinations. *Public Productivity and Management Review* 20, no. 2: 121-128.

Rahman, A.T. Rafiqur. 2001. *Reforming the civil service for government performance: A partnership perspective*. Dhaka, Bangladesh: The University Press.

Rainey, Hal. G. 1998. Assessing past and current personnel reforms. In *Taking stock: Assessing public sector reforms*, eds. B. Guy Peters and Donald J. Savoie, 187-220. Montreal: McGill-Queen's University Press.

Rainey, Hal G. 1997. *Understanding & managing public organizations* (2nd edition). San Francisco, CA.: Jossey-Bass.

Rainey, Hal G. 1994. Rethinking public personnel administration. In *New paradigms for government: Issues for the changing public service*, eds. Patricia Ingraham and Barbara Romzek, 115-140. San Francisco: Jossey-Bass Publishers.

Ramsden, Paul. 1992. *Learing to teach in higher education*. London, Routledge. Cited in Mark K. Smith. Peter Senge and the learning organization. In *The encyclopedia of informal education*. Internet; www.infed.org/thinkers /senge.htm; accessed 6/13/04.

Reagan, Michael D. 1987. *The politics of policy*. Boston, MA: Little, Brown.

Reagan, Michael D., and John G. Sanzone. 1981. *The new federalism*, 2nd ed. New York: Oxford University Press.

Reeves, T. Zane. 1997. Labor-management partnerships in the public sector. In *Public personnel management: Current concerns, future challenges* (second edition), eds. Carolyn Ban and Norma M. Riccucci, 173-186. White Plains, NY: Longman.

Ripley, Randall B., and Grace A. Franklin. 1986. *Policy implementation and bureaucracy* (2nd edition). Chicago, IL: Dorsey.

Roberts, Gary E. 2003. Issues, challenges, and changes in recruitment and selection. In *Public personnel administration: Problems and prospects* (4th edition), eds. Steven W. Hays and Richard C. Kearney, 143-153. Upper Saddle River, NJ: Prentice Hall.

Rockman, Bert A. The changing role of the state. In *Taking stock: Assessing public sector reforms*, eds. B. Guy Peters and Donald J. Savoie, 20-44. Montreal: McGill-Queen's University Press.

Rogers, Carl R. 1961. *On becoming a person: A therapist's view of psychotherapy*. Boston, MA: Houghton Mifflin.

Romzek, Barbara S. 1997. Accountability challenges of deregulation. In *Public personnel management: Current concerns, future challenges* (second edition), eds. Carolyn. Ban and Norma M. Riccucci, 35-54. White Plains, New York: Longman.

Romzek, Barbara, and Melvin J. Dubnick. 1994. Issues of accountability in flexible personnel systems. In *New paradigms for government: Issues for the changing public service*, eds. Patricia W. Ingraham and Barbara S. Romzek, 263-294. San Francisco: Jossey-Bass.

Rosenbloom, David H. 1986. A theory of public personnel reforms. In *Current issues in public administration*, ed. Frederick S. Lane. New York: St. Martin's Press.

Roethlisberger, Fritz J. 1989. The Hawthorne experiments. In *Classics of organizational behavior* (2nd edition), eds. Walter E. Natemeyer and Jay S. Gilberg, 3-13. Danville, ILL: Interstate Press & Publishers.

Sampson, Charles L. 1993. Professional roles and perceptions of the public personnel function. *Public Administration Review* 53, no. 2: 154-160.

Savas, Emanuel S. 1974. Municipal monopolies versus competition in delivering urban services. In *Improving the quality of urban management*, eds., Willis D. Hawley and David Rogers. Beverley Hills, CA: Sage. Cited in George A. Boyne. Bureaucratic theory meets reality: Public choice and service contracting in U.S. local government, 1998, p. 474. *Public Administration Review* 58, no. 6: 474-484.

Sayre, Wallace S. 1948. The triumph of techniques over purpose. *Public Administration Review* 8, no. 2: 134-137.

Scarpello, Vida Gulbinas, and James Ledvinka. 1988. *Personnel/human resource management: Environments and functions*. Boston: PWS-Kent.

Schön, Donald A. 1983. *The reflective practitioner: How professions think in action*. New York, NY: Basic Books.

Scriven, Michael. 1967. The methodology of evaluation. In *Perspectives on curriculum evaluation*, eds. Robert W. Tyler, Robert M. Gagne, and Michael Scriven. Chicago: Rand McNally.

Seashore, Stanley E. 1980. Criteria of organizational effectiveness. In *The great writings in management and organizational behavior*, eds. Louis E. Boone and Donald D. Bowen, 430-439. Tulsa, OK: PennWell.

Secchia Commission. 1994. *The Secchia Commission report: Toward a user-friendly government*. Report submitted to Michigan Governor John Engler, December 20.

Selden, Sally Coleman, Patricial Wallace Ingraham, and Willow Jacobson. 2001. Human resource practices in state government: Findings from a national survey. *Public Administration Review* 61, no. 5: 598-607.

Selden, Sally Coleman, Patricial Wallace Ingraham, and Willow Jacobson. 1999. Human resource practices in state governments: Findings from a national survey. Paper presented at the 60th National Conference of the American Society for Public Administration, Orlando, FL, April 10-14.

Senge, Peter M. 1990. *The fifth discipline: The art and practice of the learning organization*. London, UK: Random House. Cited in Mark K. Smith. Peter Senge and the learning organization. In *The encyclopedia of informal education*. Internet; www.infed.org/thinkers/senge.htm; accessed 6/13/04.

Shafritz, Jay M., David H. Rosenbloom, Norma M. Riccucci, Katherine C. Naff and Albert C. Hyde. 2001. *Personnel management in government: Politics and process* (5th edition). New York: Marcel Dekker.

Shafritz, Jay M., Albert C. Hyde and David Rosenbloom. 1992. *Personnel management in government: Politics and process.* New York, NY: Marcel Dekker.

Shapek, Raymond A. 1976. Federal influences in state and local personnel management: The system in transition. *Public Personnel Management* 5, no. 1: 41-51.

Siegel, Gilbert. 1998. Work management and job evaluation systems in a government environment. In *Handbook of human resource management in government*, ed. Stephen Condrey, 586-607. San Francisco, CA: Jossey-Bass.

Simmon, Robert H., and Eugene P. Dvorin. *Public administration: Values, policy, and change*. 1977. Port Washington, NY: Alfred.

Skowronek, Stephen. 1990. *Building a new American state: The expansion of national administrative capacities, 1877-1920*. Cambridge, MA: Cambridge University Press.

Slabach, Donald E. 1994. *An examination of the status and trends of public human resource management.* Mississippi State, MS: The John C. Stennis Institute of Government at Mississippi State University.

Smith, Mark. K. 2001. Donald Schön: Learning, reflection and change. In *The encyclopedia of informal education*. Internet; www.infed.org/thinkers/et-schon.htm; accessed 6/21/04.

Sorauf, Frank J. 1960. The silent revolution in patronage. *Public Administration Review* 20, no. 1: 28-34.

Stahl, O. Glenn. 1976. *Public Personnel Administration* (7th edition). New York: Harper and Row.

State Academy for Public Administration. 1995. A time to just do it--change: Recommendations for changes in the New York state human resources management system. Albany, NY: State Academy for Public Administration.

Stehr, Steven D., and Ted. M. Jones. 1999. Continuity and change in public personnel administration. *Public Personnel Administration* 19, no. 2: 32-49.

Sulzner, George T. 1997. New roles, new strategies: Reinventing the public union. In *Public personnel management: Current concerns, future challenges* (second edition), eds. Carolyn. Ban and Norma M. Riccucci, 157-172. White Plains, New York: Longman.

Sylvia, Ronald D. 1983. An Organizational Perspective on Training and Development in the Public Service. In *Public personnel administration: Problems and prospects*, eds. Steven W. Hays and Richard C. Kearney, 137-152. Englewood Cliffs, New Jersey: Prentice Hall.

Taylor, Frederick W. 1980. The principles of scientific management. In *The great writings in management and organizational behavior*, eds. Louis E. Boone and Donald D. Bowen, 34-51. Tulsa, OK: PennWell.

Taylor, Frederick W. 1919. *The principles of scientific management*. New York, NY: HarperCollins.

Tesch, Renata. 1990. *Qualitative research: Analysis types and software tools*. New York, NY: The Falmer Press.

Thomas, John Clayton, and W. Donald Heisel. 1983. The modernization of recruitment and selection in local governments. *Public personnel administration: Problems and prospects*, eds. Steven W. Hays and Richard C. Kearney, 83-97. Englewood Cliffs, New Jersey: Prentice-Hall.

Thompson, Frank. J., and Norma M. Riccucci. 1998. Reinventing government. *Annual review of political science* 1: 231-57.

Thompson, Frank J., and Beryl A. Radin. 1997. Reinventing public personnel management: The Winter and Gore initiatives. In *Public personnel management: Current concerns, future challenges* (second edition), eds. Carolyn. Ban and Norma M. Riccucci, 3-20. White Plains, New York: Longman.

Thompson, Frank J. 1993. The challenges revisited. In Revitalizing state and local public service: Strengthening performance, accountability, and citizen confidence, ed. Frank J. Thompson, 309-327. San Fransisco, CA: Jossey-Bass.

Timmreck, Thomas C. 1989. Performance appraisal systems in rural western hospitals. *Health Care Management Review* 14, no. 2: 31-43. Cited in Charles J. Fox and Kurt A. Shirkey. Employee performance appraisal: The keystone made of clay. In Carolyn Ban and Norma M. Riccucci, eds. *Public personnel management: Current concerns, future challenges* (2nd edition), 1997, p. 205. White Plains, NY: Longman.

Truman, John P., John Hindera, and Danielle Roth-Johnson. 2001. Deregulation policy and public management. In *Handbook of public management practice and reform*, ed. Kuotsai Tom Liou, 431-445. New York: Marcel Dekker.

Ulrich, Dave. 1998. A new mandate for human resources. In *Delivering results: A new mandate for human resource professionals*, ed. Dave Ulrich, 29-44. Boston, MA: Harvard Business Review Books.

U.S. Department of Labor. Bureau of Labor Statistics. 1998. *Employment and earnings*. Internet; http://stats.bls.gov/cpsaatab.htm#weekearn; accessed January 1998. Cited in David H. Rosenbloom, Jay M. Shafritz, David H. Rosenbloom, Norma M. Riccucci, Katherine C. Naff and Albert C. Hyde. *Personnel management in government: Politics and process* (5th edition), 2001, p. 473. New York: Marcel Dekker.

U.S. General Accounting Office (GAO). 2004. *Human capital: A guid for assessing strategic training and development efforts in the federal government*. GAO-04-546G. Washington, D.C.

U.S. General Accounting Office (GAO). 2003. *Major management challenges and program risks: Office of Personnel Management*. GAO-03-115. Washington, D.C.

U.S. General Accounting Office (GAO). 2003a. *Human capital: Selected agency actions to integrate human capital approaches to attain mission results*. GAO-03-446. Washington, D.C.

U.S. General Accounting Office (GAO). 2000. *Observations on the Office of Personnel Management's fiscal year 1999 performance report and fiscal year 2001 performance plan.* GAO/GGD-00-156R. Washington, D.C.

U.S. General Accounting Office (GAO). 1999. *Managing for results: Opportunities for continued improvements in agencies' performance plans*. GAO/GGD/AIMD-99-215. Washington, D.C.

U.S. General Accounting Office (GAO). 1998. *Performance measurement and evaluation: Definitions and relationships*. GAO/GGD-98-26. Washington, D.C.

U.S. General Accounting Office (GAO). 1997. *Privatization: Lessons learned by state and local governments*. GAO/GGD-97-48. Washington, D.C.

U.S. General Accounting Office (GAO). 1994. Managing for results: State experiences provide insights for federal management reforms. GAO/GGD-95-22. Washington, D.C.

U.S. General Accounting Office (GAO). 1992. Quality management: Survey of federal organizations. GAO/GGD-93-9BR. Washington, D.C.

U.S. General Accounting Office (GAO). 1991a. *Federal labor relations: a program in need of reform*. GAO/GGD-91-101. Washington, D.C. Cited in National Performance Review. *From red tape to results: Creating a government that works better and costs less: Reinventing human resource management* (accompanying report), 1993b, p. 79. Washington, D.C.

U.S. General Accounting Office (GAO). 1991b. *Federal labor relations: a program in need of reform*. GAO/GGD-91-101. Washington, D.C. Cited in National Performance Review. *From red tape to results: Creating a government that works better and costs less: Reinventing human resource management* (accompanying report), 1993b, p. 80. Washington, D.C.

U.S. General Accounting Office (GAO). 1990. *Pay for performance: State and international public sector pay-for-performance systems*. GAO/GGD-91-1. Washington, D.C.

U.S. General Accounting Office (GAO). 1988. *Civil service reform: Development of 1978 civil service reform proposals*. GAO/GGD-89-18. Washington, D.C.

U.S. Merit Systems Protection Board (MSPB). 2003. HR as strategic partner: Where to begin? *Issues of Merit* (July): 3-4. Washington, D.C.: U.S. Merit Systems Protection Board.

U.S. Merit Systems Protection Board (MSPB). 2001. *The U.S. Office of Personnel Management in retrospect: Achievements and challenges after two decades*. Washington, D.C.: U.S. Merit Systems Protection Board.

U.S. Merit Systems Protection Board (MSPB). 1999. Employee selection methods need to be better. *Issues of Merit* (December): 1-3. Washington, D.C.: U.S. Merit Systems Protection Board.

U.S. Merit Systems Protection Board (MSPB). 1999a. *Perspectives: Federal supervisors and poor performers.* Washington, D.C.: U.S. Merit Systems Protection Board.

U.S. Merit Systems Protection Board (MSPB). 1998. *Civil service evaluation: The evolving role of the U.S. Office of Personnel Management*. Washington, D.C.: U.S. Merit Systems Protection Board.

U.S. Merit Systems Protection Board (MSPB). 1997a. *Adherence to the merit principles in the workplace: Federal employees' views*. Washington, D.C.: U.S. Merit Systems Protection Board.

U.S. Merit Systems Protection Board (MSPB). 1997b. Due process: An evolving right for federal workers. *Issues of Merit* (November): 4-5. Washington, D.C.: U.S. Merit Systems Protection Board.

U.S. Merit Systems Protection Board (MSPB). 1993. *Federal personnel offices: Time for change*? Washington, D.C.: U.S. Merit Systems Protection Board.

U.S. Merit Systems Protection Board (MSPB). 1989a. *Delegation and decentralization: Personnel management simplification efforts in the federal government*. Washington, D.C.: U.S. Merit Systems Protection Board.

U.S. Merit Systems Protection Board (MSPB). 1989b. *U.S. Office of Personnel Management and the merit system: A retrospective assessment* (June). Washington, D.C.: U.S. Merit Systems Protection Board.

U.S. Office of Personnel Management (OPM). 1999a. Strategic human resources management: Aligning with the mission. Washington, D.C.

U.S. Office of Personnel Management (OPM). 1999b. *Poor performers in government: A quest for the true story*. Washington, D.C.

U.S. Office of Personnel Management (OPM). 1998. *Deregulation and delegation of human resources management authority in the federal government*. Office of Merit Systems Oversight and Effectiveness. MSE-98-3. Washington, D.C.

Van Riper, Paul. 1958. *History of the United States civil service*. White Planins, NY: Row, Peterson.

Van Wart, Montgomery. 1998. Organizational investment in employee development. In *Handbook of Human Resource Management in Government*, ed. Stephen E. Condrey, 276-297. New York, NY: Jossey-Bass.

Volcker Commission. 1989. See National Commission on the Public Service.

Volcker, Paul A., and William F. Winter. Introduction: Democracy and public service. 1994. In *Deregulating the public service: Can government be improved?* ed. John J. Dilulio, Jr., xi-xvii. Washington, D.C.: The Brookings Institution.

Vroom, Victor H. 1964. *Work and Motivation*. New York, NY: Wiley.

Walters, Jonathan. 2002. *Life after civil service reform: The Texas, Georgia, and Florida experiences.* Washington, D.C.: The Center for the Business of Government.

Walters, Jonathan. 2000. *Toward a high-performance workplace: Fixing civil service in Massachusetts*. Boston, MA: Center for Restructuring Government, Pioneer Institute for Public Policy Research.

Walters, Jonathan. 1992. How not to reform civil service. *Governing* (November).

Weingarten v. U.S. 1980. 449 U.S. 1034. Cited in Arthur L. Finkle. The practice of employee discipline. In *Handbook of public personnel administration*, eds. Jack Rabin, Thomas Vocino, W. Bartley Hildreth and Gerald J. Miller, 1995, p. 604. New York, NY: Marcel Dekker.

Weiss, Carol H. 1977. Research for policy's sake: The enlightenment function of social research. *Policy Analysis* 3, Fall.

Werbel, James D. 1995. A review of research regarding criteria used to select job applicants." In *Handbook of public personnel administration*. eds. Jack Rabin, Thomas Vocino, W. Bartley Hildreth, and Gerald J. Miller, 267-284. New York, NY: Marcel Dekker.

Wholey, Joseph S., John W. Scanlon, Hugh G. Duffy, James S. Fukumoto, and Leona M. Vogt. 1970. *Federal evaluation policy: Analysing the effects of public programs*. Washington, D.C.: The Urban Institute. Cited in Nicholas Henry. *Public administration and public affairs* (6th edition), 1995, p. 187. Englewood Cliffs, New Jersey: Prentice Hall.

Willoughby, F.W. 1927. Principles of public administration--with special reference to the national and state governments of the United States. Baltimore, MD: The Johns Hopkins University Press, 1927. Cited in William Mosher, J.Donald Kingsley, and O.Glenn Stahl, 1950, p. 201. *Public Personnel Administration* (3rd edition). New York, NY: Harper & Brothers.

Wilson, James Q. 1994. Can the bureaucracy be deregulated? Lessons from government agencies. In *Deregulating the public service: Can government be improved?* ed. John J. Dilulio, Jr., 37-61. Washington, D.C.: The Brookings Institution.

Winter Commission. See National Commission on the State and Local Public Service.

Wise, Lois Recascino. 1997. Job evaluation: White elephant on the path to public management reform? Paper presented at the Conference on Comparative Civil Service Systems, Indiana University, Bloomington, Indiana, April 5-8. Internet; www.Indiana.edu/~csrc; accessed 11/24/99.

Wright, Deil S., and Chung-Lae Cho. 2001. *American State Administrators Project (ASAP) overview: Major features of the ASAP survey (1964-1998)*. The Odum Institute: University of North Carolina at Chapel Hill.

Appendix 1

Merit System Principles

1. Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve a work force from all segments of society, and selection and advancement should be determined solely on the basis of relative ability, knowledge, skills, after fair and open competition which assures that all receive equal opportunity.

2. All employees and applicants for employment should receive fair and equitable treatment in all aspects of personnel management without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition, and with proper regard fro their privacy and constitutional rights.

3. Equal pay should be provided for work of equal value, with appropriate consideration of both national and local rates paid by employers in the private sector, and appropriate incentives and recognition should be provided for excellence in performance.

4. All employees should maintain high standards of integrity, conduct, and concern for the public interest.

5. The federal workforce should be used efficiently and effectively.

6. Employees should be retained on the basis of the adequacy of their performance, inadequate performance should be corrected, and employees should be separated who cannot or will not improve their performance to meet required standards.

7. Employees should be provided with effective education and training in cases in which such education and training would result in better organizational and individual performance.

8. Employees should be--
    1. protected against arbitrary action, personal favoritism, or coercion for partisan political purposes, and
    2. prohibited from using their official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for election.

9. Employees should be protected against reprisal for the lawful disclosure of information which the employees reasonably believe evidences--
    1. a violation of any law, rule, or regulation, or
    2. mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

Source: U.S. Merit Systems Protection Board (1997, 11)

Appendix 2

Measurement of Variables Comprising Kellough-Selden Index

Index of decentralization of authority for personnel functions (NASPE 2000)	Additive index of the following, minus eight: 1 = centralized responsibility 2 = shared responsibility 3 = decentralized responsibility Establish qualifications — Classification Position audits — Compensations Recruitment — Selection Performance evaluations — Employee promotion Training *Range: 1-19* — *Alpha: .74* *Mean: 8.96* — *Std: 2.91*
Index of contracting out of personnel functions (NASPE 2000)	Additive index of the following: 1 = contracts out 0 = does not contract out Personnel data entry — Drug Testing Health insurance — Salary survey Security checks — Temporary services Test development — Training Workers compensation *Range: 0-9* — *Alpha: .75* *Mean: 2.80* — *Std: 2.32*
Index measuring the use of a relatively small number of job classes (NASPE 2000)	$1 - \frac{\text{Number of Job Classes}}{\text{Total Number of Employees}}$ Larger values indicate the presence of a smaller number of job classes relative to the total number of state employees *Mean: .95* — *Std: .03*
Implementation of a system of broad pay bands (NASPE 2000)	1 = broadbanding 0 = traditional grade structure *Mean: .33* — *Std: .47*
Use of labor-management partnerships (NASPE 2000)	1 = presence of labor-management partnerships 0 = absence of labor-management partnerships *Mean: .44* — *Std: .50*
Index measuring the use of strategic workforce planning (GPP 1998)	Index constructed as part of the Government Performance Project. The index is scaled from 1 to 20, with higher scores indicating more comprehensive, formal workforce planning. *Mean: 7.73* — *Std: 5.22*

Source: Kellough and Selden (2003, 167)

Appendix 3

Scores from the Four Nationwide Surveys, As Reported by the Authors*

State	Coggburn	S & K	GPP	ASAP
AL	14	-3.64	1.33	0.77
AK	9	0.41	2.00	1.43
AR	12	-1.54	2.00	1.21
CO	6	2.00	2.67	2.10
CT	6	-4.16	2.00	1.25
FL	3	-1.32	2.67	2.32
HI	3	-1.74	2.00	1.21
ID	10	0.20	3.00	1.55
IL	6	2.42	3.00	1.42
IN	6	2.06	3.00	1.48
IA	9	2.98	3.33	1.29
KS	8	1.50	3.33	1.14
KY	7	-2.99	3.33	1.83
LA	7	-0.23	3.00	1.33
ME	11	0.36	3.00	1.52
MI	11	6.86	3.33	1.95
MN	5	0.84	2.33	1.55
MS	6	1.60	2.67	1.09
MO	9	0.58	3.33	2.17
MT	11	-3.67	2.33	1.20
NE	6	-0.90	2.00	1.62
NV	2	-3.61	1.33	0.52
NH	7	-0.69	2.33	0.72
NJ	5	-0.84	1.67	1.29
NM	9	-2.07	2.67	1.60
NY	5	3.44	2.33	1.67
NC	12	2.49	3.33	1.53
ND	15	-4.58	3.00	1.76
OH	5	-0.28	3.00	1.89
OK	5	-1.54	1.67	2.03
OR	15	-0.81	2.00	1.55
PA	8	2.53	3.33	1.40
SC	13	5.18	4.00	2.36
TN	4	-3.35	2.67	1.26
TX	11	2.76	3.00	2.42
UT	13	-2.53	2.67	1.81
VT	6	-2.45	2.00	1.17
VA	15	5.69	3.33	1.78
WV	8	-4.35	2.33	1.41
WI	10	4.13	3.67	1.56
WY	10	-0.19	2.33	1.46
Mean	8.29	#	2.63	1.49
Std Dev	3.56		.62	.44

* The methods the authors used to generate their survey scores are described in Chapter 3, Section B.

\# The data were converted to z scores by study's authors.

These states were excluded because of missing values: Arizona, California, Delaware Georgia, Maine, Massachusetts, Rhode Island, South Dakota and Washington

Appendix 4

Scores for the Four Nationwide Surveys, Converted to Z Scores

State*	Coggburn	S & K	GPP	ASAP	Total
AL	1.60	-3.64	-2.10	-1.64	-5.78
AK	0.20	0.41	-1.02	-0.14	-0.55
AR	1.04	-1.54	-1.02	-0.64	-2.16
CO	-0.64	2.00	0.06	1.39	2.81
CT	-0.64	-4.16	-1.02	-0.55	-6.37
FL	-1.49	-1.32	0.06	1.89	-0.86
HI	-1.49	-1.74	-1.02	-0.64	-4.89
ID	0.48	0.20	0.60	0.14	1.42
IL	-0.64	2.42	0.60	-0.16	2.22
IN	-0.64	2.06	0.60	-0.02	2.00
IA	0.20	2.98	1.13	-0.45	3.86
KS	-0.08	1.50	1.13	-0.80	1.75
KY	-0.36	-2.99	1.13	0.77	-1.45
LA	-0.36	-0.23	0.60	-0.36	-0.35
ME	0.76	0.36	0.60	0.07	1.79
MI	0.76	6.86	1.13	1.05	9.80
MN	-0.92	0.84	-0.48	0.14	-0.42
MS	-0.64	1.60	0.06	-0.91	0.11
MO	0.20	0.58	1.13	1.55	3.46
MT	0.76	-3.67	-0.48	-0.66	-4.05
NE	-0.64	-0.90	-1.02	0.30	-2.26
NV	-1.77	-3.61	-2.10	-2.20	-9.68
NH	-0.36	-0.69	-0.48	-1.75	-3.28
NJ	-0.92	-0.84	-1.55	-0.45	-3.76
NM	0.20	-2.07	0.06	0.25	-1.56
NY	-0.92	3.44	-0.48	0.41	2.45
NC	1.04	2.49	1.13	0.09	4.75
ND	1.88	-4.58	0.60	0.61	-1.49
OH	-0.92	-0.28	0.60	0.91	0.31
OK	-0.92	-1.54	-1.55	1.23	-2.78
OR	1.88	-0.81	-1.02	0.14	0.19
PA	-0.08	2.53	1.13	-0.20	3.38
SC	1.32	5.18	2.21	1.98	10.69
TN	-1.21	-3.35	0.06	-0.52	-5.02
TX	0.76	2.76	0.60	2.11	6.23
UT	1.32	-2.53	0.06	0.73	-0.42
VT	-0.64	-2.45	-1.02	-0.73	-4.84
VA	1.88	5.69	1.13	0.66	9.36
WV	-0.08	-4.35	-0.48	-0.18	-5.09
WI	0.48	4.13	1.68	0.16	6.45
WY	0.48	-0.19	-0.48	-0.07	-0.26

The following states were excluded because of missing values: Arizona, California,Delaware, Georgia, Maine, Massachusetts, Maryland, Rhode Island, South Dakota and Washington

Appendix 5

Summation of Z Scores from the Four Nationwide Surveys

State	Z Score	State	Z Score
SC	10.69	UT	-0.42
MI	9.80	MN	-0.43
VA	9.36	AK	-0.54
WI	6.45	FL	-0.86
TX	6.23	KY	-1.45
NC	4.75	ND	-1.48
IA	3.85	NM	-1.56
MO	3.45	AR	-2.15
PA	3.37	NE	-2.26
CO	2.81	OK	-2.79
NY	2.44	NH	-3.29
IL	2.21	NJ	-3.77
IN	1.99	MT	-4.05
MD	1.79	VT	-4.84
KS	1.75	HI	-4.88
ID	1.41	TN	-5.01
OH	0.30	WV	-5.10
OR	0.20	AL	-5.77
MS	0.11	CT	-6.36
WY	-0.26	NV	-9.68
LA	-0.36		

States not included because of one or more missing values: AZ, CA, DE, GA, MA, ME, RI, SD, and WA.

Appendix 6

Draft of Mr. Moser's Email Recruitment Letter to Legislative Staff Directors

I am writing to ask if you will assist a doctoral student at the University of Oklahoma in his dissertation research. The student, Steve Housel, is investigating reform of states human resources systems. He wishes to tap into the experience of the analysts in your office who may be able to identify potential interview subjects.

His research project has been approved by the University's Institutional Review Board. Mr. Housel has been studying and writing about public sector HR issues for several years. He approaches the subject objectively, without taking a personal position on the value or necessity of reforms.

If you or any members of your staff are in a position to help, may I give him your email address?

Appendix 7

Letter to Legislative Staff Directors: A Follow Up to George Moser's Introduction

My name is Steve Housel. George Moser sent you an e-mail the other day on my behalf. I am doing research for a dissertation about reforms in state human resources management. Part of my research involves interviewing people who have extensive experience dealing with HR issues. I would like to talk with you or members of your staff about possible interviewees. Below, I have provided the relevant details. May I call you or someone you recommend to discuss potential interviewees?

Details of Research

My research indicates that __(name of state)__ is a leader in implementing personnel reforms. I am interested in learning about the factors that contributed to successful implementation and how certain policies have changed over the past decade.

The interviewees must have at least 15 years experience in dealing with state HR issues. The table below indicates how many people I wish to interview and the areas from which I hope to select them.

Areas From Within the State	Number of Interview Subjects
• Central HR Department	2
• HR Departments in Large Agencies	2
• Public Employee Union or Association	1
• HR Executive, Retired	1

I am not seeking quantitative information. Facts and figures are not relevant to the type of interviews I am trying to arrange. Rather, I am interested in the interviewees' impressions, observations and assessments. Their views and opinions will be confidential. Finally, because I am looking for balanced assessments, I would like to locate interviewees with reputations for being impartial and evenhanded.

I believe this is an important study. State personnel operations involve millions of public employees, yet comprehensive, nationwide research is seldom undertaken. I will share the survey results with interested participants. The final report will be available to practitioners, scholars and the public. A copy will be given to the National Association of State Personnel Executives for their archives.

--Steve Housel

The University of Oklahoma Institutional Review Board has approved this study and assigned it the number _____. If you have any questions about the research, feel free to contact me at (918)663-2831 or shousel@ou.edu. Dr. David Carnevale, the faculty sponsor, can be reached at dgcarnevale@ou.edu. Questions about the rights of a research participant or concerns about the project should be directed to the Institutional Review Board at the University of Oklahoma, Norman campus, at (405)325-8110 or irb@ou.edu.

Appendix 8

Introductory E-mail to Prospective Interviewees

My name is Steve Housel. I am a doctoral student at the University of Oklahoma. I am working on a dissertation about changes in the policies and practices of central personnel departments in state governments.

My research indicates that ___(name of state)___ is a leader in terms of the reforms it has implemented in state human resources management. I am currently looking for people who have considerable knowledge in this area. You were referred to me by ___(informant's name)___ in the ___(name of agency)___.

I would like to e-mail a brief description of my research so that you can give thought to participating in an interview. Identities of interviewees will be confidential. No names will be used in the research paper.

My research project has been approved by the Institutional Review Board at the University of Oklahoma. May I take the next step and send you more information about the research project?

Thank you for your consideration.

Appendix 9

Email to Prospective Interviewee: Follow Up to Introductory E-mail

Dear _____

As I mentioned in my earlier e-mail, my name is Steve Housel. I am a doctoral student in the Political Science Department at the University of Oklahoma, Norman campus. I am conducting research for a dissertation on reforms in state human resources (HR) systems.

I want to thank you for giving me the opportunity to further explain my research. The project has two objectives. The first is to document the extent to which central personnel departments in the states have implemented certain HR reforms. The second is to learn what factors contributed to successful implementation of the reforms and whether they have produced results.

The dissertation's first objective has been completed. Research from around the country on state HR practices was reviewed and evaluated. Based on the outcome of the review, I selected five states from among those that appear to be leading in the implementation of reforms.

I am now working on the study's second objective, which is to learn how leading reform states implemented changes and whether the reforms appear to be successful. I plan to conduct phone interviews with eight people from several of these states. The interviewees must have at least 15 years experience in dealing with HR issues. The following table shows the distribution of participants and the areas from which they will be drawn.

Areas From Within the State	Number of Participants
• Central HR Department	2
• HR Departments in Large Agencies	2
• Public Employee Union or Association	1
• HR Executive, Retired	1

I am not seeking quantitative information. Facts and figures are not relevant to the type of interviews I am trying to arrange. Rather, I am interested in your impressions, observations and assessments. Your views and opinions will be confidential. No names will appear in the study. When direct quotes are used, not even the interview participant's state will be disclosed.

The interview will be taped for accuracy, but the tapes will be labeled in code and will be destroyed when the study is completed. I anticipate the interview will last 40-50 minutes. You may choose not to respond to any question or may choose to terminate the interview at any time. Prior to the interview, a consent form must be signed. A copy of the consent form is included with this e-mail as a PDF attachment.

The University of Oklahoma Institutional Review Board has approved this study and assigned it the number _____. If you have any questions about the research, feel free to contact me at (918)663-2831 or shousel@ou.edu. Dr. David Carnevale, the faculty sponsor, can be reach at dgcarnevale@ou.edu. Questions about your rights as a research participant or concerns about the project should be directed to the Institutional Review Board at the University of Oklahoma, Norman campus, at (405)325-8110 or irb@ou.edu.

I hope you will agree to participate in the study. I can be available for the interview at almost any time that is convenient for you.

Appendix 10

University of Oklahoma Informed Consent Form

INFORMED CONSENT FORM FOR RESEARCH BEING CONDUCTED UNDER THE AUSPICES OF THE UNIVERSITY OF OKLAHOMA (NORMAN CAMPUS)

INTRODUCTION: This study is entitled, "Is Human Resources Management in the States Being Reinvented?" The person directing the project is Steve Housel. This document defines the terms and conditions for consenting to be interviewed for this study.

DESCRIPTION OF THE STUDY: This study seeks to determine the extent to which the states' central personnel departments have made changes based on certain reform criteria. Evaluation of the states will be made by examining existing studies and reports. Experts from several of the most reform-oriented states will be interviewed to learn how the reforms were implemented and whether they appear to be successful.

RISKS AND BENEFITS: No foreseeable risks, beyond those present in routine daily life, are anticipated to individuals who participate in this study. Contributing to this research can benefit scholars and practitioners who wish to know about the extent of state personnel reforms, how they were successfully implemented, and whether they are achieving results.

CONDITIONS OF PARTICIPATION: Participation is voluntary. Refusal to participate will involve no penalty or loss of benefits to which the subject is otherwise entitled. Furthermore, the interview subject may discontinue participation at any time without penalty or loss of benefits to which the participant is otherwise entitled.

CONFIDENTIALITY: Participants and their job titles will be listed in an appendix of the report. However, neither the identity nor the job title of the participant will be included in the body of the report. Direct quotes may be used, but they will not be associated with a specific person's name or job title.

AUDIO TAPING OF STUDY ACTIVITIES: To assist with accurate recording of participant responses, the research plan includes the use of a tape recorder. The tapes will be identified with codes known only to the project director and the transcriber. The tapes will not be copied; and once the research is complete, the originals will be destroyed. Participants have the right to refuse to allow such taping without penalty. Please select one of the following options.

[ ] I consent to the use of audio recording.
[ ] I do not consent to the use of audio recording.

CONTACTS FOR QUESTIONS ABOUT THE STUDY: Participants may contact Steve Housel at 918-663-2831 or shousel@ou.edu with questions about the study. For inquires about rights as a research participant, contact the University of Oklahoma-Norman Campus Institutional Review Board (OU-NC IRB) at 405-325-8110 or irb@ou.edu.

PARTICIPANT ASSURANCE: I have read and understand the terms and conditions of this study and I hereby agree to participate in the above-described research study. I understand my participation is voluntary and that I may withdraw at any time without penalty.

_____

Signature of Participant Date

_____

Printed Name of Participant Researcher Signature

Appendix 11

The Respondents Who Participated in the Leading States Survey[1]

IOWA

Nancy Berggren (CP)
Chief Operating Officer, Human Resources Enterprise
Department of Administrative Services
29 years

Jan Corderman (UA)
President, Iowa Council 61
American Federation of State, County, and Municipal Employees
27 years

Barbara A. Kroon (CP)
Programs Coordinator, Human Resources Enterprise
Department of Administrative Services
29 years

David Lundquist (RT)
Program Coordinator, Human Resources Department
Iowa Workforce Development
33 years

Jacqueline M. Mallory (AP)
Public Service Executive, Human Resources Department
Iowa Workforce Development
37 years

Merrie J. Murray (AP)
Director of Human Resources
Department of Corrections
34 years

MICHIGAN

Rita Proctor Canady (AP)
Director of Human Resources
Department of Labor and Economic Growth
20 years

James D. Farrell (CP)
Director, Bureau of Human Resource Services
Department of Civil Service
15 years

[1] The parenthetical notation beside each name references professional affiliation: central personnel department (CP), agency personnel department (AP), retired personnelist (RT), and union or association representative (UA). The titles given for the retired participants reflect the last positions held.

MICHIGAN (continued)

Thomas N. Hall (AP)
Deputy Director
Office of the State Employer
35 years

Ray Heriford (RT)
Human Resource Director
State Department of Treasury
30 years

Janet McClelland (CP)
Chief Deputy Director
Department of Civil Service
20 years

Phillip L. Thompson (UA)
Executive Vice President, Local 517M
Service Employees International Union
23 years

NORTH CAROLINA

Ron Gillespie (AP)
Director, Human Resources
Department of Corrections
25 years

Thomas A. Harris (UA)
Chief of Staff/General Counsel
State Employees Association of North Carolina
22 years

Don Huffman (RT)
Director, Position Management Division
Office of State Personnel
[years of service unavailable]

E. D. Maynard, III (CP)
Managing Partner, Employee Relations
Office of State Personnel
28 years

Joe Stroup (AP)
Human Resource Manager
Department of Environment and Natural Resources
36 years

Ralph Voight (CP)
Human Resource Consulting Partner
Office of State Personnel
29 years

SOUTH CAROLINA

Chris Byrd (CP)
Assistant Director
Office of Human Resources
22 years

Broadus Jamerson, III (UA)
Executive Director
South Carolina State Employees Association
26 years

Joye Lang (CP)
Assistant Director
South Carolina Budget and Control Board
Office of Human Resources
20 years

Thomas Lucht (AP)
Director
Division of Insurance and Grants
South Carolina Budget and Control Board
25 years

Allan Pregnall (AP)
Director of Human Resources
Department of Health and Environmental Control
33 years

Donna G. Traywick (RT)
Human Resource Consultant
Budget and Control Board
28 years

VIRGINIA

William C. Baber (CP)
Human Resource Management Consultant
Department of Human Resource Management
38 years

Joan Dent (UA)
Executive Director
Virginia Governmental Employees Association
25 years

Karen Doty (AP)
Director, Human Resources Management
Department of Taxation
17 years

Brenda J. Owens (RT)
Human Resources Consultant
21 years

VIRGINIA (continued)

Rueyenne White (CP)
Human Resource Management Consultant
Department of Human Resource Management
30 years

Linda Woodard (AP)
Assistant Vice President for Personnel
24 years

WISCONSIN

Steve Christenson (RT)
Director, Bureau of Human Resource Services
33 years

Susan K. Christopher (AP)
Director, Bureau of Human Resource Services
Department of Transportation
31 years

Art Foeste (UA)
Past President, Wisconsin Professional Employee Council
[years of service unavailable]

Gary Martinelli (AP)
Director, Bureau of Human Resource Services
Department of Justice
26 years

James A. Pankratz (CP)
Administrator, Division of Compensation and Labor Relations
Office of State Employment Relations
26 years

Michael Soehner (CP)
Labor Relations Specialist
Office of State Employment Relations
29 years

Appendix 12

The Leading States Survey

1. Over the past 20 years several states have made significant changes in their human resources management practices. Would you put (name of state) in that category? What are the most important changes in personnel practices that have occurred?

2. In general, how do human resources procedures used in hiring employees compare with 10 years ago?
    1. Much less efficient and effective.
    2. Somewhat less efficient and effective.
    3. About the same.
    4. Somewhat more efficient and effective.
    5. Much more efficient and effective.

3. In general, how does an agency's authority to apply HR rules and policies compare with 10 years ago?
    1. Much less authority.
    2. Somewhat less authority.
    3. About the same.
    4. Somewhat more authority.
    5. Much more authority.

4. In general, how do personnel regulations compare with 10 years ago?
    1. Much more numerous and complex.
    2. Somewhat more numerous and complex.
    3. About the same.
    4. Somewhat less numerous and complex.
    5. Much less numerous and complex.

5. In general, how does performance evaluation influence employee compensation compared to 10 years ago?
    1. Much less significant.
    2. Somewhat less significant.
    3. About the same.
    4. Somewhat more significant.
    5. Much more significant.

6. In general, how do labor-management relations in state government today compare with 10 years ago?
    1. Much less cooperative.
    2. Somewhat less cooperative.
    3. About the same.
    4. Somewhat more cooperative.
    5. Much more cooperative

7. In general, how do the emphasis and resources the central personnel department puts into training and development today compare with 10 years ago?
    1. Much less emphasis and resources.
    2. Somewhat less emphasis and resources.
    3. About the same.
    4. Somewhat more emphasis and resources.
    5. Much more emphasis and resources.

8. In general, how does the central personnel department's use of the private sector to perform human resources services today compare with 10 years ago?
    1. Much less use.
    2. Somewhat less use.
    3. About the same.
    4. Somewhat more use.
    5. Much more use.

9. In general, how do personnel procedures for dealing with poor performing employees today compare with 10 years ago?
    1. Much more complex and time consuming.
    2. Somewhat more complex and time consuming.
    3. About the same.
    4. Somewhat less complex and time consuming.
    5. Much less complex and time consuming.

10. In general, how does the number of job classifications today compare with 10 years ago?
    1. Many more job classifications.
    2. Somewhat more job classifications.
    3. About the same.
    4. Somewhat fewer job classifications.
    5. Many fewer job classifications.

11. In general, how does the use of formal evaluations of HR programs and procedures compare with 10 years ago?
    1. Much less use.
    2. Somewhat less use.
    3. About the same.
    4. Somewhat more use.
    5. Much more use.

12. How does employee involvement in the design of personnel policies compare with 10 years ago?
    1. Much less involved.
    2. Somewhat less involved.
    3. About the same.
    4. Somewhat more involved.
    5. Much more involved.

13. The HR reforms we have been talking about are usually promoted on the grounds that they will improve organizational effectiveness and overall performance. Are there procedures in place to evaluate whether this is occurring? Or do you think it is even possible to gauge the link between HR practices and organizational performance?

14. In your view, what accounts for the widespread adoption of personnel reforms in (name of state) over the past decade?

Questions 15 - 27 follow this format:

What role, if any, has/have _____ played in the personnel changes that (name of state) has implemented during the past decade? Use one of the following responses to rate the influence of each factor:

1. significant
2. moderate
3. minor
4. insignificant

15. gubernatorial initiative and leadership
16. legislative initiative and leadership
17. budget pressures
18. the advent of information technology
19. public dissatisfaction with government performance
20. media criticism and discussion
21. history in state government of progressive personnel practices
22. initiative and leadership by the central personnel department
23. initiative and leadership by state agencies
24. criticisms and complaints by state agencies
25. employee unions or associations
26. reforms undertaken in other states
27. national reform initiatives

28. How would you compare the role of the (name of state) central personnel department of 10 years ago to the one that exists today?

29. The principles, laws, and policies that have evolved in public personnel systems attempt to achieve efficiency and effectiveness within a context of fair, open and merit-based competition. However, some of these principles, laws, and public policies are sometimes viewed as obstacles to better management. Are you concerned that the efforts to achieve efficiency and effectiveness may risk lessening the commitment of fair, open and merit-based competition in (name of state)?

30. Do you have confidence that oversight and review mechanisms in (name of state) are adequate to prevent infringement of merit principles?

31. It is often said that human resources management should be a strategic partner with agency management, that is, involved in all the elements of agency organization, including forming its overall direction. However, it is also said that HR's role in reality is mostly that of a focused specialist, a subject matter expert providing an important but narrow contribution. On a continuum from one to 10, if the more narrow role of the focused specialist is at one and the broader role of strategic partner is at 10, where on the continuum would you place HR in (name of state) today? Where would you have placed it 10 years ago?

Appendix 13

Survey Rating of the Influence of 13 Environmental Factors on Public Personnel Management Reform, 1994-2003

