

57. Petersen, Rabe, and Wong, When Federalism Works.


64. Executive Order 12612 (26 October 1987); Federal Register 52:41685–41688 (30 October 1987). One example of an extensive formal effort to implement this executive order is in the U.S. Department of Housing and Urban Development: see Federal Register, 53:31926–31940 (12 August 1988).


Breaking Through Bureaucracy
Michael Barzelay with Babak J. Armajani

Imagine how government would work if almost every operating decision—including the hiring and firing of individuals—were made on partisan political grounds; if many agencies spent their entire annual appropriations in the first three months of the fiscal year; if appropriations were made to agencies without anyone having formulated a spending and revenue budget for the jurisdiction as a whole; and if no agency or person in the executive branch had authority to oversee the activities of government agencies.

This state of affairs was, in fact, the norm in the United States in the nineteenth century. That it sounds so chaotic and backward to us is due to the success of early twentieth-century reformers in influencing politics and administration at the city, state, and federal levels. As a result of their influence, most Americans take for granted that administrative decisions should be made in a businesslike manner, that the executive branch should be organized hierarchically, that most agency heads should be appointed by the chief executive, that the appropriations process should begin when the chief executive submits an overall budget to the legislature, that most positions should be staffed by qualified people, that materials should be purchased from responsible vendors based on objective criteria, and that systems of fiscal control and accountability should be reliable.

The political movements favoring this form of bureaucratic government emerged partly in response to the social problems created by the transformation of the United States from an agrarian and highly decentralized society to an urban, industrial, and national society. For government to address social problems in an efficient manner, reformers said repeatedly, government agencies needed to be administered much like the business organizations that, at the time, were bringing about the industrial transformation. For Americans supporting the reform and reorganization movements, bureaucracy meant efficiency and efficiency meant good government.

Bureaucratically minded reformers also placed a high value on the impersonal exercise of public authority. To this end, they argued that actions intended to control others should be based on the application of rules and that no action should be taken without authorization. When officials' actions could not be fully determined by applying rules, professional or technical expertise was to be relied on to make official action impersonal. Thus, control extended to hiring and purchasing. The consistent application of universal rules embodying the merit principle was expected to assure that government officials would act competently on behalf of the public interest, while simultaneously undermining the power of the party machines that dominated politics and administration. The consistent application of universal rules in purchasing was expected to reduce government's operating costs and to have similar political consequences.

The values of efficiency and impersonal administration along with prescriptions for putting them into practice in government constituted a compelling system of beliefs in the early twentieth century. This system may be termed the bureaucratic reform vision.

Persistence of The Bureaucratic Paradigm

The bureaucratic reform vision lost its hold on the political imagination of the reform constituency once civil service and executive
Part Four • From Reagan to Reinvention (1980s and 1990s)

budgeting had been put into place and the Great Depression posed new and pressing collective problems. As a belief system about public administration, by contrast, the bureaucratic reform vision survived—although not wholly intact—such political changes as the Great Society and Reaganism and a series of efforts to improve management in government including systems analysis, management by objectives, and zero-based budgeting. Among the legacies of the bureaucratic reform movements are deeply ingrained habits of thought. The habits of thought and the belief system that supports them are referred to in this book as the bureaucratic paradigm. In order to probe whether the bureaucratic paradigm is a good guide to public management a century after the reform movements began, it is important to bear the key beliefs it contains. The following beliefs are among those embedded in the bureaucratic paradigm that deserve close scrutiny.

- Specific delegations of authority define each role in the executive branch. Officials carrying out any given role should act only when expressly permitted to do so either by rule or by instructions given by superior authorities in the chain of command. Employees within the executive branch are responsible to their supervisors.
- In exercising authority, officials should apply rules and procedures in a uniform manner. The failure to obey rules should be met with an appropriate penalty.
- Experts in substantive matters—such as engineers, law-enforcement personnel, and social service providers—should be assigned to line agencies, while experts in budgeting, accounting, purchasing, personnel, and work methods should be assigned to centralized staff functions.
- The key responsibilities of the financial function are to prepare the executive budget and to prevent actual spending from exceeding appropriations. The key responsibilities of the purchasing function are to minimize the price paid to acquire goods and services from the private sector and to enforce purchasing rules. The key responsibilities of the personnel function include classifying jobs, examining applicants, and making appointments to positions.
- The executive branch as a whole will operate honestly and efficiently as long as the centralized staff functions exercise unilateral control over line agencies' administrative actions.

Unraveling the Bureaucratic Paradigm

The bureaucratic paradigm has been criticized by intellectuals since the 1930s. Some criticized the idea that the formal organization is the principal determinant of efficiency and effectiveness. Some urged that control be viewed as a process in which all employees strive to coordinate their work with others. Some voices criticized the idea that the exercise of unilateral authority within hierarchies was a recipe for good government and argued that the meaning of economy and efficiency within the bureaucratic paradigm was conceptually muddled. Many came to recommend that budgeters analyze social benefits and costs of government programs instead of focusing attention only on expenditures. Some raised concerns about the tendency of line agencies to allow staff agency's administrative systems to become constraint-oriented rather than mission-oriented. A few intellectuals also found evidence for the proposition that the workings of some administrative systems contradicted common sense. Many of these insights and arguments have been incorporated into mainstream practitioners and academic thinking about public management. Nonetheless, many of the beliefs of the bureaucratic paradigm have escaped serious challenge.

The most important recent conceptual challenge to the bureaucratic paradigm arising in the world of practice is the notion that government organizations should be customer-driven and service-oriented. A recurring aspiration of public managers and overseers using these concepts is to solve operational problems by transforming their organizations into responsive, user-friendly, dynamic, and competitive providers of valuable services to customers. Thinking in terms of customers and service helps public managers and overseers articulate their concerns about the performance of the government operations for which they are accountable. When supplemented by analysis of how these concepts have been put into practice in other settings, reasoning about customers and service helps managers generate alternative solutions to the managers they have defined as meritocracy. In many instances, the range of alternatives generated in this fashion is substantially different from that yielded by reasoning within the bureaucratic paradigm.

Many public officials, alert to the power of these conceptual resources in the contemporary United States, are being identified by whom they believe to be their customers and are using methods of strategic service management to improve their operations. For example, the U.S. Army Recruiting Command has developed an extremely sophisticated strategy to attract its external customers—qualified young American men—to join the military. This strategy is designed to satisfy these customers' needs for guaranteed future employment, occupational training, immediate income, self-esteem, individuality, and personal growth so as to meet the internal customers' needs. For a high-quality workforce, the Army recruiting operation's key service concept—reinforced by television advertising—is to provide external customers a "guaranteed reservation" for "seats" in training programs for specific military occupations. To support this service concept, Army contractors offer a sophisticated information system known as REQUEST. Operated by specialized recruiters referred to as guidance counselors, the REQUEST system customizes the Army's offer of multyear membership, employment, training, immediate cash, and other benefits. The more attractive the offer, as indicated from a battery of standardized tests, the better the offer. This example plainly illustrates how one government organization, in attempting to implement public policies—in this case, maintaining a large standing army capable of fighting war and staffing it with volunteers, puts the customer-service approach into practice. Strategic service management is also practiced in situations where the government/citizen transaction is voluntary and when obligations are being imposed. An example of the kind of situation is the operation of taxation systems. Some revenue agencies now identify taxpayer and businesses as their customers; others identify the collective interests of the people who pay taxes and receive government services as the customer, while conceiving of service provision as a way of cost-effectively facilitating voluntary compliance. Such revenue agencies are making operational changes—for example, simplifying tax forms, writing instructions in plain English, providing taxpayers assistance, and building the capacity to produce timely refunds—with the goal of making it easier and more rewarding for people to comply with their obligations. This approach to managing revenue agencies puts into practice a compliance context two key principles of service operations management: first, that customers participate in the production and delivery of services, and, second, that the service-delivery process tends to operate more smoothly when customers understand what is expected of them and feel that the organization and its service providers are making a reasonable effort to accommodate their needs.

Formulating an Alternative

The concept of a customer-driven service organization is thus not used increasingly by public officials to define and solve problems. At a higher level of generality, this concept also provides many of the resources needed to formulate a coherent alternative to the bureaucratic paradigm. The outlines of this alternative and its mode of identifying and attacking the vulnerabilities of the bureaucratic paradigm are already coming into focus. The following paired statements highlight the main rhetorical battle lines:

- A bureaucratic agency is focused on its own needs and perspectives. A...
customer-driven agency is focused on customer needs and perspectives.

- A bureaucratic agency is focused on the roles and responsibilities of its parts. A customer-driven agency is focused on enabling the whole organization to function as a team.
- A bureaucratic agency defines itself both by the amount of resources it controls and by the tasks it performs. A customer-driven agency defines itself by the results it achieves for its customers.
- A bureaucratic agency controls costs. A customer-driven agency creates value net of cost.
- A bureaucratic agency sticks to routine. A customer-driven agency modifies its operations in response to changing demands for its services.
- A bureaucratic agency insists on following standard procedures. A customer-driven agency builds choices into its operating systems when doing so serves a purpose.
- A bureaucratic agency announces policies and plans. A customer-driven agency engages in two-way communication with its customers in order to assess and revise its operating strategy.
- A bureaucratic agency separates the work of thinking from that of doing. A customer-driven agency empowers front-line employees to make judgments about how to improve customer service and value.27

The fact that this kind of rhetoric is coming into common use suggests that a new alternative to the bureaucratic paradigm—one that builds on much prior practical and intellectual work—is available. As this alternative becomes well-known and well-accepted, it may become the frame of reference for most efforts to diagnose operational problems in the public sector and to find solutions to them. The time is ripe, therefore, to define as carefully as possible what this alternative is. Breaking through Bureaucracy takes on this task.28

The Post-Bureaucratic Paradigm in Historical Perspective

The increasingly common use of such terms as customers, quality, service, value, incentives, innovation, empowerment, and flexibility by people trying to improve government operations indicates that the bureaucratic paradigm is no longer the only major source of ideas about public administration in the United States.29 In the search for better performance, some argue for deregulating government.30 Others make the case for reinventing government, a concept that encourages Americans to take note of marked changes in operating practices taking place in an army of public activities.31 As a challenge to conventional thinking, many government agencies are investing millions of dollars in training programs structured by a conceptual system that includes customers, quality, value, process control, and employee involvement.32 To increase flexibility and financial responsibility, some advocate a vast expansion of exchange and payment relationships in place of general fund financing; many also argue for implementing competition as a device for holding operating units more accountable to their customers.33 Among the programmatic concepts that have arisen from these criticisms of the ways in which the bureaucratic reform vision and bureaucratic paradigm have played out in compliance and service organizations are market-based incentives in environmental regulation,34 promoting voluntary compliance in tax administration, contract management,35 social service integration,36 the one-day or one-trial jury system,37 school-based management,38 and school choice.39

Is there a single core idea—perhaps reducible to a sound bite—behind this ferment in thinking and practice? Some readers will respond that the core idea is service. Or customer focus. Or quality. Or incentives. Or empowering major concepts of emerging practice are not organized hierarchically, with one master idea at the top. As an indication, the concept of incentives does not subsume the equally useful idea of empowerment, which can be defined as the ability of affairs in which individuals and groups feel psychologically responsible for the outcomes of their work. Since emerging argumentation and practice are structured by a paradigm rather than by any single core idea, those who want to make the most of the new conceptual resources should understand how various components of the system are related to one another.40

To understand the structure and workings of the new paradigm well enough to improve public management requires attention and thoughtfulness but not the honed skills of an analytic philosopher or social linguist. The new paradigm, we suggest, can readily be understood by working with the metaphor of an extended family of ideas. The image of an extended family is helpful because it indicates that each idea is somehow related to every other, and it implies that some concentration is required to identify just how the same metaphor can be pushed much further.41 Think of the new paradigm, as well as the bureaucratic one, as a generation within an extended family. Although the members of each generation may not equal standing, their relationships—like those between concepts in either paradigm—are not hierarchical. All the concepts may be compatible in many situations, but their personalities—much like the entailments of the concepts of incentives and empowerment—are likely to differ markedly. Furthermore, just as siblings and cousins seek to prove that they are individually and collectively different from their parents’ generation, self-declarations of the new paradigm emphasize divergences from the bureaucratic paradigm. Generational differences in extended families and paradigms also reflect changes in the social, economic, and political environments in which they have lived. To pursue the metaphor one more step, just as the siblings and cousins are influenced more by the preceding generation than they care to see or admit, concepts in the new paradigm are deeply conditioned by their literal relationships to concepts in the bureaucratic predecessor.42

The most appropriate term for the new generation of the extended family of ideas about how to make government organizations productive and accountable is the post-bureaucratic paradigm. This term implies that the post-bureaucratic paradigm is as multifaceted as its predecessor. An unrelated name would hint the fact that as a historical matter, the younger generation of ideas has evolved from the bureaucratic paradigm.

Table 1 depicts this evolution. This framework guides the effort to identify the post-bureaucratic paradigm and to place it in historical perspective.

Shifting Paradigms

From the Public Interest to Results

Citizens Value The purpose of the bureaucratic reforms was to enable government to serve the public interest.43 Government would serve the public interest, reformers argued, if it were honest and efficient. By honest, they meant a government cleansed of particularism, featherbedding, and outright stealing of public funds. By efficient, they meant a government that improved urban infrastructure, provided education, and promoted public health.44

In short, the reformers’ strategy for serving the public interest came to define the public interest. A central element of that strategy was to recruit, develop, and retain experts in such fields as accounting, engineering, and social work. This strategy was designed not only to achieve results, but also to use expertise as a way to legitimate the actions of unelected officials in an administrative state. As an unintended but surprising consequence, these officials came to presume that the public interest was served whenever they applied their various bodies of knowledge and professional standards to questions within their respective domains of authority.

In the age of bureaucratic reform, when the effective demand for combating disease, building civil works, and accounting for public funds had just become significant, the presumption that decisions made in accord with professional standards were congruent with citizens’ collective needs and expectations was reasonably defensible. This presumption no longer seems the most reasonable to make. Government often fails to provide desired results from the standpoint of citizens when each professional community within government is certain that its standards define the public interest.

To stimulate more inquiry and better deliberation about how the work of government...
Part Four • From Reagan to Reinvention (1980s and 1990s)

Table 1
Comparing the Paradigms

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<thead>
<tr>
<th>Bureaucratic Paradigm</th>
<th>Post-Bureaucratic Paradigm</th>
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<tbody>
<tr>
<td>Public interest</td>
<td>Results citizens value</td>
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<tr>
<td>Efficiency</td>
<td>Quality and value</td>
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<tr>
<td>Administration</td>
<td>Product</td>
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<tr>
<td>Control</td>
<td>Winning adherence to norms</td>
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<tr>
<td>Specify functions, authority, and structure</td>
<td>Identify mission, services, customers, and outcomes</td>
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<tr>
<td>Justify costs</td>
<td>Deliver value</td>
</tr>
<tr>
<td>Enforce responsibility</td>
<td>Building accountability</td>
</tr>
<tr>
<td>Follow rules and procedures</td>
<td>Strengthen working relationships</td>
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<tr>
<td>Operate administrative systems</td>
<td>Understand and apply norms</td>
</tr>
<tr>
<td></td>
<td>Identify and solve problems</td>
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<td></td>
<td>Continuous improve processes</td>
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<td></td>
<td>Separate service from control</td>
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<tr>
<td></td>
<td>Build support for norms</td>
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<tr>
<td></td>
<td>Expand customer choice</td>
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<td></td>
<td>Encourage collective action</td>
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<td></td>
<td>Provide incentives</td>
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<td></td>
<td>Measure and analyze results</td>
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<td>Enrich feedback</td>
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also knew that factory managers and experts applied their authority and expertise to industrial administration without partisan political interference. This industry was not just a source of rhetoric about efficient government; reformers' understanding of the main ingredients of efficient government—reorganization, accounting systems, expertise, and cost control—was rooted in their knowledge about industry. Reformers elaborated some ingredients into specific processes and techniques, such as careful delineation of roles and responsibilities, centralized scrutiny of budget estimates, centralized purchasing, work programming, reporting systems, and methods analysis. However, one key concept—the product—did not make the journey from industry to government.

Since it extended the concept of product, reformers' influential conception of efficient government was trouble waiting to happen. It encouraged the notorious bureaucratic focus on inputs to flourish and it permitted specialized functions to become worlds unto themselves. More specifically, an increase in efficiency could be claimed in government whenever specifying an input was reduced, whereas it will much easier to argue in an industrial setting that cost reduction improved efficiency only when it led to a reduction in the cost per unit of output. Industrial managers may not have had an easy time keeping every specialized member of the organization focused on the product, but in this concept—embodied in the goods moving through the production stream and out the door—they at least had a way to think precisely and meaningfully about how integration of differentiated functions could achieve efficiency. For reasons discussed above, the concept of the public interest did not possess the product concept's powers of integration; instead, the strategy of sharply delineating roles and responsibilities and exalting specialized expertise cut in the other direction.

From Efficiency to Quality and Value Leaders of the scientific management movement in the early twentieth century crafted and popularized a common sense theory about the causes, nature, and significance of efficiency. This common sense theory rang true because it explained the industrial process that characterized the age and because information about the workings of modern factories was widely known. It is a small step to infer that reformers used their knowledge of efficient industrial administration to inform their conception of efficient public administration.

What did reformers know about factory administration? They knew that efficient factory system succeeded in producing ever-increasing quantities of goods while REDUCING the cost of production. They also knew recipes for achieving such success. In factories, managers controlled production in great detail through hierarchical supervisory structure. They knew that production and administrative systems were designed and operated by experts, who staffed offices responsible for personnel, accounting, inspection, power and work, engineering, product design, methods, production efficiency, and orders. Bureaucratic reformers, like their counterparts in nongovernmental organizations, instead should make use of such interrelated concepts as product or service, quality, and value when deliberating about the nature and worth of government activities. The claim is that deliberation in these terms is as useful in the public sector as elsewhere.

The post-bureaucratic paradigm does not try to settle most of the controversies about the general definitions of the concepts of product or service, quality, and value. Legislating the precise definition of such theoretical and analytical categories is probably futile; in any event, what is important for our purposes here is how well people in practice make use of such concepts in formulating and deliberating over made-to-measure or ad hoc arguments about how the performance of particular organizations should be evaluated and improved.

To make the most of such deliberation efforts, some minimal agreement on terms is necessary. First, the appropriate perspective from which these concepts should be defined is that of the customer. By this rule, the recurring definition of quality as conformance to customer requirements is acceptable. Second, not value should be distinguished from value by taking costs into account. By this rule, the claim that reducing expenditures is desirable needs to be scrutinized in terms of the effect on the cost and value of products and services. Third, the pecuniary costs borne by customers when producing services or complying with norms should be taken into account. By this rule, costs measured by conventional accounting systems should be adjusted in service or compliance contexts.

From Administration to Production
The bureaucratic reformers had a theory of how individual public servants contributed to efficient administration. The theory claimed that the purpose of administration was to solve public problems by implementing laws efficiently. Agencies performed their functions by subdividing responsibilities and assigning them to positions. Public servants, assigned to positions in the basis of merit, performed their responsibilities competently by applying their expertise. This theory promised order and rationality in that new domain of public affairs...
denominated as administration and nicely combined a political argument about administrative legitimacy with an organizational argument about efficiency. The theory also provided a reason to believe that the work of public servants is the public interest.

To some degree, this theory of work in the administrative branch of government lives on. Ask public servants to describe their work and many will relate facts about their organization’s functions and their own responsibilities. In order to communicate what the incumbent of a position does, some agencies compile titles mimicking the chain of command. For example, one senior manager in the Veterans Administration carried the title of Assistant Associate Deputy Chief Medical Director.

This strategy of defining work is failing to satisfy public servants. Younger members of the workforce are less than willing to accept close supervision. It is a reasonable inference that specifying organization positions is an unsatisfactory way to characterize the identity and purpose at work. Another problem with the standard account is that citizens are skeptical about the value of work public servants do—and public servants know it. The bureaucratic paradigm offers late-twentieth-century public servants new tools for explaining themselves and others why their work counts.

The accumulating evidence that production is a powerful alternative to the idea of administration comes from the total quality management (TQM) movement. TQM providers employees with methods—such as process flow analysis—for identifying and improving production processes. Most government employees whose experience with TQM concepts and methods has been positive are deeply committed to the idea of process analysis and control.

Why does production matter? One reason is that operating-level employees are typically involved in decision making, another is that formalized methods of reasoning are considered—often for the first time—in deliberations about how the production process should be organized. Both employee involvement and objective analysis mitigate the sense of powerlessness among employees in organizational hierarchies. Furthermore, by using methods of process analysis, employees can develop a shared visual representation of the organization without making any reference to its hierarchical structure or boundaries. What is more important is that through process analysis, individual employees can visualize and describe for others how their work leads to the delivery of a valuable service or product. And coworkers develop an understanding of—and appreciation for—the work each does.

To guard against mistaken analogies between production in government and manufacturing, the post-bureaucratic paradigm suggests that the concept of production be rendered as service delivery. This terminology redefines public servants of the complex and intricate relationship between process and product in service delivery: whereas the production of goods is a separate process from distribution and consumption, many services are produced, delivered, and consumed in the same process, often with customers participating as coproducers.

From Control to Winning Adherence to Norms: Within the bureaucratic reformation’s vision of government, control was the lifeblood of efficient administration. Control was considered to be so vital that the intention to strengthen it served as an effective major premise in arguments supporting a wide array of practices that deepened and extended the bureaucratic reform. These practices included accounting systems, budgetary freezes, reorganizations, reporting requirements, and countless measures to reduce the exercise of discretion by most public servants. Why did such a cold, mechanical idea become revered by advocates of efficient administration? The answer lies in the fact that control was an important concept in each of the several lines of thought that became interwoven in the bureaucratic reform vision.

Control was essential to realize the aim of a unified executive branch. Control needed to be exercised to purify administrative decisions of particularistic influences. Control was the basis for the efficient operation of large-scale organizations. And control assured the public that someone, namely the chief executive, was in charge of administration.

Influenced by ideas of rational-legal bureaucracy and industrial practice, the bureaucratic paradigm pursued the aims of order, rationality, impersonal administration, efficiency, and political accountability by instituting centrally controlled systems of rules. The focus on rules, commitment to centralization, and emphasis on enforcement spawned worrisome consequences; which have tended to make bureaucracy a pernicious rather than a descriptive term.

**Redefining**

The bureaucratic paradigm encouraged control activities to develop ever-enlarger networks of rules in response to changing circumstances or new problems.

**Centralization**

The bureaucratic paradigm urged overuse to centralize responsibility and authority for making administrative decisions in the hands of staff agencies. Centralized staff operations generally lacked the capacity to process incoming requests quickly, either because their power in the budget process was slight or because they were committed to the idea of saving taxpayer money. As a further consequence, decisions made centrally did not take into account the complete and variable of the situations confronted by line agencies.

**Enforcement**

Staff agencies focused on enforcement were typically blind to opportunities to correct problems at their source. For instance, agencies were often unable to comply with norms because their employees did not know how to apply them to specific situations. Many such compliance problems could have been solved by providing education and specific advice about how to improve administrative or production processes; however, compliance organizations stressing enforcement tended to defer in problem solving. Furthermore, an emphasis on enforcement unnecessarily set up adversarial relationships between control activities and compliers. This kind of relationship discouraged effective compliance with norms.

In our view, after more than a half-century of use, the concept of control is so bound up with the obsolete focus on rules and enforcement that continued emphasis on goals and norms is an obstacle to innovative thinking about how to achieve results. Valuable tools such as delegation, decentralization, streamlining, incentivized regulation, and voluntary compliance are not wholly adequate as substitutes. Whatever term comes to structure post-bureaucratic thinking, the concept should serve to (1) illuminate the meaning of such rules, as such rules, as principles, as frame and context, to the norms to which agencies must adhere; (2) recognize the complexity and ambiguity of the situations faced by compliers; and (3) underscore the role rewards and positive working relationships can play in motivating compliers to make good decisions.

The term winning adherence to norms is designed to fulfill this function. This concept indicates several lines of post-bureaucratic thinking about organizational strategies of compliance activities. One of which deserves to be highlighted here.

Since achieving adherence to norms requires people to make choices among alternatives under conditions of complexity and ambiguity, compliance strategies should empower compliers to apply norms to their particular circumstances. Compliers become empowered, by definition, when they feel personally responsible for adhering to the norms and are psychologically invested in the task of finding the best way to comply. Taking personal responsibility for results is as crucial to making good compliance decisions as to delivering quality goods and services.

As analysts have discovered in studying the sources of productivity and quality in organizations, taking personal responsibility is substantially influenced by the work setting. In particular, researchers argue that employees are most likely to take personal responsibility at work when they receive clear direction about goals and desired outcomes, education, coaching, material resources, feedback, and recognition. These findings suggest that taking personal responsibility for adhering to norms is likely to be enhanced when compliers understand the purpose of the norms, obtain education and coaching about how to apply the norms to the situations they face, receive timely
Table 2
Working Relationships

CUSTOMER RELATIONSHIPS
Individual or organizational customers
- within the organization
- within government
- outside government

Collective customers
- within the organization
- within government
- outside government

PRODUCTION RELATIONSHIPS
Coproduction relationships with customers
Composer relationships
- within government
- between government and the public

Relationships with providers
- within government
- vendors

Team relationships
- between individuals
- between task groups
- between functions

Partner relationships
- within government
- between public and private sectors

OVERSIGHT RELATIONSHIPS
Relationships with executive branch leadership and their staff
Relationships with legislative bodies, legislators, and staff
Relationships with courts

MEMBERSHIP RELATIONSHIPS
Employment relationships
- between employees and their organizational leaders
- between employees and their immediate superiors
- between employees and the employer

Communitywide relationships
- among agencies
- among public servants

Peer group relationships
- among executives
- among members of a professional specialty

work out the implications of these claims and speculations in theory and practice.

Beyond Rules and Procedures

The premise of numerous arguments made from the bureaucratic paradigm is that the proposed course of action (or inaction) is consistent with existing rules and procedures. The prior discussions of the concepts of efficiency, administration, and control explain why such arguments were generally persuasive.

From a post-bureaucratic angle, arguments premised on existing rules and procedures should be greeted with a reasonable degree of skepticism. Arguments premised on rules should be challenged and the issue reframed in terms of achieving the best possible outcome, taking into account the intention behind the rules, the complexity and ambiguity of the situation, and the ability to secure support from those who would enforce the rules. In this way, problem solving rather than following bureaucratic routines can become the dominant metaphor for work. Similarly, arguments premised on current procedures should be countered by instigating deliberation about how process improvements could enhance service quality and value.

Beyond Operating Administrative Systems

Centralized staff agencies were institutional embodiments of the bureaucratic reform vision. By operating administrative systems, these organizations put into practice the concepts of efficiency, administration, and control. Their cultures and routines spawned many of the constraints and incentives facing line agencies, which from a post-bureaucratic vantage point now reflect from governments' ability to deliver results citizens value.

If the time has come to break through bureaucracy, centralized staff operations must be part of the process. In serving this purpose, centralized staff operations need to transform their organizational strategies. Just like line agencies, they can benefit from using the concepts of mission, services, customers, quality, value, production, winning adherence to norms, building accountability, and strengthening working relationships. More specifically, central staff operations should separate service from control, build support for norms, expand customer choice, encourage collective action, provide incentives, measure and analyze results, and enrich feedback in the context of all working relationships. What is this extended family of concepts means in practice should constantly evolve through deliberation and incremental innovation. A starting point for both processes is the information and argumentation contained in this book.

Role of Public Managers

The bureaucratic paradigm informed public administrators that their responsibilities included planning, organizing, directing, and coordinating. Planning meant looking beyond the day-to-day operations of each function in order to determine how the work of the organization as a whole should evolve. Organizing meant dividing work responsibilities and delegating to each position requisite authority over people and subject matter. Directing meant informing subordinates of their respective roles in implementing plans and ensuring that they carried out their roles in accordance with standards. Coordinating meant harmonizing efforts and relations among subordinates. The deficiencies of this role conception have been amply and ably catalogued by management writers for more than forty years. The post-bureaucratic paradigm shifts argumentation and deliberation about how the roles of public managers should be framed. Informed public managers today understand and appreciate such varied role concepts as exercising leadership, creating an uplifting mission and organizational culture, strategic planning, managing without direct authority, pathfinding, problem solving, identifying customers, grouping along, reflecting in-action, coaching, structuring incentives, championing products, instilling a commitment to quality, creating a climate for innovation, building teams, redesigning work, managing productivity, and engaging a culture. As a contribution to current deliberation, we suggest that breaking through bureaucracy is a useful supplement to this stock of ideas. This concept alerts public managers to the need to take seriously the profound influence of the bureaucratic paradigm on stan-
ard practices, modes of argumentation, and the way public servants derive meaning from their work.

Historically aware public managers, committed to breaking through bureaucracy, will help coworkers understand that the bureaucratic paradigm mistakenly tended to define organizational purpose as doing assigned work. They will argue that a crucial challenge facing all organizations is to imbue work effort with purpose thereby thwarting the tendency to presume that current practices deliver as much value as possible. They will build capacity within and around organizations to deliberate about the relationships between results citizens value and the work done.

Public managers, guided by the idea of breaking through bureaucracy should employ not only a combination of historical knowledge and post-bureaucratic ideas as tools to diagnose unsatisfactory situations and to spot inadequacies in arguments rooted in the bureaucratic paradigm, but should also deal creatively with the fact that many public servants are emotionally invested in the bureaucratic paradigm. Public servants, in our experience, are generally willing to move on to a newer way of thinking and practicing public management if they are convinced that the efforts they expended in past years will not become depersonalized by the move. An effective way to overcome resistance to change stemming from this source is to make an informed argument that the presuppositions of the bureaucratic paradigm as played out in the organization's particular field of action were reasonable during most of the twentieth century, but that times have changed.

Notes


4. In the words of historian Barry Dean Karl, these movements’ beliefs and actions (as well as those of many New Dealers) were "in many respects: the consequence of both industrialism and nationalism. The chief value of centralization rested on the increase in efficiency which it invariably seemed to bring to the growing urban and industrial chaos. But efficiency could also become identified with national purpose. The idea that human effort could be wasted when uncontrolled and uncontrolled was just as central to the growing concern with efficiency, leadership, and planning." Op. cit., pp. 182–183.


8. Other key legacies are institutional arrangements, including hierarchical executive branches and staff agencies, and organizational routines. These arrangements, agencies, and routines embed certain habits of thought into people who work in government.

9. A definition of paradigm that fits this usage is "the basic way of perceiving, thinking, valuing, and doing associated with a particular vision of reality. A dominant paradigm is seldom if ever stated explicitly; it exists as unquestioned tacit understanding that is transmitted through culture and in succeeding generations through direct experience rather than being taught" (Willis Harison, An Incomplete Guide to the Future [New York: Norton, 1970], quoted in Joel Arthur Barker, Discovering the Future: The Business of Paradigms [St. Paul, Minn.: L.P. Press, 1985], pp. 13–14). A similar location can be found in the literature on public administration: "Each of us lives with several paradigms at any given time. . . . As it appears appropriate, each of us moves in and out of paradigm throughout any work day, and with scarcely a thought about the belief and values systems that undergird them" (Yvonna S. Lincoln, Introduction in Organizational Theory and Inquiry: The Paradigm Revolution, ed. Yvonna S. Lincoln [Beverly Hills, Calif.: Sage, 1985], p. 30). The word paradigm began to be used in natural science and scientific communities after publication of Thomas Kuhn's Structure of Scientific Revolutions (Chicago: University of Chicago Press, 1962).


11. For a summary of this literature, see Perrow, op. cit., pp. 60–68.


18. The belief that politics and public administration are separate domains of social action was central to the bureaucratic reform vision.
This notion has been criticized for decades by academics and educators. According to Wilson, "Political scientists never fail to remind their students on the first day of class [that] in this country there is no clear distinction between policy and administration" (op. cit., p. 241). We suppose that these teachings have had sufficient influence to merit focusing attention elsewhere. The bureaucratic paradigm's prescribed separation between substance and institutional administration within the administration component of the politics/administration dichotomy has received inadequate notice and scrutiny.

19. Strictly speaking, in the public sector the concepts of customer and service are typically structural metaphors. Introducing new metaphorically structured concepts into an existing conceptual system makes a difference in how people reason. According to George Lakeoff and Mark Johnson, "New metaphors have the power to create a new reality. This can begin to happen when we start to comprehend our experience in terms of a metaphor, and it becomes a deeper reality when we begin to act in terms of it. If a new metaphor enters the conceptual system that we base our actions on, it will alter that conceptual system and the perceptions and actions that the system gives rise to. Much of cultural change arises from the introduction of new metaphorical concepts and the loss of old ones. For example, the Westernization of cultures throughout the world is partly a matter of introducing the "time is money" metaphor into those cultures. Metaphors We Live By" (Chicago: University of Chicago Press, 1980), p. 145.

20. The forces making customer service attractive as a conceptual scheme include the emergence of services as the nation's leading sector, a climate that makes privatization in its various forms an ever-present possibility, public discontent with bureaucracy, renewed appreciation for market-oriented forms of social coordination, technological innovation (especially in information systems), directives from the Office of Management and Budget and the Office of the Secretary of Defense, and the availability of training materials, the list could be extended. The social and intellectual history of the movement under way has yet to be written.


22. The point of the example is not that the substitution of a customer orientation for the bureaucratic approach necessarily improves the operation of government; rather, it suggests that applying the customer approach is likely to alter what government agencies do, thereby changing the results of government operations. To evaluate whether the altered outcome constitutes an improvement requires an act of judgment and will. As an empirical matter, the judgment of the Army and its authorizers is that this application is desirable, on the whole.

23. Massachusetts took the first step, see Massachusetts Department of Revenue, Annual Reports (Boston, 1983–1984)–while Minnesota took the second step, see "A Strategy for the 1990's," n.p., n.d. (Minn).


28. In undertaking this task, it is well to bear in mind two observations made many years ago by legal theorist Karl N. Llewellyn. First, it is hard to take things which are unconventional or otherwise unfamiliar to the audience and to get them said, so that they come through as intended. . . . I say we all know this, and we all try to convey and parse, to choose words well and to arrange them better, so that they may become true messengers. Second, "there are no panaceas" (The Common Law Tradition: Deciding Appeals (Boston: Little, Brown, 1960), pp. 401–403).

29. The concepts of program budgeting, program evaluation, and policy analytic broadened.
and improved the bureaucratic paradigm and provided some of the seeds for the post-
bureaucratic paradigm, but they did not challenge the bureaucratic paradigm's conception of administration, production, organization, and accountability.


34. Project 1988, "Round II: Encourages for Action: Designing Market-based Environmental


40. A paradigm is an experientially grounded conceptual system. More specifically, a paradigm might be thought of as a system of awareness, mental schemes, consciousness theories, and general reasons for action. To see how such a system is structured, consider an important concept in the paradigm of modern society: production. The concept of production highlights awareness of certain kinds of work processes (such as factory work) and downplays others (such as domestic work). The concept entails a complex mental scheme, which includes such other concepts as workers, tasks, machines, specialization, skills, organization, supervision, throughput, work-in-process inventory, bottlenecks, defects, inspection, rework, costs, and efficiency. This complex mental scheme structures common sense theories about production. A historically important common sense theory held that modern prosperity and convenience required efficiency; efficiency required reducing production costs; and costs could be reduced through task specialization, close supervision of workers, and rational organization. Out of this common-sense theory came a general reason for action in industrial society: efficiency.


42. These reforms included introduction of civil service protections, and strict budget, reorganization, the executive budget process, and competitive purchasing.

43. The concept of the public interest has been ably scrutinized by political scientists over the years. See, for example, Charles E. Lindblom, "Bargaining: The Hidden Hard in Government (1955)," chap. 7 in Democracy and Market System (Oslo: Norwegian University Press, 1988), pp. 139–179. Historian Richard Hofstadter points out that in general the public interest was what reformers— principally middle-class professionals and elites who had lost power to political machines—thought would make Americans a better society. See The Age of Reform: From Bryan to F.D.R. (New York: Vintage, 1955), pp. 174–214.


45. We simplify here by omitting discussion of the concept of economy. Economy was the watchword of those who wanted to reduce government expenditures and taxes; efficiency was highlighted by those who wanted to improve government performance. We also simplify the discussion of efficiency here by focusing on the scientific management movement and factory administration. For a more complete discussion of the concept of efficiency in early public administration, see Dwight Waldo, The Administrative State, 2d ed. (New York: Holmes and Meier, 1984).


49. "Systematic bookkeeping was revolutionizing control over industrial production, point-
50. What explains this puzzle? One argument might be that the outputs of government are different from the outputs of factories. But that argument fails because the concept of product could have served as a structural metaphor—as it does today—in efforts to conceptualize the relations between organizational goals and organizational work. One might argue, against this view, that reformers did not know how to think metaphorically. But the concept of an efficient government entails the use of the structural metaphor “Government is industry.” Whether reformers knew they were speaking metaphorically is largely irrelevant. We conjecture that the concept of product was left out because reformers were committed to rationalism and professionalism and shunned market processes and commercial values in the context of government. The influence of legal conceptions of organizations was also felt.


54. The information provided in chapters 3–5 of this book is evidence for this claim.


58. For a classic argument that administration is an identifiable domain of governmental activity, see Woodrow Wilson, “The Study of Administration,” Political Science Quarterly (June 1887): 157–222.


63. This empirical claim cannot be substantiated on the basis of social scientific research. It rests on anecdotal evidence derived from extensive contact with public sector managers and from conducting field work for “Denise Fleury and the Minnesota Office of State Claims,” John F. Kennedy School of Government case C15–87–744.0.

64. Marshall Bailey of the Defense Logistics Agency argues that process analysis is a way to combat the PHOG (Prophecy, Hearsay, Opinion, and Guesswork) that impairs employee commitment and organizational performance.

65. One interviewee for the Denise Fleury case reported that before engaging in process flow analysis, coworkers viewed one another as job categories; afterward, they viewed one another as people.

66. Some activities in government, such as minting currency and making weapons, are more like manufacturing than like service delivery. Most compliance activities are more similar to service than to manufacturing. Winning compliance to norms is an appropriate term for production in a compliance context.

67. The typical accounts of total quality management fail to make the vital distinction between industrial production and service delivery. For a discussion of this distinction, see James L. Heskett, Managing in the Service Economy (Boston: Harvard Business School Press, 1986). Indeed, the source domains for total quality management practices are industries and utilities. Viewed at close range, the failure to make the service/industry distinction is a significant handicap to TQM.

68. A background reason was the influence of machine metaphors on organizational thought. See Morgan, op. cit. pp. 19–38.

69. See JoAnne Yates, Control through Communication: The Rise of System in American Management (Baltimore, Md.: Johns Hopkins University Press, 1989), pp. 1–20. According to Yates, the notion of control and systems were developed into a management philosophy during the 1890s.


71. As mentioned above, the total quality management movement has not focused on compliance processes. If such a focus were to be developed, it might begin by pointing out the similarities between enforcement approaches to compliance and inspection approaches to quality assurance. In diagnosing problems with the enforcement approach, experience with inspection could serve as a useful source domain. Similarly, as a heuristic device to structure a better approach to compliance, TQM’s preferred alternative to inspection should be used as a source domain. From a post-bureaucratic perspective, TQM should not be the only such source domain. Other source domains include the liberal and civic republican strands of American political theory and recent experience with service management.


75. See the discussion of good and bad apples in Bardach and Kagan, op. cit., p. 124.

77. For the classic statement of the difference between organizations as technical instruments and as committed policies, see Philip Selznick, Leadership in Administration: A Sociological Interpretation (New York: Harper and Row, 1957). For a recent argument along similar lines, see Albert O. Hirschman, Getting Ahead Collectively: Grassroots Experiences in Latin America (New York: Penguin, 1984).


80. Another valuable concept is strategy, especially as defined in Lax and Sebenius, op. cit., pp. 254–268.


82. As mentioned above, services and products in the public sector are often defined metaphorically. The role of structural metaphors in public sector management thought and practice deserves substantial attention. For a beginning, see Michael Barzelay and Linda Koboulinc, "Structural Metaphors and Public Management Education," Journal of Policy Analysis and Management (fall 1990): 590–610.

83. See the principles discussed in chapter 7.

84. The bureaucratic paradigm focused attention on functions and nonoperational goals rather than producing desired states of affairs. The term outcome has a different meaning in this context than in the academic public policy literature, where the concept of outcome generally refers to the ultimate intended consequences of a public policy intervention. As used here, an outcome can be proximate results of an organization's work. For example, desired outcomes of a plant management operation include clean buildings and satisfied customers.


90. Allen Schick presents a nuanced statement of this aspect of the bureaucratic paradigm: "Spending agencies usually behave as claimants, but have more procedures to conserve the resources available to them ... Similarly, the central budget office has a lead role in conserving resources, but it occasionally serves as a claimant for-use that it favors. It is not uncommon for the budget office to argue that some programs should be given more funds than have been requested." See "An Inquiry into the Possibility of a Budgetary Theory," in New Directions in Budget Theory, ed. Irene S. Rubin (Albany: State University of New York Press, 1988), p. 65.

91. See Peter Burchillson, Rukh Azzam, and John James, "Enterprise Management: Designing Public Services as If the Customer Really Matters (Especially Now that Government Is Broke)" (Minneapolis: Center of the American Experiment, 1991); as well as the fiscal 1992–1993 budget instructions for Minnesota state government, reproduced as appendix 3.


93. Among the many authors who have formulated, elaborated, restated, and/or popularized such concepts are Mary Parker Follett, Peter Drucker, Peter Simon, Philip Selznick, Warren Bennis, Donald Schum, J. Richard Hackman, Harold Leavitt, James Q. Wilson, Rosabeth Moss Kanter, James Sebenius, James Heskett, Robert Behn, Philip Crosby, Thomas Peters, and Robert H. Waterman, Jr. These conceptual themes continue to be extended in the public management literature by such writers as Jameson Dolg, Steven Kalman, Mark Moore, Ronald Heifetz, Philip Heymann, and Robert Reich.

94. The change process in Minnesota, described in chapters 3–5, accelerated after such arguments—informed by the results of the research leading to this book—were made.