

and particular set of roles, however, HR functions are the backbone of any organization. Never is this truer than with public sector organizations, in which personnel often make up 80 percent of the budget, and legal and fiduciary obligations to the law and public are extraordinary.

Today, HR services are provided in a variety of ways. Some functions are performed in the same way they were in the 1960s, relying on traditional subfunctions of employment, compensation, and training; others might be organized differently, with a cross-functional HR professional assigned to provide ongoing services to a team or group in a matrix organization. A shared-services model has increased in prominence recently, whereby HR specialists offer services to the organization on an as-required basis, with charges going to the functional area receiving service. Here, the HR department functions as an in-house consulting service. As noted, some or all HR functions are currently being outsourced, either to shared service centers within government or to outside contractors, where it is deemed that others might perform these functions more effectively and economically.

The most common placement of HR departments is right under the chief executive officer, with the human resource director serving in the executive's cabinet. In large organizations, it is not uncommon for HR to be combined with other staff units under an executive director of some sort (e.g., an assistant city manager or deputy mayor). In the smallest agencies, the CEO or an executive officer often doubles as the human resource director. The strategic and executive leadership roles of HR departments vary extensively. In some cases, the department plays a relatively dominant role because of the need for workforce planning, avoidance of litigation, contentious labor relations, and management consultation. Yet in some organizations, HR's strategic policy and planning roles have been absorbed by chief executive offices, budget offices, or legal departments, leaving a more service and consultative role for HR along with frontline enforcement functions.

HISTORICAL AND INSTITUTIONAL CONTEXT

Tides of Reform

A useful framework for considering the history of government reform efforts is provided by Paul Light in his 1997 book *The Tides of Reform*. Light identifies four reform philosophies, each of which has its own goals, implementation efforts, and outcomes: scientific management, war on waste, watchful eye, and liberation management. Although Light's analysis focuses on these four tides as they influence the overall performance of government, we use his framework here to highlight the implications of these four philosophies for human resource management with both federal and local examples.

Scientific Management

The first tide is **scientific management**. Here the focus is on hierarchy, microdivision of labor, specialization, and well-defined chains of command. This philosophy, usually associated with Frederick Taylor, is particularly manifest in the bureaucratic organizational form, with its emphasis on structure, rules, and search for "the one best way." Technical experts in this environment apply the *scientific* principles of administration (e.g., unity of command and **POSDCORB**—planning, organizing, staffing, directing, coordinating, reporting, and

budgeting). The scientific management approach is evident in the recommendations made by two presidential commissions: the Brownlow Committee (1936–1937), which advocated changing the administrative management and government structure to improve efficiency; and the first Hoover Commission (1947–1949), which suggested reorganizing agencies around an integrated purpose and eliminating overlapping services. Herbert Hoover is the *patron saint* of scientific management, and the National Academy of Public Administration's Standing Panel on Executive Organization is a patron organization. Two important reorganizations that occurred in the federal executive branch, one in 1939, the Reorganization Act (establishing the Executive Office of the President), and the other in 2002, the creation of the Department of Homeland Security, are both examples of legislative action. Additional examples include legislation rationalizing centralized control and planning, such as the consolidation of financial controls in federal agencies in 1990 and the requirements for increased use of performance management and strategic planning under the Government Performance and Results Modernization Act of 2010.

Scientific management has implications for human resources. It emphasizes conformity and predictability of employees' contributions to the organization (machine model), and it sees human relationships as subject to management control. Current emphasis on productivity measurement, financial incentives, and efficiency reflects the continuing influence of scientific management. The scientific management of unity of HR command was strengthened by the Chief Human Capital Officers Act of 2002. Much of the foundational structure of government, covered in Title 5 of the U.S. Code, rests on principles of hierarchy, chain of command, consistency, and standardization. While at one time scientific management principles overwhelmingly dominated government philosophy, some hallmarks of scientific management, such as job design (characterized by standard procedures, narrow span of control, and specific job descriptions instituted to improve efficiency), may actually impede achievement of quality performance in today's organizations, where customization, innovation, autonomous work teams, and empowerment are required. Similarly, various human resource actions mirroring scientific management differ from avant-garde practices. For example, training is changing from a nearly exclusive emphasis on functional, technical, job-related competencies to a broader range of skills, cross-functional training, and diagnostic, problem-solving capabilities. Performance measurement and evaluation have been shifting from individual goals and supervisory review to team goals and multiple reviewers (citizen, peer, supervisory). In addition to individually based merit increases, some organizations now include team- or group-based rewards—both financial and nonfinancial.

War on Waste

The second reform tide is the **war on waste**, which emphasizes economy. Auditors, investigators, and inspectors generally are used to pursue this goal. Congressional hearings on welfare fraud are a defining moment in this tide, and the Inspector General Act of 1978 is defining legislation. The 1992 Federal Housing Enterprises Financial Safety and Soundness Act is an expression of the war on waste, with its provisions to fight internal corruption. The patron saints of the war on waste are W. R. Grace, who headed President Reagan's task force (1982–1984) to determine how government could be operated for less; Jack Anderson, the crusading journalist who put a spotlight on government boondoggles; and former Senator William Proxmire, who originated the Golden Fleece Award to bring attention to “wasteful, ridiculous or ironic use of the taxpayers' money.”

The implications of the war on waste for human resource management are plentiful. Frequently audits, scandals, critical reports, and whistleblowing point out gaps in rules and lax implementation of rules; such revelations often bring needed attention and/or corrective actions. Recent cases of the war on waste include the abolition of the ineffective Minerals Management Service, the federal unit that had been rebuked even before the *Deepwater Horizon* oil rig scandal in the Gulf of Mexico, which it oversaw; and the scandal in Bell, California, in which numerous city officials were found to be in collusion to defraud taxpayers by means of outlandish salaries, resulting in litigation and new transparency laws. Of course, preoccupation with waste also leads to increases in internal controls, oversight and regulations, managerial directives, tight supervision, and concerns about accountability. Thus, it can result in a proliferation of detailed rules, processes, procedures, and multiple reviews that are characteristic of government bureaucracy and that influence personnel management. Critics who detect waste and attribute it to maladministration of public resources or unneeded spending may focus on the deficiencies of employees. Fearful workers seek cover from criticism when they do things strictly by the book. Managers concerned with controlling waste try to minimize idle time, avoid bottlenecks, install time clocks, audit travel vouchers and phone records, inventory office supplies, and monitor attendance and punctuality. Use of temporary rather than permanent staff and service privatization may be ways to contain costs while maintaining performance standards. Clearly, contemporary human resource practices are linked to the heritage of the war on waste, leading to both heightened rigor and not a small amount of administrative red tape.

Watchful Eye

The third tide of reform, the **watchful eye**, emphasizes fairness through openness, transparency, and access. Whistleblowers, the news media, interest groups, and the public need access to information to ensure that the public's rights and the common interest are protected as well as individual rights. Congress and the courts become the institutional champions seeking to ensure fairness. The need for the watchful eye and government that is more open became apparent after the abuses exposed in the Watergate scandal (the Woodward and Bernstein *Washington Post* investigation) and the U.S. involvement in Vietnam (publication of the Pentagon Papers). Although highly controversial, the 2013 leak of thousands of documents by Edward Snowden, a former system administrator for the Central Intelligence Agency and contractor for the National Security Agency, is in this tradition. Another example is the scandal that arose in 2014 concerning the Veterans Administration's falsified waiting list; in this case employees had been receiving bonuses for meeting the goal of providing medical appointments to veterans within two weeks, while thousands of veterans were actually waiting for months (Molina, 2018; Oppel, 2014).

The 1946 Administrative Procedure Act and the **Ethics Reform Act of 1989** are examples of defining legislation. The former is important because it established procedural standards regarding how government agencies must pass rules with public notice, input, and statements of factual basis for decisions. Specific provisions of the latter are efforts to curb lobbying influence and promote ethics in government. John Gardner and Common

Cause and Ralph Nader and Public Citizen provide examples of the patron saints and organizations linked to the watchful eye.

The implications of this philosophy for human resource management can be identified as well in the 20th-century legislation related to how hiring, promotion, labor relations, and a host of other activities are conducted. Concern about the fairness of hiring processes leads to requirements for public announcements of jobs as well as the job-related competence of new recruits (e.g., Chapter 33 of U.S. Title 5). Reforms have made the use of hiring criteria based on sex, race, age, and handicap status illegal (e.g., U.S. Title 42). Due process requirements minimize arbitrary decisions to terminate employees. Creating an organizational culture of openness, careful record keeping, and compliance with full-disclosure and sunshine requirements are all consistent with the watchful eye philosophy. Adoptions of minimum standards of conduct or codes of ethics along with ethics training are other examples. Union stewards are likely to cast their watchful eyes on negotiated contracts and to blow the whistle when violations occur (such whistleblowing is protected under U.S. Title 29). The Me Too movement (or #MeToo), with public revelations of sexual harassment and assault, is another example of this reform tide. Managers should seek congruence between the standards espoused by the organization and the behavior of workers. Calls for integrity at all levels of government reflect the contemporary influence of the watchful eye mentality. Of course, increased reporting and consultation do absorb resources and are a drag on *businesslike* efficiency and executive decisiveness. Perceived excesses of the war on waste and the watchful eye may lead to calls for a reform tide that *liberates* management, as discussed below.

Liberation Management

The final tide of reform is **liberation management**. Its goal is higher performance in government. Buzzwords like *evaluations*, *outcomes*, and *results* are associated with this tide. Achieving high-performance goals falls to frontline employees, teams, and evaluators. At the national level, the impetus for liberation management is generally the president. The most visible participant, however, was Vice President Al Gore, who promoted various National Performance Review initiatives during his time in office. The 1993 Government Performance and Results Act is a defining statute and expression of this philosophy. Al Gore and Richard Nixon (because of his interest in reorganization) are identified as patron saints of this tide; the Alliance for Redesigning Government is the patron organization.

Liberation management has implications for the management of people in government. Public administration trends toward employee empowerment, reengineering, work teams, continuous improvement, customer service, flattened hierarchies, and self-directed employees reflect a breakdown of the tall hierarchical bureaucracies in many settings and a move toward organizational *liberation*. Belief in harmonious relations between labor and management increases the prospects for productive partnerships. Decentralization of personnel management expands authority and discretion of line agencies and gives managers freedom to achieve provable results. Before these strategies are implemented, it is necessary for managers to determine the readiness of employees and units to assume new responsibilities, forge new relationships, and increase outputs. Line administrators

can facilitate this state of readiness by identifying likely candidates for training and development and by tailoring incentives to the particular motivational needs of individual employees. Liberation management is sometimes at odds with the war on waste, which advocates high levels of bureaucratic controls, and the watchful eye, which is suspicious of the discretion of civil servants in general. Although the public sector will certainly not banish bureaucracy, greater flexibility is evident at all levels of government and is likely to increase in the future.

Tide Philosophies in Legislation

Two landmark pieces of legislation affecting federal human resource management can be assessed using Light's framework: the **Pendleton Act of 1883**, which introduced the merit system to the federal government, and the **Civil Service Reform Act of 1978 (CSRA)**, which refined the merit system and modified the institutions by which it operates. As Light (1997) notes, the Pendleton Act is "a signal moment in the march of scientific management, but it also involved a war on waste, a bit of watchful eye, and an ultimate hope for liberation management" (p. 18). He observes that the CSRA manifests each of the four tides:

[A] Senior Executive Service (SES) to strengthen the presidential chain of command (scientific management), a cap on total federal employment to save money (war on waste), whistleblower protection to assure truth telling from the inside (watchful eye), and pay for performance to reward employees for doing something more than just show up for work (liberation management). (p. 71)

Understanding the **tides of reform** helps us to appreciate the public service heritage because the tides highlight recurring themes that characterize such changes (Exhibit 1.7). Paradoxes are also apparent: Two of the reform tides—the war on waste and the watchful eye—are based on mistrust and cynicism regarding government; the two other tides—scientific management and liberation management—reflect trust and confidence in government. The paradox is that reform reflects both trust and distrust in government, and it may cause both as well. As the Pendleton Act and the CSRA demonstrate, however, these conflicting impulses are embedded in these more comprehensive landmark laws dealing with human resource management (and many other statutes as well). Less comprehensive reforms may involve only one or two of the tides of reform.

Institutional structures and procedures are important because managers must operate through them to achieve their objectives. These institutional arrangements have evolved over time, and understanding their purposes, functions, and limitations helps managers to think strategically about the threats and opportunities in their human resource environments and how to cope with them. Next, we examine the goals and characteristics of these institutions.

Institutional Context

As noted above, the Pendleton Act of 1883 and the CSRA of 1978 established the institutional framework for federal human resource management. The Pendleton Act created the bipartisan Civil Service Commission as a protective buffer against the partisan

pressures from the executive and legislative branches. It also served as a model for use by reformers seeking change in subnational governments. The merit system was established as a result of this act (the contemporary version of merit system principles is discussed more fully later in this chapter), but its coverage was initially limited to one in 10 federal workers. Competitive practical exams were introduced, and a neutral (nonpartisan), competent, career civil service with legally mandated tenure was expected to carry out

Exhibit 1.7 The Tides of Reform

Key Characteristics	Scientific Management	War on Waste	Watchful Eye	Liberation Management
Goal	Efficiency	Economy	Fairness	Higher performance
Key input(s)	Principles of administration	Generally accepted practices	Rights	Standards, evaluations
Key products	Structure, rules	Findings (audits, investigations)	Information, legal protections	Outcomes, results
Key participants	Experts	Inspectors general, the media	Whistleblowers, interest groups, the news media, the public, employees	Frontline employees, teams, evaluators
Institutional champion(s)	The presidency	Congressional committees	Congress and the courts	The presidency
Defining moment(s)	Brownlow Committee, first Hoover Commission	Welfare fraud hearings	Vietnam, Watergate	Gore National Performance Review
Defining statutes	1939 Reorganization Act; 1990 Financial Officers Act; 2002 Homeland Security Act	1978 Inspector General Act; 1992 Federal Housing Enterprises Financial Safety and Soundness Act	1946 Administrative Procedure Act; 1989 Ethics Reform Act	1993 Government Performance and Results Act
Patron saint(s)	Herbert Hoover	W. R. Grace, Jack Anderson	John Gardner, Ralph Nader	Richard Nixon, Al Gore
Patron organization(s)	National Academy of Public Administration (Standing Panel on Executive Organization)	Citizens Against Government Waste	Common Cause, Public Citizen	Alliance for Redesigning Government

(Continued)

Key Characteristics	Scientific Management	War on Waste	Watchful Eye	Liberation Management
HRM examples	Principles of hierarchy, chain of command, consistency, and standardization; productivity measurement and efficiency measures	Processes to minimize idle time, install time clocks, audit travel vouchers and phone records, inventory office supplies, and monitor attendance and punctuality	Extensive legislation related to how hiring, promotion, labor relations, and a host of other activities are conducted; promotion of transparency and sunshine requirements	Focus on employee empowerment, reengineering, teams, continuous improvement, customer service, flattened hierarchies, and self-directed employees; more emphasis on results than on processes

Source: Adapted from P. C. Light, *The Tides of Reform: Making Government Work 1945–1995* (New Haven, CT: Yale University Press), pp. 21, 26, 32, and 37. © Copyright 1997 by Yale University Press.

the business of government. Entry into the civil service was permitted at any level in the hierarchy, unlike systems where new recruits were required to start at the entry level and work their way up.

The reform movement that led to the Pendleton Act was clear about what it was against but less clear about what it favored. This has led some observers to describe the reformers' efforts as essentially negative. They wanted to get rid of the **spoils system** (appointments based on political favor) and the evils (graft, corruption, waste, incompetence) associated with it. Separating politics from administration was key to accomplishing this objective. Using moralistic arguments, reformers campaigned against what was *bad* in the civil service (politics and spoils) and, to a lesser extent, promoted *good* government (e.g., appointments based on merit) and improved efficiency. (See Chapter 4 for further discussion of this topic.)

Although 95 years of experience with the Pendleton Act's institutional arrangements showed mixed results, by the mid- to late 1970s it was clear that the existing federal personnel system aimed at efficiency was, paradoxically, often inefficient. Among the problems were entrenched civil servants hindering executive initiatives, difficulty in removing incompetent employees, ease of circumventing merit system requirements, managerial frustration at cumbersome rules and red tape, and conflict in the roles of the Civil Service Commission. President Jimmy Carter proposed reforms to address these problems.

The CSRA of 1978 was built on the Pendleton Act and altered the institutional arrangement for federal personnel management. In place of the Civil Service Commission, two new institutions were created: the **U.S. Office of Personnel Management (OPM)** and the **U.S. Merit Systems Protection Board (MSPB)**. The OPM is charged with the *doing* side of human resource management—coordinating the federal

government's personnel program. The director is appointed or removed by the president and functions as the president's principal adviser on personnel matters. The MSPB is the adjudicatory side, hearing employee appeals and investigating reported merit system violations. Two other important provisions in the CSRA were the creation of the **Federal Labor Relations Authority (FLRA)** and the establishment of the **Senior Executive Service (SES)**. The FLRA functions as the federal sector counterpart to the private sector's National Labor Relations Board. It is charged with overseeing, investigating, announcing, and enforcing rules pertaining to labor-management relations. The SES comprises top-level administrators—mostly career civil servants and a lesser number of political appointees. It sought (but failed) to establish a European-like professional administrative class of senior executives who may be assigned or reassigned based on performance and ability. State and local jurisdictions have varied institutional arrangements, but in many cases these governments have patterned their structures after those at the federal level. In some instances, state and local governments have provided models for federal human resource management reforms. Parallelism between federal and subnational governments is seen in the existence of civil service commissions, guardian appeals boards protecting the merit system, executive personnel systems, and employee relations boards, among other features. **Civil service reform** encompasses the efforts undertaken by groups or individuals to alter the nature of government service. The CSRA and its state and local counterparts have been the subject of recent criticism from those who wish to reform policies and practices. The next section briefly addresses reformer actions and proposals since 1992.

REFORMING GOVERNMENT IN THE CLINTON, BUSH, OBAMA, AND TRUMP YEARS

Federal Level

Administrative change has been a recurring item on the public agenda for the past 25 years. Spurred by David Osborne and Ted Gaebler's 1992 book *Reinventing Government*, reforms at the federal level started in 1993 with the Clinton administration's National Performance Review (NPR; later renamed **National Partnership for Reinventing Government**). The goal was to achieve government that "works better, costs less, and gets results Americans care about" (Kamensky, 1999). The key focus of reinvention and NPR was to achieve government that would be catalytic, empowering, enterprising, competitive, mission and customer driven, anticipatory, results oriented, decentralized, and market oriented. This very large reform movement was clearly liberation management oriented in thrust, but it also contained smaller elements of scientific management (i.e., reorganizing for greater efficiency), war on waste (i.e., cutting the federal workforce substantially), and watchful eye (i.e., providing enormous publicity around the change process).

Reformers identified the link between performance improvement and the personnel system. In general, they detected flaws in the system rather than in the individual civil servants, and they harshly criticized the counterproductive civil service system, which they viewed as beyond redemption. Bilmes and Neal (2003) summarized the problems facing civil service systems:

Hiring, firing, promotion, organizational structure, lack of lateral opportunities, insufficient training, poor compensation, limited awards and recognition, few fringe benefits, lack of career development, legalistic dispute resolution, inflexibility, poor performance measurement and evaluation, use of contractors for mission-critical activities, antiquated information technology, and unhealthy, unsanitary office facilities. (pp. 115–116)

Academics and professional groups proposed administrative changes in response to such problems (see, e.g., Donahue & Nye, 2003; National Academy of Public Administration, 2017). Some of these reform proposals echoed past calls for government-wide reorganization, such as the report of the 1989 National Commission on the Public Service, also known as the Volcker Commission, and anticipated more recent reform recommendations as well, such as those of the 2003 Volcker Commission. The earlier report identified the so-called quiet crisis facing civil service and recommended several familiar changes, including increased salaries, performance-based pay, simplified hiring, fewer political appointees, and improved training. The latter report followed characterizations of the federal civil service as a system at risk (Blunt, 2002; Lane, Wolf, & Woodard, 2003). Indeed, in 2001, U.S. Comptroller General David Walker elevated human capital to the U.S. Government Accountability Office's list of *high-risk government operations* (a designation recently renewed), stating that agencies are vulnerable to mission failure when they lack a focus on human capital development. This theme was echoed in the 2017 report by the National Academy of Public Administration asserting that "the federal government's human capital system is fundamentally broken" (p. 1) and in 2018 by the Trump administration's government reform and reorganization plan to address a service delivery system that is "inefficient and out of date" (White House, 2018, p. 4).

A retrospective on civil service reform over the years argues that the 1990s revealed the disaggregation of the federal civil service. This little-noticed phenomenon resulted in slightly fewer than half of all executive branch employees becoming part of the excepted service, thereby relinquishing many traditional civil service protections. In the quest for increased managerial flexibility, the Clinton administration pursued a three-pronged strategy: (1) authorizing personnel demonstration projects, (2) creating *performance-based organizations*, and (3) constructing modified personnel systems for malfunctioning agencies (Thompson, 2001, p. 91).

The George W. Bush administration (2001–2009) had its own management reform agenda for addressing management dysfunctions. Five key areas were highlighted: human capital, competitive sourcing, financial performance, e-government, and budget–performance integration. The first two areas are most relevant to human resource management. The administration's initiatives focused on people-related problems, giving greatest attention to the need for organizational restructuring, performance measurement, performance-based pay, hiring and development plans to fill key skill gaps, competitive sourcing, and information technology. For example, the 2001 Freedom to Manage Initiative and Managerial Flexibility Act sought to "eliminate legal barriers to effective management," just as Clinton's NPR reinvention reforms sought to move "from red tape to results." The Federal Activities Inventory Reform Act required agencies to assess the susceptibility to competition of the activities performed by their workforces in anticipation of placing federal workers in competition with the private sector. In the

words of one analyst, such reforms “contain the excesses of Madisonian protection” and “promote the opportunity for Hamiltonian performance” (Behn, 2003, p. 199).

The Bush administration stressed the need to manage human capital strategically by obtaining the talent to get the job done, seeking continuity of competent leadership, and creating a results-oriented performance culture (U.S. OMB, 2014). To monitor implementation of the agenda, the administration developed a simple grading system—red, yellow, and green. Key federal agencies were assessed regarding their achievement of the standards for success.

Some of the proposed and adopted reforms were particularly contentious, including the increased flexibility of personnel policies in the Department of Homeland Security and the Department of Defense, the overhaul of pay for the SES, performance-based contracting, modification of the number of political appointees, withdrawal of collective bargaining rights for selected groups of public employees, weakening of the merit system, and the requirement for competitive sourcing (Bowman & West, 2007; Kauffman, 2003; Phinney, 2003; Thompson, 2007). The reforms in DHS and DOD were justified at the time by national security arguments and claims that increasing managerial power and flexibility were necessary to deal with the threat of terrorist attacks (Brook & King, 2008).

While current reform trends in the United States involve weakening formal civil service protections in order to enhance managerial control of the bureaucracy, reformers in some parts of the world, such as developing countries and former communist states, are seeking to strengthen protections to insulate the civil service from political manipulation (see Exhibit 1.8). Civil service reforms in Germany parallel some of the changes in the United States (see Exhibit 1.9).

The human resource management reforms of the Obama administration focused on a more rapid hiring process; the Work-Life initiative, which includes job satisfaction and wellness programs; and the Results-Only-Work-Environment (ROWE) initiative (Berry, 2009; see also Exhibit 7.2 for more on ROWE). Recruitment and selection reforms include

Exhibit 1.8 The Evolution of Civil Service Systems as They Balance Demands and Needs

Civil service systems have at least three major constituents that they are trying to please. First among these are the *political masters* of the systems, whose primary interest is responsiveness. At a minimum, political masters want responsiveness to the laws that they pass, no matter whether those laws are regarding authorities, expenditures, or reporting requirements. Political executives (e.g., governors and presidents) would like to influence the selection of administrative leaders, and legislators would like to have a say through a confirmation process. Political masters would also like to select rank-and-file public employees,

but this practice is highly limited in advanced democracies because it is so prone to corruption and inefficiency. The first step in moving from a relatively primitive administrative system to one that has a reservoir of expertise and continuity is generally to set up hiring and position management systems that elicit and maintain the neutral competence of the sophisticated and complex operations of government. Such systems keep political masters at arm's length from rank-and-file employees. Today, many developing countries and former communist states are grappling with this first phase of anticorruption reform.

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