BUREAUCRACY AT THE STATE LEVEL: THE QUEST FOR RESPONSIBILITY

by

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Thesis submitted to the Faculty of the Virginia Polytechnic Institute and State University in partial fulfilment of the requirements for the degree of MASTER OF PUBLIC ADMINISTRATION

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June, 1994

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(ABSTRACT)

This thesis replicates Herbert Kaufman's study of the administrative behavior of federal bureau chiefs at the state level. Kaufman asserted that bureau chiefs are not as autonomous as we depicted. Their behavior is confined by the legal, institutional, political and operational constraints. This thesis supports Kaufman's findings--except that it's more optimistic about the occurrence of innovative changes in public agencies.

This study looks at six state agency heads of the State of Virginia. Their behavior is examined from the conception of "responsibility." Chapter One argues that responsibility connotes two aspects of meaning: objective and subjective. Objective responsibility is ensured through the constraints placed on bureaucrats. Contents of these constraints are examined in Chapter Two. The findings show that these agency heads are behaving in ways consistent with the limits set by the constraints.

Subjective responsibility is examined from the
perspective of "innovation." Innovations reflect that bureaucrats are responsive to changes in their organizations' environmental contexts. These responses are subjective in the sense that they are grounded in reasons that lie within the bureaucrats themselves. Chapter Three details instances of these innovative changes and argues that bureaucrats have actualized their subjective responsibility. Factors favourable and unfavourable for innovation are also examined in the chapter.

Chapter Four concludes that the state bureaucracy, as exemplified by Virginia's, has achieved responsibility in its full sense. Moreover, the question of autonomy, a closely related issue to responsibility, is examined in the chapter. Finally, the study reveals five plausible issues that merit further research effort.
To My Mother And Brother
Acknowledgements

I wish to express my greatest gratitude to the six agency heads identified in Appendix 2. In spite of their numerous official duties, and their tight schedules, they were very generous to give me a chance to interview each of them in person. They have shown a great sense of understanding and patience, far more than I ever expected.

Deep thanks are owed to Dr. Charles T. Goodsell, my thesis advisor. Dr. Goodsell's writings have greatly influenced my thinking on bureaucracy. His helpful advice and constructive criticism made possible the analysis presented here. This study could not have been carried out without the numerous hours he spent with me from the stages of topic formulation to the conduction of the research and the analysis of the findings. Thanks are also due to Dr. Larkin Dudley and Dr. Gary L. Wamsley, for their questions, advices, patience and understanding.

Finally, I must thank my family. Their patience, support, and love have always been my inspiration.

The responsibility for the contents of this thesis, of course, rests with me.
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Chapter 1
RESPONSIBILITY IN STATE AGENCIES IN BRIEF

Ever since the emergence of modern bureaucracy\(^1\), a fear has existed that bureaucracy will become uncontrollable. It does not matter whether we are referring to bureaucracy at the federal, state, county, city, or town level, similar fear still prevails. Bureaucracy is depicted negatively as arrogance, dogmatism, inertia, self-perpetuation, and the like.\(^2\) Consequently, a major question is heard in all democratic polities: how to ensure that bureaucracy will behave responsibly?

There already have been many discussions on the issue at the federal level. Therefore, this thesis approaches the issue from a different level--the state level. Six state agency heads were interviewed for data on constraints on their work, and their responses to these constraints. The findings show that the state agency heads and the agencies under their leadership have fulfilled their responsibility in a full sense. Before we move to the details of the findings, a brief on bureaucracy is in order.

A BRIEF ON BUREAUCRACY

Everywhere in the world a negative public perception of bureaucracy exists. The United States is no exception. This
is an understandable phenomenon. Even Max Weber, the architect of the concept of bureaucracy, expresses his worries about the controllability of bureaucracy. He fears that bureaucracy would become a menace to an individual's liberty.\footnote{1}

However, what exactly are these negative public images of bureaucracy? Do they truly reflect the truth about bureaucracy? Fundamentally, what is a bureaucracy? These questions are addressed in the following sections.

What is Bureaucracy?

As Dwight Waldo points out in his *Democracy, Bureaucracy and Hypocrisy*, there are two perspectives on the concept of bureaucracy, namely, the "popular-pejorative" perspective and the "descriptive-analytical" perspective.\footnote{4} Weber has offered an authoritative description of the second perspective. He offered six general characteristics of an ideal-type bureaucracy, as follows:

1. It obeys the principle of fixed and official jurisdictional areas, which are generally ordered by rules, that is, by laws or administrative regulations.

2. The principles of office hierarchy and of levels of graded authority mean a firmly ordered system of super-and subordination in which there is a supervision of the lower offices by the higher ones.

3. The management of the modern office is based upon written documents ("the files"), which are preserved in their original or draft form.

4. Office management, at least all specialized office
management—and such management is distinctly modern—usually presupposes thorough and expert training.

5. When the office is fully developed, official activity demands the full working capacity of the official, irrespective of the fact that his obligatory time in the bureau may be firmly delimited.

6. The management of the office follows general rules, which are more or less stable, more or less exhaustive, and which can be learned.

Any organization that has the above-mentioned features is classified as a bureaucratic organization. Weber believed that bureaucracy will eventually become the only mode of organizing a modern organization. According to Weber, the decisive reason for the advancement of a bureaucratic form of organization is its technical superiority over all other forms of organization:

precision, speed, unambiguity, knowledge of the files, continuity, discretion, unity, strict subordination, reduction of friction and of material and personal costs—these are raised to the optimum point in the strictly bureaucratic administration, especially in monocratic form.5

Public Perceptions of Bureaucracy

The "popular-pejorative" perspective mentioned in Waldo's book is manifest in the trend of bureaucrat-bashing, which has a very long history in America. Bureaucracy is despised and disparaged everywhere by the press, interest groups, political
parties, politicians and the public. Charles T. Goodsell, in his book, *The Case for Bureaucracy*, contends that there are horror stories about bureaucracy in almost every edition of every daily newspaper. He then presents summaries of some of those stories. ¹ To verify his contention and for my own list of such stories, I read some issues of *The Washington Post*. I had no difficulty in spotting several such stories:

The Office of Management and Budget (OMB) reports that of financial reports received on 23 departments and agencies, all but two of them are deemed unreliable. The two agencies which make the grade are the General Services Administration and the National Science Foundation.

Senator David Pryor (D-Ark.), chairman of the Senate Governmental Affairs Subcommittee on Federal Services, Post Office and Civil Service, remarked on the Senate floor, that the federal government spent $487 million on employee bonuses in fiscal year 1991. He was particularly angry with the fact that the Social Security Administration, which was deemed inefficient and ineffective, had spent $32 million in bonuses last year. More than two-thirds of the agency's 65,000 employees received them.

There were 186,000 federal retirees whose pensions were taxed illegally by Virginia in the 1980s. Two hundred fifty of them, angry with the proposal of partially refunding their extra tax money to them, aired their grievances in a public hearing held last month.

Indeed, attacks on bureaucracy existed a long time ago. As E. Pendleton Herring chronicles, during the 1934 congressional campaign, Senator Borah made a oratorical attack on the federal bureaucracy:
Of all the forms of government which has ever been permitted to torture the human family, the most burdensome, the most expensive, the most demoralizing, the most devastating to human happiness and the most destructive of human values is a bureaucracy.

Forty-two years later, Senator Borah's remark was echoed by Democratic presidential candidate Jimmy Carter. Carter, who was elected President in 1976, asserted that an indicator of an inefficient government is a growing bureaucracy. Peter Woll states that "A major element of Carter's successful drive toward his nomination was his promise to reorganize and increase presidential control over the bureaucracy."

In sum, bureaucracies are seen as:

The site of rigidity, red tape, the tyranny of the petty functionary brandishing the rule book. At the operating level, they are staffed by the lazy and the incompetent, people too concerned with their own rights and prerogatives to care about the people whom they are supposed to serve... A popular image is the staff gathering in clusters around the coffee machine, while clients stand for hours in unmoving lines waiting to be served. When a client finally reaches the desk, he is likely to be told that he failed to fill out some lengthy form in triplicate and must start all over again.

The existence of these kinds of negative public perceptions of bureaucracy may be seen as natural. No one would like to be told of what to do or what not to do, or being constrained in his activities. The word bureaucracy has thus become a stereotype which is overwhelmed with emotional, rather than objective, evaluations on bureaucracy.
Bureaucracy in Academic Writing

Some readers might suspect that bureaucracy would receive a better evaluation in academic writing. However, the dominant theme in academic writing agrees with the public sentiment I mentioned earlier.

One of the classic criticisms on bureaucracy is made by Robert K. Merton. He argues that the chief merit of bureaucracy, its technical efficiency, is also its demerit. By applying Veblen's concept of "trained incapacity," he argues that:

Trained incapacity refers to that state of affairs in which one's abilities function as inadequacies or blind spots. Actions based upon training and skills which have been successfully applied in the past may result in inappropriate responses under changed conditions. An inadequate flexibility in the application of skills will, in a changing milieu, result in more or less serious maladjustments . . . people may be unfitted by being fit in an unfit fitness; their training may become an incapacity (italics in original)."

Besides having the symptom of trained incapacity, bureaucracy suffers from the phenomenon known as "displacement of goals." A successfully operated bureaucracy was premised on the attainment of a high degree of reliability of its behaviour. Such a premise would require bureaucracy to conform with some sets of prescribed patterns of actions. This emphasis on discipline inevitably results in a transference of the sentiments: adherence to the rules,
originally conceived as a means, becomes an end-in-itself. In Merton’s words, "an instrumental value becomes a terminal value." Subsequently, bureaucracy develops into an organization that is rigid and unable to adjust to the constantly changing environment in which it operates.

Furthermore, along with rigidity is a mentality of "resistance to change." This is because any action of change simultaneously implies a change in the routine practice of a bureaucracy. Change is thus regarded as a harmful act to the predictability of a bureaucracy’s action.

Furthermore, the stress of impersonality and formality also cause problems, according to Merton. These practices are identified as "red tape" by the bureaucracy’s clientele. The term red tape connotes a wide variety of practices of a bureaucracy, such as "filling out forms," "going through many hands," "too many details asked," "being investigated," or "too many interviews needed." In every encounter between a bureaucracy and its client, red tape will be witnessed by the client when his ego is challenged on two counts: (i) A claim which he believes legitimate is not taken "at face value;" (ii) Not only are his claims and assertions challenged, but other details of his "private life" are investigated.¹³

Last but not the least, bureaucracy is criticized for lacking innovation in its operation. As Victor A. Thompson notes, the conditions within a bureaucratic organization are found to be inappropriate to the emergence of any creative
idea. Since every bureaucratic organization has a conservative orientation, novel solutions, such as using resources in a new way, are likely to be treated as a factor that would invite uncertainty to an organization. As uncertainty is presumed to threaten the stability of a bureaucratic organization, new ideas are thus seldom received in a positive manner. Likewise, conflict, considered as an favourable element for innovation, is regarded as a detrimental element to a bureaucratic organization's stability. It will be suppressed at its earliest stage. As Thompson suggests, the inability to legitimize conflict will depress creativity:

[C]onflict generates problems and uncertainties and diffuses ideas. Conflict implies pluralism and forces coping and search for solutions, whereas concentrated authority can simply ignore obstacles and objections. Conflict, therefore, encourages innovations. Other things being equal, the less bureaucratized (monocratic) the organization, the more conflict and uncertainty and the more innovation.4

In a nutshell, Michel Crozier postulates a vicious circle which he believes every bureaucratic system possesses. He says:

By and large, the common underlying pattern of all the vicious circles that characterize bureaucratic systems is this: the rigidity of task definition, task arrangements, and the human relations network results in a lack of communication with the environment and a lack of communication among the groups. The resulting
difficulties, instead of imposing a readjustment of the model, are utilized by individuals and groups for improving their position in the power struggle within the organization. Thus a new pressure is generated for impersonality and centralization, the only solution to the problem of personal privileges.

Positive Remarks on Bureaucracy

So much for the criticisms on bureaucracy. Are there any positive comments to be made on it?

Bureaucracy is designed to eliminate every purely personal element in the execution of an official task. The noble aim of a bureaucratic system is to ensure that all citizens will receive fair and equal treatment among others in their encounters with a bureaucracy. In light of this, it is not surprising to find positive evaluations on bureaucracy in the literature as well.

Far back in the 1930s, Herring had already posited the need for bureaucracy in a democratic polity. He argues that:

[O]nly through developing a proper administrative organization can democracy survive. We conclude, then, that the purpose of the democratic state is the free reconciliation of group interests and that of the attainment of this end necessitates the development of a great administrative machine. Thus, paradoxical as it may seem to Jeffersonian Democrats, the liberal democratic state must be sustained by a huge bureaucracy. . . . The establishment of an adequate administrative structure and personnel must be undertaken if the state is to carry its ever-increasing load. The problem of bureaucracy must be faced directly.
Herring's claim was echoed by Waldo a decade later in his seminal work *The Administrative State: A Study of the Political Theory of American Public Administration*:

The notion that a skilled bureaucracy, particularly a highly competent administrative class, is a necessary "balance wheel" or "cambium layer"--the essential organ of a modern democracy--is quite common (emphasis added).

Nonetheless, with the expansion of the federal bureaucracy before and after World War II, as one might foresee, criticisms of it increased too. For instance, Peter Drucker, in his "The Sickness of Government," claims that the government is sick. However, positive comments on bureaucracy, though rare, continue to be heard in the academic world. For example, Woll posits that the American bureaucracy is compatible with the spirit of its Constitution. He further states that the bureaucracy occupies a responsible position within the American political system:

Given the needs of modern government for economic regulation, specialization, continuity, and speed in the dispatch of business, to mention only a few, it is the bureaucracy that has stepped in to fill the gap created by the inability of the other branches to fill all of these requirements.

This growth of bureaucracy is not a cause of alarm. It adds an important new dimension to our government. . . . Its existence not only increases the ability of our government to meet the challenges of the twentieth century but also enhances the meaning of constitutional democracy.
Moving into the 1980s, Herbert Kaufman claims that the fear of bureaucracy is a raging pandemic; Mainzer argues that bureaucracy has achieved an impressive record which combines competence, dignity, and responsibility. In addition to these literature is Goodsell's *The Case for Bureaucracy*. Presented with an abundant amount of empirical data, Goodsell argues that the deficiencies of bureaucracy are particularized rather than generalized, and that they occur within tolerable ranges of proportionate incidence.

Nevertheless, the theme of controlling the bureaucracy still dominates its study. The ultimate aim of all these discussions on controlling bureaucracy is to guarantee that bureaucracy would behave responsibly.

One way to achieve this aim is the advocacy of the concept of responsibility. It is commonly believed that by advocating and eventually internalizing certain values, such as justice, fairness, integrity, and equality, into bureaucrats' value systems, chances for them to abuse their powers will be minimized. There is voluminous literature on the issue of responsibility. How the existing literature treats the issue is reviewed below.

A BRIEF ON BUREAUCRATIC RESPONSIBILITY

With the increasing complexity in governmental affairs, it becomes difficult, if not impossible, for every piece of legislation to cover all the aspects of a program or policy.
Inevitably, there are occasions in which bureaucrats will need to make discretionary judgments. Here lies the core part of the responsibility issue: how to ensure that bureaucrats will not abuse their discretionary power?

Merely insisting that bureaucrats comply with all the laws, rules and regulations pertinent to conducting their jobs is one way to conceptualize objective responsibility. This approach relies on the use of external mechanisms to ensure that bureaucrats behave responsibly. However, the term responsibility carries another dimension too. It is the subjective dimension of the word "responsibility." The advocates of subjective responsibility claim that bureaucrats are concerned about what they feel they are obligated to do, rather than what they are required to do. Such concerns are not stated in the laws, however; thus, external control mechanism are not applicable to them. But to have a complete understanding of the responsibility issue, one cannot ignore this subjective dimension. Debates on responsibility often center around the issues of objective responsibility versus subjective responsibility, and the methods of external control versus internal control. The following sections will examine some representative works reflecting each position.

The Friedrich-Finer Debate

A well-known exchange between two prominent scholars in the early 1940s reveals all the basic elements of the
responsibility issue.

As mentioned earlier, in a complex modern society, bureaucracy plays an important role in the running of a government. The task of implementing a policy or a program is clearly in the hands of administrators. In short, bureaucracy is not merely an instrument to execute the will of the state, but also an actor in the formation and execution of state will. Hence, we can no longer afford to neglect its role in our discussion of how to ensure responsibility. There is a necessity for us to take bureaucrats' views on responsibility into account seriously. In this regard, Carl J. Friedrich asserted that administrators' technical knowledge and their sensitivity to the popular sentiment of the society are two important factors to assure that they would behave responsibly. In his article "Public Policy and the Nature of Administrative Responsibility," he states that:

[W]e have a right to call such a policy irresponsible if it can be shown that it was adopted without proper regard to the existing sum of human knowledge concerning the technical issues involved; we also have a right to call it irresponsible if it can be shown that it was adopted without proper regard for existing preferences in the community, and more particularly its prevailing majority. Consequently, the responsible administrator is one who is responsive to these two dominant factors: technical knowledge and popular sentiment.

It is clear that in exercising their discretionary power, bureaucrats should ground their decisions on the basis of
their technical knowledge, complying with their professions' professional code of conduct. Bureaucrats, having the necessary technical knowledge and guided by their professional code of conduct, will make an appropriate judgment on what the public thinks. Therefore, they should be encouraged to take an active role in their jobs. According to Friedrich, an official should be as responsible for inaction as for wrong action. Here, we also see the implication of linking efficiency to the concept of responsibility.

Friedrich's position is a call for the development of a sense of professionalism and personal conscience as the basis of the construction of responsibility. However, in Herman Finer's view, such a call relies too much on subjective responsibility, which would constitute a potential danger to a democratic system. Finer first argues that "[a]dministrative responsibility is not less important to democratic government than administrative efficiency; it is even a contributor to efficiency in the long run." After saying that administrative responsibility is of central importance in a democratic government, Finer furthers his arguments as follows:

It is most important clearly to distinguish a "sense of duty" or a "sense of responsibility" from the fact of responsibility, that is, effective answerability.

My chief difference with Professor Friedrich was and is my insistence upon distinguishing responsibility as an arrangement of correction and punishment even up to
dismissal both of politicians and officials, while he believed and believes in reliance upon responsibility as a sense of responsibility, largely unsanctioned, except by deference or loyalty to professional standards.

Finer thinks that it is too shaky for a democratic polity to build on the good intention of bureaucrats. He said: "We in the public administration must beware of the too good man as well as the too bad; each in his own way may give the public what it doesn't want." To secure the democratic system and enhance the responsibility of its public servants, external devices are much more dependable than the internal devices. Here Finer argues that:

The devices for securing the continuing responsiveness of the official are, of course, the law courts, the procedure of criticism, questions, debate, and fact-finding, and parliamentary control of the purse within the assembly, and, in the U.S.A., the election of executive or administrative officials and their recall.

While professional standards, duty to the public, and pursuit of technological efficiency are factors in sound administrative operation, they are but ingredients, and not continuously motivating factors, of sound policy, and they require public and political control and direction.

Apparently, the differences between Friedrich and Finer on the responsibility issue are in two regards: (i) the notion of objective responsibility versus subjective responsibility; and (ii) the methods of controlling the bureaucracy. The following sections further elaborate these two aspects.
Objective Responsibility versus Subjective Responsibility

Frederick C. Mosher once claimed that responsibility may well be the most important word in all the vocabulary of administration. The trouble is, that word’s meaning is rather confusing. Mosher identifies two possible meanings:

The first, objective responsibility, connotes the responsibility of a person or an organization to someone else, outside of self, for some thing or some kind of performance. It is closely akin to accountability or answerability (italics in original).

A quite different connotation attaches to the second meaning of responsibility, which is subjective or psychological. Its focus is not upon to whom and for what one is responsible (according to the law and the organization chart), but to whom and for what one feels responsible and behaves responsibly. This meaning is more nearly synonymous with identification, loyalty, and conscience than it is with accountability and answerability (italics in original).16

Mosher also touches on the exchange between Friedrich and Finer. He says that the rise of professional state since World War II appears to give support to Friedrich’s view. In other words, to have responsible bureaucrats to serve in our government, there is a necessity to develop a sense of professional responsibility among bureaucrats. I agree that we are now depending much more on the contributions of professional bureaucrats to run our governmental affairs. However, merely relying upon bureaucrats’ subjective responsibility as a safeguard against bureaucratic pathology is far from enough. Objective and subjective responsibility
should go hand in hand.

*External Controls versus Internal Controls*

Another major approach to the issue of responsibility is studying the ways to achieve it. Two major ways occupy debates on that direction—they are external control and internal control respectively. John P. Burke has dealt with these two methods extensively. According to Burke, there are two approaches to external control, namely, the formal-legal approach and the pluralist and participatory approach. The formal-legal approach denies the delegation of discretionary power to bureaucrats; they are simply requested to be responsible in a passive sense. As Burke points out, this approach requires bureaucrats simply to "apply those laws, standards, rules, and procedures that superiors in the organizational hierarchy or other higher authorities, such as legislatures or courts deem appropriate." 27

The second approach is the pluralist and participatory approach. This approach has deep roots in pluralistic democratic theory. Its essence is that the best decision in a policy or political issue is the decision that all the concerned interest groups and policy actors have agreed on. In that sense, a bureaucrat is primarily responsible for registering "whatever compromise or accommodation results from the competition of relevant political interests." 28 In other words, bureaucrats should pay all of their attention to the
political process of how a decision was made.

Burke sums up the inadequacy of the external control approach as follows:

Processes of decision making within the bureaucracy and any subsequent processes of policy implementation, by contrast, are generally neglected. Officials are assumed to be neutral transmitters of these external political dictates. . . . Both individual bureaucrats and the organization itself can powerfully affect the way policy is made and carried out.

As the above quotation suggests, the individual bureaucrat plays an important role in the policy making and policy implementation processes. Yet, everything, when it comes to human beings, involves much more than rules in black and white. The role of an individual bureaucrat's value system in his behaviour, and his subsequent administrative performance, are neglected in the external control approach. This aspect is what the internal control approach emphases.

In talking about internal control we are referring to the development of an inner sense of responsibility, which is presumed as a force that will spontaneously guide the behaviour of bureaucrats. According to Burke, the major source for bureaucrats to derive an internal sense of duty is from their own sense of technical competence or professional expertise. He asserts that the high regard Americans place on expertise is a major reason for the triumph of professional responsibility movement.
Professional responsibility is grounded in the public's high regard for and recognition of knowledge and expertise, and it reflects the great value placed on specialization and professional skill in modern bureaucracies.30

However, Burke also acknowledges the deficiency of the professional responsibility approach. First of all, this approach applies to a rather limited scope of bureaucrats: "The absence of professional criteria characterizes many public service occupations."31 Secondly, Burke observes that the movement toward increased professionalization has been weak and has often resulted from political pressure rather than from developments in competence and expertise within the professional sphere. What matters most is that even in a real profession, difficulties still remain. For instance, the professionalized public service may fail to reflect public expectations accurately. As Richard C. Kearney and Chandan Sinha point out, there is an increasing concern within the field that:

[A]n increasingly professionalized public service tends to act in accordance with its own narrow self-interests, losing sight of its duty to respond to the public interest. In the process, the general public might be denied the opportunity for participation in democratic decision making.32

In response to the failure of these two approaches, Burke suggests a "democratically grounded conception of
responsibility" which states that:

[A] conception of responsibility derived not just from formal rules, regulations, and laws but from a broader understanding of the bureaucrat's place within a more encompassing set of political institutions and processes.

Two Aspects of Responsibility in State Agencies

So far, we have framed the discussion on the responsibility issue on two counts: objective responsibility versus subjective responsibility and external control versus internal control respectively. This thesis attempts to fuse these two dimensions into its conception of responsibility. Based on the findings of this study, I conceptualize responsibility in state agencies in two aspects: (i) state agencies are accountable or answerable to their duties by complying with all the legal, institutional, political, and operational constraints imposed on them, and (ii) state agencies are responsible to their duties by being innovative in their operations. In sum, responsibility in its full sense contains these two aspects. The first is associated with external control and objective responsibility. This aspect of responsibility is realized whenever state agencies operated within the limits externally imposed on them.

The second dimension is based on concepts of internal control and subjective responsibility. These point to a model of responsibility which states that: an inner sense of
responsibility (which is rooted in a bureaucrat's professional conduct and his conscience) that assures that an individual bureaucrat will properly diagnose the situational context of a task and accomplish it with the most appropriate method. To make the argument less abstract and more concrete, I choose the phenomenon of innovative change as an indicator of public agencies' fulfilment of subjective responsibility. This is because innovative change is a result of bureaucrats' careful and correct analysis of a task, and their beliefs in the existence of a better way to finish a task.

**PLAN OF THE STUDY**

My study replicates one study conducted by Herbert Kaufman in the late 1970s. Kaufman's study was conducted in a different manner than existing ones in the study of bureaucracy. This is refreshing because many of the criticisms of bureaucracy, either by the public or by some academicians, are based on either abstract reasoning or one-sided evidence. Hence, we may over-generalize about the dysfunctions of a bureaucracy—or overlook the contributions of it. An old warning from Herring is particularly valid at this point:

> One cannot damn all bureaucracy by condemning a tendency toward expansion or toward routine. The circumstances that distinguish one bureaucratic situation from another must be considered.
As implied in Herring's warning, bureaucracy works in complex environmental contexts. To have a thorough understanding of how bureaucracy works and why it behaves in a particular way, we need to take the environmental factor into account seriously. An example of work in this direction is Goodsell's *The Case for Bureaucracy*. His book is an attempt to counter the negative impacts of bureaucrat-bashing by revealing numerous examples of the well-functioning bureaucracy, and examining the situations in which bureaucracy is set to fail.

*An Alternative Approach to the Study of Bureaucracy*

A further step in studying bureaucracy more carefully is to assume ourselves as the people who work in public agencies, that is, the bureaucrats. Studies conducted this way will advance our knowledge of how the bureaucrats think about their work and the constraints they encounter. In short, this is an alternative approach that calls us to study bureaucracy from its own angle. As mentioned earlier, Kaufman's study was done this way.

He conducted an intensive research on federal bureau chiefs. Results of his study were published in the book *The Administrative Behaviour of Federal Bureau Chiefs*, in the early 1980s. Kaufman observed and surveyed the administrative behaviour of six federal bureau chiefs. The focus of Kaufman's study was constraints which the federal bureau
chiefs encounter. He looked at situations in which they are being constrained—and in instances in which they exhibit efforts to arrive at the best results within a bureaucratic system. As previously mentioned, Kaufman's empirical study presents a very different scenario of bureaucracy to the public. Far from being out of control, the bureau chiefs' behaviour is seen as confined by different streams of forces. In other words, the chiefs and their bureaus did not enjoy a high degree of autonomy.

Another finding of Kaufman's study is that these bureau chiefs themselves are not resistant to change. Instead, they are the major change agents of their organizations. They help their organizations to implement changes, which in turn, would improve the performance of their organizations. For example, under Commissioner Jerome Kurtz, the Internal Revenue Services created the office of ombudsman at its headquarters in 1980. The ombudsman's office is responsible for resolving taxpayers' complaints, and serve as a taxpayer advocate. Findings of this thesis support Kaufman's observation. At this juncture, the report of the National Performance Review (NPR) comes to mind (as the team is under the leadership of the Vice President Al Gore, the report will hereafter be refereed as the Gore report). The Gore report diagnoses the current "disease" of the federal government as follows:

The problem is not lazy or incompetent people; it is red
tape and regulation so suffocating that they stifle every ounce of creativity. The federal government is filled with good people trapped in bad system: budget systems, personnel systems, procurement systems, financial management systems, information systems.

I found some "bad systems" in the state executive system too. However, I also found many instances of innovative changes. I did not mean that those bad systems will not restrain the work of the agency heads and their agencies. As I will discuss in Chapter 3, a process of change is grounded on many factors. Merely blaming the system is not a right cure for the "disease."

Questions Studied in This Thesis

The first and foremost question asked in this study is: how is responsibility in its full sense realized in the state agencies? The two-sided concept of responsibility outlined above is used to address this question.

Moreover, as we all know, there is a basic difference in nature between a state government and the federal government. For instance, unlike the federal government which has no higher level of government on top of it, a state government is sandwiched between the federal government and the local governments within the state. Would such difference create more controls on state agencies' practices than their counterparts in the federal government? Would Kaufman's findings be replicated at the state level? If yes, what are
they; if not, why? These are the questions that this study attempts to answer.

Methodology of the Study

The sample of my study consists of six state agencies in the Commonwealth of Virginia. They are the (i) Virginia Employment Commission (VEC), (ii) Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS), (iii) Department of Labor and Industry (DLI), (iv) Department for Visually Handicapped (DVH), (v) Virginia Council on Child Day Care and Early Childhood Programs (VCCDCECP) and (vi) Virginia Health Services Cost Review Council (VHSCRC).

At this juncture, I would like to point out the limitation of this sample size: the small sample studied here cannot generate conclusive remarks about the attributes of all state agencies. Still, I believe the findings of this study are instructive. Because these findings revealed clear patterns in the agencies' responses to constraints on them, and their attitude to the phenomenon of innovative change.

I chose these six agencies on the basis of two criteria: size (large or small) and the mode of service delivery (directly or indirectly provide services to the public). The reason to use size of an agency as one criterion is that the size and the complexity of an agency are closely interlocked. The six agencies chosen here range from large to small. The VEC and the DMHMRSAS are large agencies, the DLI and the DVH
are medium-sized agencies, and the VCCDCECP and VHSCRC are small agencies.

Concerning the second criterion used in the selection of these six agencies, the mode of service delivery and the frequency of an agency's interactions with the public are positively associated. In other words, agencies which directly provide services to the public have more interactions with the public than those that did not. The concept of "public encounter" is apt to this discussion. \(^{39}\) In brief, the public encounter is the "interaction of citizen and government official as they communicate to transact matters of mutual interest." \(^{40}\) Experiences of public encounter will affect the public's evaluation of the performance of bureaucracy. Naturally, such kind of evaluation will influence their judgments on whether bureaucracy is responsible or not. In conclusion, the second criterion guides me to select both types of agencies for this study. Four of them, the DMHMRSAS, VEC, DLI, and DVH, directly provide services to the public while the two smallest agencies, the VCCDCECP and VHSCRC, do not. The impact of this difference in public agencies' modes of service delivery was evident in the variation of numbers of constraints on these agencies. This point will be further elaborated in the next chapter.

I used the "elite interview" technique to conduct interviews with the heads of these agencies. There was no standardized questions for those interviews, but some basic
questions were used as the guidelines for the proceeding of the interviews (For details, please refer to Appendix 1). In the interviews, I asked respondents about the common constraints that they encounter in doing their jobs, instances of innovation they have experienced, and how they feel about all the constraints on their work. In addition to the data gathered from the interviews, I read the relevant laws with which these agencies need to comply, their annual reports, their organization brochures, and their strategic planning reports.

On the whole, I was deeply impressed by the respondents' openness and willingness to help, and the great interest they showed in my study. This kind of impression is a sharp contrast to what some have stereotyped in the "popular-pejorative" perspective of bureaucracy.

This introductory chapter is followed by three chapters touching on the common constraints on the agency heads' works; several cases of innovation; two aspects of responsibility; factors affecting the degree of bureaucratic autonomy; and the implications of the study for future public administration research.
Chapter 2
WAYS IN WHICH STATE AGENCY HEADS ARE CONSTRAINED

This chapter looks at constraints to which the state agency heads are subjected. Besides identifying common constraints on the agency heads' work, the important question "Are there too many constraints?" will also be addressed.

Before we move on, we need to know whether the agency heads' duties are similar. If some commonalities exist in their duties, then we would have a solid base to identify the common constraints which they would encounter in their jobs.

Kaufman observes that there is a high degree of commonality in the federal bureau chiefs' working experiences:

[T]hey had so much in common that each could easily empathize with any or all of the others. They faced common problems, devised similar strategies, had like experiences. Brought together, they understood one another at once.

He then identifies four basic activities that are common to all the chiefs in his study:

Their activities, regardless of all the differences between them, fell into four categories: (1) deciding things, (2) receiving and reviewing intelligence about the state of their own organizations and of the external environment, (3) representing their bureaus to the external environment, and (4) motivating their work forces.
Does Kaufman's categorization apply to the state level? The answer is "yes." Kaufman's categorization basically covers the activities of all the agency heads whom I interviewed. In other words, there is a high degree of commonality in their jobs. These four types of activities are equally important to the agency heads' work. Nevertheless, among them, two categories occupy much more time of the agency heads than the others. These two categories are decision-making and receiving and reviewing information.

Moreover, there are several working activities that I would add to Kaufman's categorization. The first activity is the "visioning process." This is a process in which an agency head identifies the vision, that is, the direction of his agency. Closely related to that activity is "strategic planning." Strategic planning tells where an agency can go or should go. The second item to add to Kaufman's list is coordination. In Kaufman’s categorization, coordination is an ongoing activity of every federal bureau. Therefore, it does not constitute a major item of activity per se. This is not the case here. Two of the agency heads said that coordination is one of their major job activities. In sum, besides the above-mentioned additions, Kaufman's categorization was supported in this study.

Based on this commonality in the agency heads' working activities, we can move on to identify some common constraints on their jobs. My categorization of these constraints is
based on one criterion: the source of constraints. Accordingly, I identified three categories of constraints. One is statutes and rules as sources of constraints; another is governmental institutions as sources of constraints; and the third is political and operational sources of constraints. Contents of these constraints, why they are there, and the differences between my findings and Kaufman’s are discussed in the following sections.

**STATUTES AND RULES AS SOURCES OF CONSTRAINTS**

Statutes and rules enacted by state legislature or Congress are the sources of a state agency’s authority. With these statutes, state agencies can make decisions, write necessary regulations to implement a policy or a program, and make operational policies. Authority and responsibility are two sides of the same coin in that authority comes with responsibility that agencies have to fulfil. In that sense, these are the constraints on their activities.

Basically, there are three different sets of statutes imposed on the agency heads and their agencies. They are agency-specific statutes, rules and regulations from the secretary’s office and the agencies themselves, and governmentwide statutes and regulations. How much autonomy an agency would have depends on several factors, including its size, its history and the nature of services it provides. What follows is a detailed analysis of the effects of these
statutes on the work of the agency heads.

**Agency-specific Statutes**

Specific statutes to each agency are first, pieces of legislations enacted by the General Assembly, the legislature of Virginia. Secondly, if an agency is heavily funded by the federal government, such as the VEC, then it needs to accede to one more set of statutes, the federal statutes. As Commissioner Ralph G. Cantrell of the VEC states:

> There are two sets of laws, the federal one and the state one, that confine the functioning of VEC. In our case, about 99% of VEC’s funding comes from the federal government. As you might expect, there are federal laws and guidelines coming along with the federal funds. We need to comply with them too.

In general, these statutes are viewed by the agency heads as the guiding principles which set up the jurisdiction and direction of agency operations. In that regard, these statutes are seen as helpful and supportive to their work.

Moreover, due to a smaller scope of operations, state agencies face less agency-specific statutes than their counterparts in the federal government. For instance, as Kaufman notes, the Internal Revenue Code, which guides and controls the administrative behavior of the Internal Revenue Service, contains over 1,400 double-column pages of print! Among the six agencies of this study, the longest agency-
specific statute book is the one for the VEC. Its Virginia Unemployment Compensation Act has 108 pages of print. By virtue of sheer length, these agency-specific statutes do not seem as constraining as those that federal agencies have to face.

Nonetheless, one of the agency heads has some reservations about these statutes:

[T]hey are not always helpful. Most of them are good, it is the comply issue, the issue of making them work, of writing regulations to assure that the law would be carried out. Often, we overdo in a bureaucracy to make sure that we are working according to laws. The result is that we write so many stuffs in the regulations that are unnecessary. That makes our life more difficult. We do much more documentation than we need have to do.

What the agency head describes is a phenomenon which draws our attention to the fact that, when overdone, these statutes will turn support into constraint. This not only affects the work of the agency heads, but also affects people who deal with these agencies. Here lies a potential complaint of the public in their government: it is full of red tape. When public agencies' operations are complicated by unnecessary statutes, chances of red tape complaint are high. As Alvin W. Gouldner argues: "It is not necessarily the absolute, but rather the relative complexity of demands made by an organization upon its clientele which leads these to be regarded as red tape." Gouldner furthers his argument by
pointing out that:

Persons complaining of red tape often say, in effect, that the things they experience are meaningless and make no sense to them. They described red tape as "complicated," "unnecessarily complex," a "mix-up" or "befuddlement."

I must stress again that no one has challenged the necessity of these agency-specific statutes. They are the reasons why these state agencies exist. These statutes give the legal authority to state agencies, so that they can enforce laws in behalf of the state—either for the purposes of regulating a business, protecting a particular section of population, or providing services to the public. They are a given situation to state agencies. However, in light of the above-mentioned reservations, the balance between too much control on the one hand, and too little discretion on the other, is an issue that deserves serious and thorough consideration whenever there is a chance to revise these statutes.

Rules and Regulations From a Secretary's Office and From the Agencies Themselves

In addition to agency-specific statutes, there are sets of rules and regulations issued by the secretary's office and the agencies themselves. In our case, the two secretaries, the Secretary of Health and Human Resources and the Secretary
of Commerce and Trade, under which the six agencies operate, did not practice a style of micromanagement. They did not issue detailed rules and regulations to the agencies under them. Of course, there are regulations and expectations of policy from a secretary on his agencies. For example, in the case of the DMHMRSAS, most of these regulations and policy expectations are articulated in what Commissioner King Davis of the DMHMRSAS called "a performance agreement" between the department and the secretary. This document covered about 16 items which the department needed to fulfil, and that, for the most part, is the nature of the interaction between the two offices. 7

For the rest of the agencies, there are either little or no specific rules and regulations coming from the two secretaries' offices. Why is this so? First, good and trustful relationships exist between the secretaries and their agencies. Secondly, the secretaries need to handle a broad span of control. The span of control tells how many subordinates a manager needs to supervise. As Luther Gulick once pointed out: "Just as the hand of man can span only a limited number of notes on the piano, so the mind and will of man can span but a limited number of immediate managerial contacts." 8 In the case of the Secretary of Health and Human Resources, 17 agencies work under her direction. It is therefore not a surprise to find that she does not follow up every detail of her agencies' activities.
Concerning the set of departmental rules and regulations, the number of them depends on two major factors. One is the size of an agency, and the other is the history of it. Larger and older agencies have the greatest number of internal rules and regulations, and vice versa. The two largest agencies, the VEC and DMHMRSAS, both have a large number of internal rules and regulations for their staffs to follow. For instance, in the DMHMRSAS, there are about 200 departmental rules and regulations for the Department's staff to follow. The commissioners of these two departments are both eager to delete unnecessary internal rules and regulations to smooth the functioning of their departments. On the other hand, the two smallest agencies, the VCCDCECP and VHSCRC, have little or no departmental rules and regulations to control the administrative behavior of their staff.

In short, this set of rules and regulations is not a limiting factor to these agencies' performances. The sense of constraint of this set of rules paled in comparison with the federal one. This is probably due to the differences between these agencies in terms of the nature of their services and their scope of operations. Kaufman says regarding federal rules and regulations,

[t]he actions of the bureaus were also bound by yet another set of constraints--the issuances of departments and of the bureaus themselves. Together, these typically exceeded in length and specificity all of the preceding sets of documents [other sets of statutes and rules]
Governmentwide Statutes and Regulations

The third set of statutes and regulations for state agencies to obey are governmentwide statutes and regulations. These statutes and regulations originate from both the federal government and the state government. Usually, elements of the former's laws and rules are reflected in the latter's statutes and regulations. For instance, the essences of the Equal Employment Opportunity Act, Freedom of Information Act, and the Ethics in Government Act (especially Title III, which requires public disclosure of financial interests by high-level officers and employees of the federal government) are reflected respectively in the Virginia Fair Employment Contracting Act, the Virginia Freedom of Information Act and the Virginia Conflict of Interest Act. All agencies have to adhere to both sets of statutes and regulations.

However, in terms of statutes and regulations that originated in the state, some agencies have more of these to observe than others. The two agencies that said they did not have many governmentwide statutes and regulations to conform with are the VCCDCECP and VHSCRC. Again, this has something to do with their size and the services they provide. First, small size implies that the jurisdiction of the agency is small too. A small agency usually has less statutes to govern it. Secondly, if an agency does not need to provide services
to the public directly, its chances of interaction with the public will be minimized. In other words, its exposure to the laws and regulations, which are there to protect the public in their encounters with executive agencies, will be minimized too. In this example, the two agencies are both small in size and do not directly provide services to the public. Therefore, they abide with fewer governmentwide statutes than the other four agencies.

On the other hand, among the agencies for which the governmentwide statutes and regulations are cumbersome, two are medium in size (the DLI and DVH) and two are large agencies (the VEC and DMHMRSAS). These agencies also provide services directly to the public. Let me quote two typical responses of the agency heads to the effects of these statutes and regulations:

(1) I think that they are quite cumbersome. You got all types of program guidelines from the federal government and the state government simultaneously.

(2) Overall, they are cumbersome. We live with regulatory stuffs from both the state and the federal governments. This is a part of life here. We are constrained often by a process of decision-making from here up to the line to a federal people. This takes a long time in making a decision. . . . In one instance, it took four months for the federal government to answer our inquiry. If there is any unclear part in that reply, we need to wait for another three to four months for a clarification to come from the federal government.

Additionally, both agency heads identified the political
environment at large as a reason for the existence of so many
governmentwide statutes and regulations. This is especially
true at the federal level. Because of the complexity in
governmental affairs; the skeptical reaction to the power of
the government; the eagerness of the President to control the
bureaucracy, to name a few causes--there are tremendous
numbers of governmentwide statutes and regulations with which
federal agencies must comply. These statutes and regulations,
in Kaufman's words, present "bureau chiefs and other
executives with a series of faits accomplis when they assumed
office."11

In sum, the state agency heads and their agencies are
being held accountable to their duties as they are required to
work within the limits and directions set by these three sets
of legal constraints. This falls in the category of objective
responsibility discussed in Chapter 1.

But, as the earlier discussion suggests, in some
occasions, these legal constraints will slow down the working
processes of state agencies. Such a slowdown will be quickly
viewed by the public as an indication of red tape. Nonetheless,
these sets of legal constraints are the most
fundamental rules for the agencies to exist, to function, and
to grow. Therefore, the agency heads accept the limits set by
them. Of course, a loosening up in some of these legal
constraints, such as in the arena of procurement rules, will
certainly smooth the functioning of these agencies.
Furthermore, the number of red tape complaints from the public will be reduced too.

GOVERNMENTAL INSTITUTIONS AS SOURCES OF CONSTRAINTS

The second major source of constraints on the agency heads' work is other governmental institutions of the state. Under the doctrine of separation of powers, state governmental institutions include three different sets of political institutions. They are the legislative branch, the executive branch, and the judicial branch. Each of these institutions, though varying in degree, exerts control on the agency heads' work. How they control the agencies and their heads is treated below.

Controls From the General Assembly

The legislative-executive relationships in Virginia is a cooperative one. State agencies enjoy good working relationships with the General Assembly. As usual, there are legislative inquiries about the agencies' programs and procedures of work and policies. The agency heads' general impressions are that legislators are often open to hear the explanations of the agencies and ready to accept information and clarifications given by these agencies.

Concerning the major forms of legislative control on the executive agencies, they are similar to what we have found in other states. First, as we have mentioned earlier, the
General Assembly passed laws to control the behavior of the agencies. Since any single piece of legislation discussed in the General Assembly may have a significant impact on an agency's "way of life," it is not a surprise to learn that agency heads are very sensitive to legislation being discussed in the General Assembly. They spend considerable amount of time to (i) track what bills the current General Assembly session is debating, and, (ii) if there are bills that would affect the agency, what are their possible ramifications.

Secondly, the legislature can exert its controls on state agencies through the mechanism of budgetary control. The power of the purse is exercised here to control them. Every agency head attends the appropriation hearings conducted by the General Assembly. They are alert to what the General Assembly thinks in terms of their budget requests. Moreover, through the auditing work of the Auditor of Public Accounts (a legislative organ), the General Assembly knows the expenditure patterns of an agency, and the legality of those expenditures.

Finally, the General Assembly asks the Joint Legislative Audit and Review Commission (JLARC, the General Assembly's investigative arm) to conduct studies related to the operations, policies, or programs of the executive agencies. Agencies are usually requested to provide background information or technical assistance on JLARC's studies which are related to them.

Indeed, the checking on the executive branch by the
legislative branch is not a new issue to students of the American politics. The constitutional design of the American political system is built upon the concept of separation of power, which aims at the prevention of the emergence of a despotic government. The Constitution of Virginia prescribes that the political power of the state shall be rested in three distinctive branches: the legislative, the executive, and the judicial. However, at the same time, it allows an intermixture of these powers as long as such kind of intermixture exists within the limit of law. In Article III, Section 1, the Constitution of Virginia states:

The legislative, executive, and judicial departments shall be separate and distinct, so that none exercise the powers properly belonging to the others, nor any person exercise the power of more than one of them at the same time; provided, however, administrative agencies may be created by the General Assembly with such authority and duties as the General Assembly may prescribe. Provisions may be made for judicial review of any finding, order, or judgment of such administrative agencies.

Under this provision, accountability of the executive agencies is assured through the checks and balances mechanism. Meanwhile, efficiency of state agencies is also secured by allowing a necessary mixture of these three powers. For example, an agency head may be allowed to make certain case decisions, which would have legislative implications. So how constraining is the General Assembly on the agency
heads and their agencies? When comparing with their counterparts at the federal level, these agencies receive moderate to little controls from the legislative body. Kaufman has nicely described what legislative control was like at the federal level. He opens his discussion with these sentences:

The power of Congress was the predominant factor in their [federal agencies] situation; the influence of other groups on the administrators derived from the central position of Congress in the system.

Basically, the tools that Congress uses to control federal agencies are similar to the ones we found at the state level, such as legislation, budget appropriations, investigations, and oversight hearings. However, the effects of these tools are quite different from here as at the federal level:

At the center of the pattern of relationships for all the chiefs was Congress--its members, collectively and individually, its committees, its staffs, its evaluative arms (the General Accounting Office in particular).

All of the chiefs I watched were alert to the moods of Congress, sensitive to the attitudes of their committees, and careful not to give offense even when demands could not be fully met. So were the chiefs' staffs. No other external group or institution enjoyed quite so commanding a position as Congress.

By quoting the above remarks made by Kaufman, I did not
mean to say that state agency heads are not sensitive to the moods of the General Assembly, or that they do not care how the General Assembly feels. I simply want to show the contrast between the effects of legislative controls at the two different governmental levels.

In short, no one would dispute the fact that the life of state agencies under the General Assembly is much easier than the life of federal agencies under Congress. What are the factors behind these differences in the effects of the legislative controls? Besides the reason that there is a good working relationships between the General Assembly and the agencies, several factors contribute to these differences.

First, the General Assembly has not adopted the practice of micromanagement, but Congress has. James Q. Wilson observes that: "Congress is commonly criticized for 'micromanaging' government agencies; it does, and always has." Wilson notes that congressional micromanagement increasingly takes the form of devising elaborate and detailed rules. According to Roger H. Davidson and Walter J. Oleszek, this trend of congressional micromanagement is inevitable:

The structural fragmentation of the House and Senate encourages examination of manageable chunks of executive actions. Members understand that power inheres in details, such as prescribing personnel ceilings for agencies.

Others, such as Donald F. Kettl, propose that members of
Congress employ micromangement because few other tools of oversight offer the same leverage over administrative action. However, micromanagement also sows the seeds of "risk-averse" administrative behavior. To avoid criticisms from Congress, administrators tend to become more reluctant to make decisions. Instead, they pass decisions up the chain of command, which not only slows down the progress of programs, but also proliferates paperwork and "red tape." Consequently, Congress will see the need of more micromanagement.¹⁹

A plausible reason that the General Assembly does not micromanage state executive agencies is that it is not a full-time functioning institution. Sessions of the General Assembly that convene in even-numbered years continues no longer than sixty days while those that convene in odd-numbered years continue no longer than thirty days. This short session certainly cannot compare with the longer congressional session. According to the statistical data provided by Davidson and Oleszek, "[d]uring the average two-year Congress, the House is in session about 275 eight-hour days. The average senator or representative works an eleven-hour day when Congress is in session."²⁰ Even if we compare the length of the legislative session of Virginia with other states, it still is one of the few states that has particularly stringent restrictions on how long the legislature may be in session.²¹ Since overseeing activities of the state agencies is very time-consuming, it is not a
surprise to learn that Virginia's part-time legislature does not fully undertake the role of overseer.

Secondly, in Virginia, there is a strong gubernatorial influence over the state agencies. This kind of influence certainly will counterbalance the influence of the legislature over the executive agencies. When I asked the agency heads which is the most influential political institution in their work, five out of the six agency heads said that the governor is the most influential political institution in their work.22 A similar conclusion was reported in Glenn Abney and Thomas P. Lauth's study on state politics. In their study, they found out that:

[T]here is not a great deal of difference between the impact of the governors and the legislature . . . 43 percent of the respondents [N=778] perceived the legislature and 38 percent saw the governor as having the greatest impact on their agencies.23

Robert J. Austin, in his examination of the General Assembly of Virginia, observes that: "Despite the growing independence of the Assembly, the truism that the chief executive to a significant extent sets the legislature's agenda remains apt today in Virginia."24 Austin also asserts that there is a clear correlation between the policies proposed in a governor's annual State of the Commonwealth message and the issues that dominate the ensuing session.25 Austin's assertion was supported in a recent news report of
The Washington Post. The Post's staff writers, Peter Baker and John F. Harris, noticed that Governor Allen has successfully imposed his agenda on economic development, abortion restrictions and crime-fighting on the legislature. 26

Thirdly, state agencies have a unique weapon to counteract legislative control: they may have other sources of funding. Some state agencies receive funding from the federal government and some receive a significant portion of their funds from earmarked sources. Unlike state agencies, federal agencies generally do not have other sources of funding except the appropriation of funds approved by Congress. As Abney and Lauth point out, when "the power of the purse is significantly restricted, legislative influence is diminished." 27

Controls From the Governor Through the Secretary's Office

Executive control from the Governor is exerted mainly through his cabinet secretaries and the state central agencies. We first look at controls from the secretaries' offices. Not much control was found coming from the two relevant secretaries' offices. All the agency heads enjoy good working relationships with the secretary to whom they report. Relationships between the agency heads and their secretaries are of a cooperative type.

The secretary interacts with his agencies in two major ways: (i) he holds regular agency heads meetings, (ii) he requires the agency heads to submit reports to him. These
reports are on a quarterly or a weekly basis. They are mainly briefs on the programs that the agencies run, currently debating matters, or potential problematic issues. In a nutshell, the agency heads provide information and technical assistance to their secretaries on issues that fall within their jurisdictions.

On the other hand, the agency heads will go to the secretary for the purposes of (i) providing information and data on issues that they think are necessary for the secretary to consider; (ii) clarifying an issue of great political controversy, especially to make clear the stance of the Administration in that particular issue; (iii) explaining the positions of their agencies in a particular case; and (iv) seeking the secretary’s help to solve an interagency conflict, or seeking advice from the secretaries on interagency issues. Granted the legitimacy of control from the Governor and the Secretaries’ offices, and the existence of a good relationships between the secretaries and their agencies—executive control is not regarded as a constraint on the agency heads’ work.

However, would a change in leadership affect this kind of good working relationships? As we all know, Virginia has recently experienced a change of governorship. Accompanied with that is the appointing of new secretaries to all executive secretariats. Will these incoming new secretaries tend to increase the control of the agencies under them? So
far, the agency heads said that they did not notice any trend of increasing control. The new secretaries are asking for more information and are holding more meetings; however, this is a very natural phenomenon. As one of the agency heads states:

The new secretary has held more frequent agency heads meetings than her predecessor, and there were more frequent meetings between her legislative-led person and the legislative people from the various state agencies. But that is because they [the secretary and her deputy secretaries] come in the office right when the legislative session starts, and they have to get their feet on the ground and wrap their arms on whole lots of issues. So, they have been very careful about it. If I were in their positions, I have to be very careful too.

In sum, there is little statutory and political control from the two secretaries' offices. The situation does not seem much different at the federal level. As observed by Kaufman, the relationships between a secretary and his agencies is not a strict directive one:

In matters of substance, which is to say the conduct of bureau programs, the intervention of the secretaries themselves was slight and of other departmental officials only a bit greater, and it is generally took the form of negotiations over bureau actions rather than of formal departmental directives.

Controls From the State Central Agencies

Any state agency, regardless of its size and the nature of the services it provides, needs to interact with a set of
state central agencies. These agencies serve a staff function to the Governor. They help the development of different sets of rules and regulations either to instruct how an agency shall operate, or to restrict the activities of an agency. These central agencies are: the Department of Personnel and Training (DPT), the Department of Planning and Budget (DPB), the Department of Information Technology and the Department of Accounts.

Among them, the DPT and the DPB are the agencies which the agency heads regarded as the most constraining factor on their work. And it is very likely that other state agencies would feel the same. It is well known that the budget provides the lifeblood of an agency, the DPB is therefore seen as the single most restrictive factor in an agency's work. An agency head has made the following comments on the DPB:

As the DPB exerts a direct control on our agency’s money, it is the single largest constraint on the agency's work. For example, I received a call in last week from the DPB which informed me that a line-item would be cut from my agency’s budget in the next fiscal year. We were simply informed by DPB that it decided to do so. The DPB is the tool for the Governor to control the state.

In other words, these central agencies are the extension of a governor’s control on his executive agencies. Though they are necessary, they are also viewed as too much for the state agencies. Again, how much control that an agency would have depends on several factors, such as its size, sources of
funding, and the political environment at large. For example, the VHSCRC is a small agency which funding comes not from a general fund, but from a special fund. The agency's budget comes from the assessment against the hospital and nursing industries of the state. Only a very tiny portion of its budget comes from the general fund. That fact will obviously simplify its interaction with the DPB. Moreover, two years ago, there was a consensus among the agency, the Administration, and the General Assembly that the work-products of the agency at that time were not meaningful, and therefore it is necessary for the agency to redirect its focus and change its mode of practice. Under this environmental context, the controls from the state central agencies were much less than before.

These findings on the central agencies are similar to Kaufman's. The most noticeable finding is that most of the direct contact between the federal bureaus and the executive branch was with the Office of Management and Budget (the DPB's counterpart at the federal government).

On the whole, no matter how constraining these central agencies are, their contributions are viewed as valuable--such as providing guidelines on how to meet the requirements of the Equal Employment Act and the Affirmative Action program. What the agency heads desire is some loosening of the controls. They seek an equilibrium point between external control and administrative flexibility.
Controls From the Courts

Whether judicial controls exist or not depends heavily on the nature of services an agency provides to the public. In this study, the VEC, DMHMRSAS, DLI and DVH directly provide social services to the public. They are therefore affected by the courts in various degrees. The case of the VEC is a typical illustration of this point:

Every case that we handle has the potential to go to the U.S. Supreme Court... [at the state level] VEC has more chances to deal with the rulings of the Circuit Courts and Court of Appeals of Virginia. For instance, on average, there is one case in every month that will go to the Court of Appeals for decision.

Nonetheless, as Commissioner Cantrell of the VEC points out, the court factor is generally viewed as helpful (except those decisions that would fundamentally, or significantly change an agency's practice) to an agency's work: "The Court's rulings seldom reverse the policy direction of our agency, they are usually serve as a clarification of the policy that we need to follow. In that sense, they are helpful to my work."

The doctrine of separation of powers depicted in the Constitution of Virginia allows judicial review of "any finding, order, or judgment of such administrative agencies." Under such provision, the public naturally will turn to the courts for the purposes of airing their grievances, or asking
for a redress to administrative wrongdoing. What role should the judiciary play in the governing process? Judge William Nelson, in the 1793 Kamper case, summarizes the proper role for Virginia courts:

I do not consider the judiciary as the champions of the people, or of the Constitution, bound to sound the alarm, and to excite an opposition to the legislature. But when the cases of individuals are brought before them judicially, they are bound to decide.

A study by Margaret V. Nelson supports the argument that the courts in Virginia are cautious in reviewing legislative enactments. She concluded that "the general trend of legislative enactments would have been the same even in the absence of the practice of judicial review. The Virginia courts tended to follow public opinion on vital issues." Though her study was conducted in the late 1940s, "[n]othing has changed since to alter this assessment in any substantial manner," Thomas R. Morris and Larry J. Sabato have written. Is the same scenario applicable to the federal level?

In Kaufman's study, judicial control was classified as a component in the "interpretations" of statutes imposed on federal agencies. The role of the courts was not singled out as an independent category for study. Nonetheless, the judiciary branch at the federal level is much more active than those at the state level. Though Judge Bazelon has coined the term "new partnership" to depict a cooperative relationship
for the judiciary branch and the executive branch, in reality, as Rosemary O'Leary and Charles R. Wise point out, the judiciary is always in the role of senior partner:

Once litigation begins, federal district court judges are clearly in the preeminent powerbroker position. If the judges choose to play the role expansively, there are no hard and fast limits.  

The expansion of the judiciary role has complicated the world of public administrators. It does not only affect the operations of public agencies, but also affects the functions and powers of legislatures. O'Leary and Wise contend that the term "new triumvirate" is more appropriate for the developments since the Supreme Court's decision in Missouri v. Jenkins:

With the Supreme Court's decision in Missouri v. Jenkins, a redefinition of the term new partnership to include the judicial usurpation of legislative functions is needed. Perhaps the term "new triumvirate" is appropriate. But it must be acknowledged that in this ruling body of three, all players are not created equal, and the formerly "least dangerous" player is now holding most of the cards.  

Jeremy Rabkin further characterizes the phenomenon as "judicial compulsions." To Rabkin, this tendency of extended judicial oversight on the administrative agencies does not fit with the doctrine of separation of powers:
The traditional constitutional scheme of separated powers is grounded on the assumption that the different powers should have not only different tasks, but characteristically different perspectives on those tasks. . . . In thrusting the judiciary back into politics and policy, contemporary administrative law inevitably forces judges to assume the responsibilities of the other powers and accordingly to claim their special virtues. But all this dress-up play (this institutional transvestism, as we might call it) does not change the underlying nature of the various constitutional actors. It simply perverts their relations in unnatural ways.  

The underlying rationale behind the scenario of expanded judiciary role is rooted in the nature of administrators' work. According to John A. Rohr, since the administrative process affects individual rights in so many important ways, the Public Administration is no less subordinate to the courts than it is to the "political branches." In actual fact, the courts are a big factor to some of the state agencies in this study. For instance, a judge in Norfolk has ruled that the health and safety standards set by the DLI were unconstitutional. If the Supreme Court allows the rule to stand, the DLI needs to re-promulgate all the relevant regulations. The impacts of this would go beyond the agency itself; as Commissioner Carol Amato of DLI points out, whatever the ruling on constitutionality, it will have great impact on state agencies with regulatory functions. In this case, if the Supreme Court upheld the ruling, other regulations, such as the environmental regulations, are very likely to face constitutionality challenges in courts by those
who think that there are something wrong with these regulations. Thus it is very important for the agency heads to be alerted to the constitutional requirements stated in both the state constitution and the United States Constitution. As O'Leary and Wise point out:

Judicial involvement in the management of public institutions increasingly comes about as a result of suits filed in federal courts on the basis of alleged constitutional violations by state and local officials.  

All in all, one thing is for sure, judicial involvement in administrative affairs has the tendency to expand in the coming years. It is therefore vital for the agency heads to be highly sensitive to the role of the judiciary in the governing process.

POLITICAL AND OPERATIONAL SOURCES OF CONSTRAINTS

The above-mentioned constraints do not include all the constraints on the agency heads' work. There is the third major source. These constraints originate from the political and operational aspects of state agencies' practices. First is the influence of interest groups on the agencies' practices; then comes the interagency and intergovernmental interactions, which are both political and operational in nature; finally, the two purely operational constraints are workflow requirements and the agencies' culture and history.
Each of these is discussed below.

*Influence of the Interest Groups in the State Agency Heads' Work*

The interest group was and is a very influential factor in a government agency's operation. B. Guy Peters has conceptualized four modes of interaction between interest groups and bureaucrats. These four modes of interaction are: "legitimate interactions, clientela relationships, parantela relationships, and illegitimate group processes." It is the second mode of interaction, the clientele relationships, which best depicts the relationships between interest groups and the state agencies in this study. According to Peters, the interactions of interest groups and administration in clientele politics imply a relationship that has:

[A] mutual dependence of the two participants. The administrative agency depends upon the pressure group for information, advice, prior clearance of policy decisions, and, most importantly, for political support in its competition with other agencies for the scarce resources within government. The pressure groups, on the other hand, depend upon the agency for access to decision-making and ultimately, then, for favourable decisions on certain policy choices. For both sides the existence of a clientela relationship serves to regularize the political environment and to develop friendships in what might otherwise be a hostile political world.

The clientele mode of interaction reflects the reality of Virginia's interest group politics. All the six agencies
enjoy supportive relationships with the interest groups surrounded them. On certain occasions, differences did arise between interest groups and state agencies. However, once the issue was settled, their good relationships would carry on.

Good relationships did not come spontaneously. The agency heads never take it for granted. As one of the heads puts it: "We work very hard to maintain a mutual understanding and nurture a positive relationship with the interest groups around us." Likewise, Kaufman reports that federal bureau chiefs never took their bonds with interest groups for granted. They labored continuously to maintain and reinforce the bonds with interest groups. He describes the relationships between bureaus and interest groups as a typical blend of love and hate:

The outsiders were almost invariably angered by requests denied, proposals declined, constraints and inconveniences imposed. The bureaus were annoyed by the endless lists of demands and unsolicited advice presented to them. But the bureaus were also grateful for backing in times of need, and the backers had memories of benefits bestowed, protection against competition, special access to officials, and cooperation.

Concerning the ways that interest groups can use to exert their influences on state agencies, there are in general five ways for leaders of interest groups to achieve their objectives. These are (i) serving on an agency's task forces or work groups, (ii) serving on the advisory boards or
councils of the agencies, (iii) attending state agencies' open meetings and attending public hearings, (iv) lobbying for the passing or against the passing of a legislation, and (v) maintaining good personal contacts with the agency heads. It is very common for the agency heads to talk with lobbyists about issues which are their common concern, and ask for their feedback and suggestions.

Abney and Lauth's study on interactions between interest groups and bureaucrats in 50 states reveals a relationship similar to the one mentioned above. They reported that most administrators found that their interactions with interest groups fall into the mutual dependence or mutual independence quadrants. That is, "administrators either have a close relationship with interest groups or they tend to remain largely independent of groups."[43]

All in all, the influence of interest groups is not regarded as a constraint on the agency heads and their agencies' work. It is seen as a contextual situation with which a public agency must deal.

Effects of Inter-organizational Interaction on State Agency Heads' Work

All the agencies need to interact with other state agencies to conduct their jobs. There is a considerable amount of interaction among all state agencies. As Director Mary Allen Verdu of the VCCDCECP points out, this type of
interaction can be further sub-divided into two categories: one is the interaction with "sister" agencies, and the other is interaction with state central agencies. As previously mentioned, interactions with state central agencies are a rather constraining experience for the state agencies. This is not the case in the case with sister agencies. As implied by the term, relationships between sister agencies are cooperative. In other words, these agencies frequently work together to accomplish a job. For instance, through a performance-based contract with the VCCDCECP, the Department of Social Services received funding for services in three major areas: child care services, training, and quality improvement through regulatory efforts. Another instance is the case of DMHMRSAS, which has enhanced its services through interagency agreements that detail specific service, funding, and administrative relationships and responsibilities of each of the involved agencies.

Since no agency can stand by itself, there is an operational need for an agency to interact and work with other agencies in conducting its job. This is a granted reality to the agency heads and their agencies. Likewise, at the federal level, the number of points of tangency of each of the bureaus is striking:

Customs, for instance, counted some forty sister agencies helped by customs officers to guard against illegal entry of forbidden and controlled substances and even against
illegal immigration.\textsuperscript{46}

These interagency contacts are inevitable because the parts of executive branch are too interdependent for any of them to function in isolation. As one of the agency heads suggests:

The state government is like a matrix, no agency can stand alone. We interact a lot with many agencies. Which department do we contact depends on what issues we are looking at. As I said earlier, no agency can stand alone, I don't see this kind of interaction as a constraint to my work.

Of course, it is almost inevitable that there will be instances of turf-protection or competition of scarce resources in the interactions between an agency and its sisters. However, government nowadays is a highly interdependent and a matrix-like entity. For an agency to function well, inter-organizational interaction, far from being a constraint, is politically and operationally needed in getting a job done.

\textit{Effects of Inter-governmental Interaction on State Agency Heads' Work}

State government is sandwiched between the federal government and local governments. In implementing a program or a policy, a state government needs to interact with the
federal government and local governments frequently. In other words, the state agency, as an implementor of state policy, has to deal with federal and local governments on a regular basis. Will such kind of interaction constitute a constraint on the agency heads' work? Since we are talking about interactions with two levels of governments, two sets of responses to this question are needed.

With regard to interactions with local governments, the state agencies did not find such kind of interaction as a constraint. This response is understandable. First, not every agency needs to interact incessantly with local governments. Moreover, the power of initiating this kind of interaction always rests with the state agencies. Secondly, in the process of interaction, the state agencies play a dominant role. That means it is the state agencies which tell the local governments what to do, not vice versa.

Concerning the interaction with the federal government, the scenario is very different. It is the federal government that instructs the state agencies what to do. In other words, intergovernmental interactions are not so much a constraint on federal agencies as on state agencies. Controls usually come with the attachments to federal funding or in the forms of program guidelines. One of the agency heads graphically argues this point as follows:

The federal government, once they give you money, expect
to control everything. There used to be in the 1970s this thing called the "radioactive nickel," if you took one nickel of money from the federal government, it would contaminate everything . . . the federal government are so dogmatic about so many things. They want this done this way, and if you don't, then you have to fight for what you want.

An example of such microscopic control from the federal government was found in the DVH's process of drafting a state plan for providing vocational rehabilitative services to its clients:

This plan has many federal guidelines. The federal government will send you a big comply sheet, they call it the pre-plan. You have to write up how you plan to operate the program and it is very detailing. Sometimes, the document takes 50 to 60 pages long.

All in all, for the state agencies, their interactions with the federal government are far more constraining than their interactions with local government.

Effects of Culture and History on State Agency Heads' Work

An agency's history connotes its cultures. Organizational culture evolves along with the growth of an agency. In other words, the oldest agencies will have a more formative organizational cultures for an incoming agency head to experience. Of course, functional cultures were seen in all of the six agencies and they would certainly help an incoming head to start off easier than no culture.
Nevertheless, chances for the existence of dysfunctional cultures are equally high. Among the six agencies, only the youngest agency, the VCCDCECP, which was established five years ago, does not have a significant organizational culture that can restrict a current director.

This is also true at the federal level. Though Kaufman does not use the phrase "organizational culture" in his analysis of the "learned or programmed behaviour," the perspective he uses in examining the behavior of federal agencies is what J. Steven Ott called "the organizational culture perspective." This is a perspective that uses organizational culture as "a frame of reference for the way one looks at, attempts to understand, and works with organization."47

What is organizational culture? Edgar H. Schein offers a good definition of organizational culture to us. He defines it as:

A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.

This definition clearly states that organizational culture is a pattern of shared basic assumptions that can be taught to its members. It means that there are chances to
change it. We will come to this point later. First, let us look at what Kaufman has found in his study. In all the six federal bureaus that he studied, Kaufman notices that:

[It takes time] to erase what has already been learned and substitute new patterns, and this task is particularly difficult if it must be accomplished while the work of the organization continues. A new chief is therefore likely to feel sharply constrained by what was deliberately infused into his work force by his organization before his accession to office.

This was exactly what this study found. A typical example presented here is the case of the VEC. Commissioner Cantrell of the VEC acknowledges that he feels constrained by the dysfunctional cultures of VEC when he first took the position 13 years ago. The case also shows that commitment of leaders are very important to any attempt of cultural change.

When Commissioner Cantrell first came to his office, the legacies of the VEC were poor. It was regarded as a terribly bureaucratic agency by the public. Such legacies certainly are constraints on the commissioner's job. What made the situation worse at that time was that the VEC needed to reduce its workforce from 1,600 to 1,000 in seven months. Obviously, employees were very skeptical to this move. Commissioner Cantrell's response was to get his employees to focus on the positive issues. For example, he recommended to spend one million dollars to build a new office for VEC. This new building not only met the needs of the VEC, but also told
VEC's employees that the agency is still in growth.

Secondly, he encouraged employees to participate in the daily management of VEC. Four questions were used to guide employees in this regard: (i) What is going right and should not be changed? (ii) What should be changed in the next six months? (iii) What should be changed in the long run? And (iv) What would you do to change the operation of VEC in the short run? The result was encouraging. He received 300 suggestions from the remaining 900 employees. Their suggestions constituted the major reforms that the commissioner carried out in his first six years with the Commission.

With the commissioner's commitment and the continuing efforts he puts to change the VEC's dysfunctional culture, a new tradition of "participative management" emerges and carries on to the present days. Moreover, a mechanism called the "task force committee" is used to involve employees in suggesting ways to improve the quality of the VEC's services. For instance, in one of the VEC's programs, a task force committee successfully reduced the amount of forms a citizen needs to fill out from 16 to one.

Another new tradition is a belief which asserts that there are always ways to achieve at a better result. In other words, "change" is the norm rather than an exception in the VEC's working processes. There is an axiom that says "If it does not break down, don't fix it." Commissioner Cantrell
changes it to "If it works, make it better." This precisely summarizes the essence of the VEC's new tradition.

Cycle in Workload and its Impacts on State Agency Heads' Work

A common cycle in workload found in these agencies is parallel to the state's legislative cycle. In other words, the busiest months for the agencies are from January to February (or March in even-numbered years), in which the General Assembly is in session. Another legislative related cycle is from August to November, in which, if necessary, agencies need to conduct studies for the ensuing General Assembly session. For the rest of the year, workload varies with the demands on agencies' services from the public. Similarly, federal agencies have cycles in workload. These cycles in workload, to a certain extent, determine the chiefs' agendas:

Knowing what was coming and what had to be done to adjust eased the strain on the chiefs. They planned their own schedules to fit the circumstances, which made the conditions to which they adjusted seem less oppressive. But though they retained some opportunity to navigate, they were still prisoners of the river of events, obliged to accommodate to its twists and turns, to its rapids and shoals and backwaters.

Recently, due to a strain on the fiscal condition of states across the nation, budget cutbacks and retrenchment were common. These caused a new problem to state agencies: in
terms of financial and human resources, there are not enough resources for state agencies to provide new services, expand the current services, or maintain the quality of current services. Lack of resources, therefore, is a common constraint on agencies' work. This will not only give the public an impression that the government is inefficiently managed, but will also lead to lawsuits. For example, the U.S. Justice Department has filed suit against two of the DMHRMRSAS' facilities. The allegation is that the DMHRMRSAS violates the constitutional right of its patients because it does not have enough staff to serve at its two facilities. In light of the fact that there is a deficit in the state's budget, an increase in workforce is not likely.

RELATING CONSTRAINTS TO OBJECTIVE RESPONSIBILITY

I have discussed and analyzed constraints originated in different sources. How are these constraints related to our first aspect of responsibility? I will initiate the discussion with the summary of the constraints we have discussed so far.

Constraints on Bureaucracy: The First Step in Securing Responsibility

The position of this thesis is that constraints are necessary in so far as they do not seriously distract agencies from their work. State agencies are confined by three
different sets of constraints: constraints originated in the statutory clauses, different governmental institutions, and political and operational contexts of an agency.

First, we have explored the statutory constraints on public agencies, these include the agency-specific statutes, rules and regulations from the higher executive level and the agencies themselves, and governmentwide statutes. These statutes are helpful to the agency heads' work. However, the agency heads are upset by some cumbersome statutes found in the personnel, budget, and procurement areas. To help the agencies perform better, reviews on statutes in these three areas are needed. These reviews should conduct for three purposes: deleting obsolete statutes, updating outdated ones, and collapsing similar statutes into one. Currently, a review on the state's personnel rule is in place. It is certain that a deletion of unnecessary statutes can facilitate the operations of these agencies.

Secondly, we have examined the constraints imposed on the agency heads and their agencies by different governmental institutions. These governmental institutions are: the legislative branch, the executive branch and the judicial bodies (both the federal and state judiciary). Though varies in degree, they all exert control on the state agencies.

However, unlike the situation observed by Kaufman, the legislative body does not play a dominant role in controlling the state bureaucracy. From the agencies' perspective, the
Governor's influence (through the secretariats and the central staff agencies) on their work is probably stronger than the other two governmental institutions. Moreover, the role of judiciary is not as intrusive as their counterparts in some other states and at the federal level. Nevertheless, state judicial system is not the only judicial constraint on the state agencies, they are also affected by the judiciary at the federal level. As discussed previously, the federal judicial system has the tendency to expand its role in the governing process. The agency heads should not neglect the possible impacts of this tendency on their work.

Finally, there are political and operational constraints on the agency heads' work. Interest groups are the most well-known representatives of political constraint. Leaders of interest groups can exert their influences on the state agencies through various ways, such as serving in agencies' advisory boards and attending their open meetings. In sum, relationships between interest groups and state agencies are a cooperative one.

Concerning the effects of inter-organizational and inter-governmental interactions on the state agencies' operations, except for the interactions with the federal government and state central agencies, these interactions do not constitute a serious restriction on their work. In short, these interactions are both political and operational in nature. The two purely operational constraints on state agencies are
workload and organizational culture. In light of the financial strains experienced by the state, it is easier for agency heads to deal with their agencies' dysfunctional cultures than to request more personnel to meet the increasing amounts of workload.

All in all, numerous constraints exist to confine the agency heads' behavior and their agencies' operations. However, these constraints also serve as a mechanism which informs bureaucrats of their authority and responsibility. To discharge their duties within the limits set by these constraints can thus be seen as a responsible behavior.

Responsibility Through Compliance with the Constraints

In the above section, I concluded that objective responsibility was realized through the agency head's compliance with the constraints on their work. This is because these constraints are standards of performance and expectations of behavior externally imposed on them by the public and their elected representatives. As I have argued in Chapter 1, bureaucrats' compliance with these constraints in doing their work indicate that they accept the expectations and standards placed on them. Such kind of response meets the requirement of objective responsibility, that is, accomplish your tasks within the existing limitations.

In conclusion, we have argued how the first aspect of responsibility was realized in state agencies. In the next
chapter, we will move on to examine the second aspect of responsibility. In brief, despite the fact that there are so many controls on the state agencies, there are still different cases of innovation taking place in these agencies. The bottom line of these innovative changes is to improve the performance of the agencies. These cases therefore indicate that the state agencies are responsive to the changing environment outside their agencies, and also signify the responsible behaviour of the agency heads. This is because the driving force behind these cases of innovation is the agency heads themselves. The agency heads believe that public administrators, regardless of all the constraints, should be able to discern, understand, and thus be responsive to the public's needs. As this belief lies inside public administrators, it is a belief which is subjective in nature. Hence, actualization of it is a reflection of subjective responsibility. Instances of these innovative changes are presented in the next chapter.
Chapter 3

INSTANCES IN WHICH STATE AGENCY HEADS HAVE BEEN INNOVATIVE

I have examined the common constraints on the agency heads' work in the last chapter. I have also demonstrated that these agency heads have fulfilled their objective responsibility through their compliance with constraints imposed on them. In this chapter, I will look at some of the innovative changes that have taken place in these state agencies; this is followed by an examination of favourable and unfavourable factors to the occurrence of innovative activities. The chapter concludes with a discussion of the implications of these innovative changes. The Gore report will be used as the point of reference in part of the discussion.

CASES OF INNOVATIVE CHANGES

Regardless of the differences in the scale of change, the sole bottom line of all these changes is "to serve the public better." In other words, changes reveal a belief in the existence of a better way to finish a job. Additionally, this belief reflects, on the one hand, that agency heads have lived up to the standard of subjective responsibility; on the other
hand, it says that these agency heads are responsive to environments outside their organizations. Before we move on, a definition of innovation is in order.

Since the concept of innovation is not new to students of the field, there have been many different versions of its definition. For the purpose of this discussion, I adopt the one offered by Victor A. Thompson. He defines innovation as:

By innovation is meant the generation, acceptance, and implementation of new ideas, processes, products or services. Innovation therefore implies the capacity to change or adapt.

From this definition, it is very clear that the concept of innovation refers to (i) the adoption of new technology, and (ii) the adoption of new ideas or changes in an agency's operating procedures. In short, innovative cases in the former category are technological in nature, while those in the latter category are administrative in nature.

In four of the six agencies, the innovations are technological and hence within the domain of the Office of Management Information Systems (MIS). In the domain of administrative innovation, the agency heads usually play the role of "change agent" of their agencies. They involve their subordinates in the processes of idea generation, evaluation of ideas, and making the selection of the ideas. The agency heads believe that with the heavy involvement of subordinates
in the processes of changes, their understanding of and their commitment to programs of innovative changes will be enhanced. Consequently, plans of innovative changes will have better chances of success.

As mentioned in Chapter 1, bureaucratic organizations are commonly accused of inhibiting innovative change. Critics of bureaucracy believe that this is particularly true in large bureaucratic organizations. To what extent does such a perception reflect reality? Findings of this study have shown a very different perception to us. Let us look at the innovative cases of the two largest agencies (the VEC and DMHMRSAS) first.

**Virginia Employment Commission (VEC)**

VEC is an agency which stresses the importance of innovation in its operations. The agency has five goals, the second goal of which advocates an innovative mentality. Goal Two states that VEC will "[c]ontinue improving our innovative and responsive system of service delivery." 4

VEC’s Management Information Services Office (MIS) is its brain in developing and applying advanced technologies to its divisions and units’ operations. 5 Computer technology was first introduced into the VEC in 1983. During the year of 1984, the MIS Technical Support Unit completed the "Office Automation and Local Office Equipment Plans." Procurement was begun on the necessary equipments for the first phase of the
plan; and training was given to employees in the use of computers.

In sum, teams of MIS employees support each division and unit in the development of programs and techniques to improve their operations. Major examples of such cases are treated below.

(i) Virginia Automated Benefits System (VABS) of the Unemployment Insurance Services Division (UIS)

The Unemployment Insurance tax team of MIS helped the UIS to install a new automated benefits system, the VABS, on 1 April 1985. This is a system which:

[Provided on-line data collection and retrieval, substantial automation of claims processing, an unified system for handling all types of base that provides the source for Unemployment Insurance Services' (UIS) statistics and reports. Using this system, claims personnel in a local office can issue monetary determinations to claimants at the time the claim is filed, enter the claim into the automated system, and initiate the payment of benefits. This process eliminates the mailing of documents to Richmond to initiate payment.]

There were continuing efforts to increase the usability of the VABS. It was further enhanced in 1986 with the addition of terminal input capability in local offices to produce deputies' determinations. With this enhanced capability, typing and mailing of the determinations by the local office staff are eliminated. Moreover, because of
increased automation capabilities, VEC starts to eliminate the maintenance of paper files in its local offices. Files are stored in computer. Freed from the administrative burden of document filing and storage, staffs now have more time for assisting clients.

In 1992, the division’s services were further improved by the development of the Applicant Information Management (AIM) system. Using an interface between the UIS and the Job Service (JS) automated files, UIS staff are able to determine if there is a job opening available that matches a claimant’s most recent occupation. If so, the claimant is referred to the JS for details about the vacancy.

(ii) The Automated Labor EXchange (ALEX) of the Job Service Division (JS)

The Job Service team of MIS helps the JS to develop a system called ALEX. Implemented in 1989, ALEX is a much easier system for applicants to use. It replaced the computerized self-matching system, Job Net. Federal job listings were added and interstate updates are transmitted electronically to and from the Interstate Job Bank in Albany, New York. In 1990, VEC was the first in the nation to install an interactive ALEX in shopping malls. With this installation, VEC’s services are much more accessible to the public than before. The popularity and usefulness of ALEX is evidenced by the fact that more than 25 million transactions
occurred from 1 July 1991 to 30 June 1992. The development of
ALEX did not stop there. In 1992, the accessibility of the
system was significantly increased through the introduction of
"Call ALEX." This is a dial-in system available for public
access from personal computers. Anyone with a computer,
modem, communications software, and a telephone, will be able
to hook up with the system to get the most up-to-date job
information.

(iii) The Automated Labor Information on the Commonwealth's
Economy (ALICE) of the Economic Information Services
(EIS)

ALICE is an on-line system which was developed in 1990.
It is a system which:

contains current data on the labor force, unemployment
rates, employment by industry, wage rates, and the
consumer price index. The system was made available to
all VEC local offices and the Department of Economic
Development.

Since its installation, demands on its service were
increased remarkably. To meet all the demands, the system was
enhanced in 1991. The system is now accessed by state
agencies, local governments, economic development authorities,
planning districts, private sector employers, and
universities. It may also be accessed through a personal
computer with a modem and telecommunications software. As of
30 June 1993, there were approximately 130 public sector and 60 private sector users who could access information on Virginia's labor market through the ALICE system.

Additionally, the EIS also uses the device of electronic mail to send its reports to the U.S. Department of Labor (DOL). The EIS Data Collection Unit has to prepare more than 30 different reports for the U.S. DOL. Previously, those reports were sent in paper form. Now, many hours of data posting and staff time are eliminated through the adoption of an automated form of transmission process.

All in all, continuing efforts to develop innovative changes enabled VEC to meet the increasing demands of its services without a proportional increase in its resources. We next analyze the case of the DMHMRSAS.

Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS)

The DMHMRSAS manages 40 Community Services Boards (CSBs, these are local governmental agencies responsible for the provision of mental health, mental retardation, and substance abuse services), nine mental health facilitates, one medical center, and five training centers for people with mental retardation. To run these facilities, the DMHMRSAS directly employed 11,000 and indirectly employed 8,000 employees through the 40 CSBs. With so many people and facilities to manage and coordinate, the Department pays special attention
to the setting of the agency's direction. A "VISIONS" taskforce was formed for that purpose. We examine innovations stemming from this body first.

(i) VISIONS, Comprehensive State Plan, and Office of Consumer Affairs—Processes of Visioning and Mission Identification

VISIONS is a strategic planning process which studies ways to help the DMHMRSAS to achieve at an integrated system of care. The DMHMRSAS wants to build up a system which respects and promotes the dignity, rights, and full participation of individuals and their families. In 1992, the State Board and the Commissioner convened a taskforce consisting of representatives of the public and private service delivery sectors, professional organizations, consumer and advocacy groups, state government, and the business community. The task force helps to identify barriers which might prevent the successful implementation of a fully integrated service system. Needless to say, the task force also proposes some strategies to reduce or eliminate these barriers. Findings of the taskforce were incorporated into a report entitled Realizing the Vision: Barriers to an Integrated System. Six committees are formed to conduct follow up studies in areas identified in the report. 8

Closely related to this visioning process is the writing of a "Comprehensive State Plan." Each biennium, the DMHMRSAS needs to submit a comprehensive state plan to the State Board.
The state plan outlines the Department's mission and vision for service delivery in the coming years. The latest state plan is the "Virginia Comprehensive State Plan for 1994-2000."

Another mechanism the DMHMRSAS uses in its visioning process is to involve consumers of the Department. Consumer involvement is one of the Department's major foci. The Department is guided by a principle which states that "The system of services must be consumer and family oriented, emphasizing choice, involvement and individualization for those needing services." The latest effort in this regard was the establishment of the Office of Consumer Affairs in 1993. The staff of the office consists of individuals who are primary consumers of mental health, mental retardation or substance abuse services. They will serve as liaisons between the Department and its clients, so that feedback from consumers can be obtained.

(ii) The Patient-Resident Automated Information System (PRAIS)

The DMHMRSAS is conscious of developing appropriate techniques to increase the Department's efficiency and effectiveness. One of its technical programs, the Patient-Resident Automated Information System (PRAIS), won the 1993 Innovative Technology Award from Hewlett-Packard. PRAIS is the Department's comprehensive hospital information system developed entirely by the staff of the MIS. As stated in the Virginia Comprehensive State Plan 1992-2000, the PRAIS system
will: "[I]mprove accountability for service provision and provide the basis for sharing patient information among facilities, CSBs, and the central office."10

Phase I of the system has been installed and pilot tested at the Department's facilities. Phase II began immediately after the completion of Phase I.

Additionally, the First Annual Department Statewide MIS Conference was held in Richmond in October 1992. This conference was held with the purpose to reduce the diversity of computer environments in which the Central Office, state facilities and CSBs operate. The conference included workshop sessions on document imaging technology, classes on standard software systems such as Word Perfect, Lotus 1-2-3, and MS-DOS, and presentations on data management and control. More than 175 representatives of CSBs, state facilities and the Central Office attended the conference.

(iii) The Please Be Seated Program

In the domain of the Department's preventive programs (aimed at promoting healthy lifestyles for high-risk groups) is a program that has been recognized nationally. The program, "Please be Seated," enlists the assistance of citizens to educate non-users of child safety seats. The content of the program is as follows:

When citizens observe an unsecured child under the age of
four in a moving vehicle, they fill out a pre-printed, postpaid card with details of the observation. The card is mailed to the Please be Seated program, and the vehicle owner is sent a friendly reminder letter, including information on the child safety seat law. Vehicle owners also receive a toll free number to call to obtain a free safety seat if they are unable to afford one.

The success of the program can be told from the fact that a number of other states have replicated the program. It is also the recipient of several state and national awards, including the National Highway Traffic Safety Administration's Highway Safety Program of Excellence for 1993.

The cases of the VEC and DMHMRAS show that large bureaucratic organizations, far from being resistance to change, are very innovative in developing new ways to improve their performances. Next, we will move on to examine the case of DLI, the third example to illustrate public agencies' technological innovations.

Department of Labor and Industry (DLI)

One of the DLI's missions is to enhance the quality of life enjoyed by Virginians by improving the Commonwealth's workplace conditions through informational services, training and education. Innovative changes were evidenced in the Department's informational and educational functions.

(i) Activities Related to Training and Education Functions
DLI's Division of Training and Consultation Services is responsible for the offering of free professional consulting and training services to employers and employees of the public and the private sector of Virginia. To help the training of newly recruited occupational safety and health staffs of DLI, staffs of the Division developed a computerized orientation program for them to use. With respect to the private sector, consultative visits to private businesses were greatly increased due to an expansion of the capacity of the central office's computer system. As a result, the figure of cases of hazard working processes identified in private businesses increased from 2,572 in 1991 to 3,983 in 1992. In other words, the Department's productivity was increased about 54% in that area.

(ii) Activities Related to Informational Functions

Informational functions of the Department are performed in the Division of Public Services and Information. In 1992, Virginia became one of the first states to upgrade its Integrated Management Information System (IMIS) computer. This kind of upgrade improves the ability of the DLI to maintain the database of occupational safety and health inspections, violations, citations, and penalties at an accuracy rating that exceeds 97%.

In sum, impressive results of technological innovations were found in the three agencies mentioned above. So much for
the cases of technological innovation. We now move to three instances of purely administrative innovation.

**Department For Visually Handicapped (DVH)**

A medium-sized agency, the Department was established by an act of the General Assembly in 1922. Its mission is to enable Virginians with visual disabilities to achieve their maximum level of independence and participation in society. To achieve this mission, the Department must abandon its conservative tradition. Traditionally, the DVH was quite paternalistic with regard to the blind. DVH believed that the blind needs help and that it was the source of last resort for the visually handicapped. Consequently, DVH did not take the individuality of a person into account in designing its services for the blind. In recent years, the DVH realized that in training a blind person, it needs to involve the person in the process, and let him make his own decisions. Thus, DVH began to shift from a protective approach to an open one. Clients of the DVH would now be involved in the development of programs that serve them.

To adopt an open approach in service delivery also implies a change in management style. This is exactly what happened in the DVH. The Department used to have a tradition of strategic management which the Department found not working as expected. However, strategic management, as Nancy C. Roberts asserts, is increasingly popular among public sector
managers. According to Roberts, the concept means: "[A] conscious, rational decision process by which an organization formulates its goals and then implements and monitors them, making adjustments as environmental and organizational conditions warrant." Why, then, was it not working in DVH’s operations?

The answer to this question lies in Robert Merton’s conception of "displacement of goals." As stated in Chapter 1, Merton argued that the result of a process of displacement of goals is "an instrumental value becomes a terminal value." In short, methods and procedures originally designed to serve as means to accomplish a task, have become ends in themselves. Consequently, several problems arose in the management of DVH.

First, the Department’s management involved much paperwork. People at DVH are specialists in what they do. As Commissioner Donald L. Cox of the DVH comments: "When you put so much processes and paperwork in their jobs, you take away their creativity. It is very likely that they would not put their mind to solve problems as much as they are messing with papers to get them right." Secondly, strategic teams at the headquarters wrote up the strategic plans for the Department to pursue without involving the Department’s employees at the regional offices.

When Commissioner Cox first took his office, he talked with people at the regional offices about the Department’s
The strategic management plan. As one might expect, people out in the field did not think that those strategic plans reflect the actual situations of their jobs. In other words, a gap was seen between the headquarters and regional office in the definition of what kinds of jobs the DVH should do and how to do them.

To deal with this situation, Commissioner Cox discontinued the practice of strategic management. He sought feedback and ideas of improvement from both the lower level of the headquarters and staff in the regional offices. Inputs of employees are valuable to the Department particularly in two regards: identifying goals and implementing policies. To reinforce the practice of this new participative management style, the Department also designs training programs for its employees so that they can be acquaintance with the technique of teamwork. This kind of new management style, in essence, achieves the aims that strategic management intends to realize.

All in all, with the adoption of a new management style and a new approach to deliver services, the DVH is now an agency that is more responsive than before. Similar situation is found in the case of VHSCRC.

Virginia Health Services Cost Review Council (VHSCRC)

A small agency with 17 staff members, the VHSCRC was established in 1978. Its mission is to promote cost
containment within Virginia health care institutions by collecting, analyzing, and disseminating health care cost information for the public. Comparatively speaking, its work is simpler than the other agencies in this study. However, it has had to deal with many changes in the statutes governing it, and also in its internal rules and regulations. In other words, VHSCRC had its way of life totally altered in the last two years. What were the forces behind such changes?

According to Mr. John A. Rupp, the executive director of the VHSCRC, two years ago a consensus was reached between the Council, the Secretary of Health and Human Resources, and the General Assembly that the work-products of the Council at that time were not meaningful. In other words, the Council was not accomplishing what it was intended to do. It is this general consensus that caused VHSCRC to experience major statutory revision. Its mode of practice and organizational direction were changed accordingly. Since the Council had participated in the processes of statutory review, its views on how the statutes could be revised to facilitate its operations were heard. The new statutes reflect the spirit of this statutory review: statutes are enacted to help the agency operate, not to distract it from its work. As a result, in the words of Mr. Rupp, these changes, have done away with many constraints on VHSCRC's work.
Virginia Council on Child Day Care and Early Childhood Programs (VCCDCECP)

Established in 1989, the VCCDCECP is responsible for the provision of an integrated multi-agency approach for the delivery of quality child daycare and early childhood development services to the citizens of Virginia. It is a small agency which is heavily funded by the federal government. Hence, the federal government has been intimately involved in innovation at the Council.

The case under discussion is about a successful expansion of the Head Start Program in Virginia. Head Start is a federal program started in 1965 which aims to provide social services, education and health care for low-income children. As of 1994, the program has served 720,000 low-income children between age three and six.¹⁴

Nonetheless, Virginia is one of the few states in which most local communities are not covered by the Head Start Program. Two years ago, the VCCDCECP proposed to the federal government to expand the program in Virginia. The VCCDCECP initiated dialogue with federal authorities about increasing Virginia's share of Head Start funds for the expansion of the program to unserved areas. The VCCDCECP suggested that the federal government to provide $1 dollar for every $2 dollars the state spends in Head Start expansion. Moreover, the proposal requires that the federal government eventually bear the full cost of the program.

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The VCCDCECP succeeded in getting the funding for the state’s share from the Child Care and Development Block Grant. The result is very encouraging. Within two years, the number of local communities not covered by the program was reduced from 43 to nine. The agency expects to reduce the number to zero in the third year since the expansion of the program.

In short, this case is the best illustration of a guiding principle which the agency used in the development of its "Child Care and Development Block Grant Plan." The principle states that "methods must demonstrate innovative blending of existing resources to maximize funding available for direct services while limiting administrative costs." 15

After examining these innovative cases, the next question comes into our minds is: "What are the favourable and unfavourable factors to the occurrence of innovative changes?"

UNFAVOURABLE FACTORS FOR INNOVATION

In this section, some reputedly unfavourable factors related to innovative changes in a bureaucratic organization will be discussed. In brief, some of them are real obstacles to change while some are not. In the course of the discussion, which are real barriers and which are not will become clear.

Bureaucratic Organization Itself is an Obstacle to Innovation

Bureaucracy, per se, is always seen as a barrier to
change. As early as 1944, Marshall E. Dimock has defined bureaucracy as "the composite institutional manifestations which tend toward inflexibility and depersonalization." In the 1960s, Michel Crozier characterizes bureaucratic organization as a system of organization with rigidity as its main feature. He points out that this kind of organization "will not adjust easily to change and will tend to resist change as much as possible." Follow the same line of reasoning, Crozier asserts that crisis is the only force that leads to change in a bureaucratic organization. Victor A. Thompson summarizes this common conception well in the following sentences:

In an organizational context dominated by the need to control, innovation is dangerous because, by definition, it is not controlled behavior. It creates risks of errors and therefore of sanctions. . . . Furthermore, in an insecure, competitive group situation, innovation threatens the security of all members of the group and for this reason tends to be suppressed by informal group action, as well as by the insecure superior.  

In short, it seems that innovative change is very difficult to stimulate and sustain in an bureaucratic organization. Supposedly, it is either suppressed by an insecure superior or by the pro-status-quo informal group within an organization. Recently, such expectations were reiterated in the Gore report. In its concluding remarks on cutting red tape in the federal government, the Gore report
warns:

We must move quickly, because the bureaucracy, by its nature, resists change. As Tom Peters wrote in Thriving on Chaos, "Good intentions and brilliant proposals will be dead-ended, delayed, sabotaged, massaged to death, or reversed beyond recognition or usefulness by the overlayered structures. . ." (emphasis added).

I doubt this kind of accusation, and I am not alone in doubting its validity. Far back in the 1950s, Peter M. Blau conducted a study on a state employment office and a federal agency of law enforcement. Blau's findings showed a very different picture on the issue:

However, the fact that bureaucratic officials strongly oppose some innovations does not prove their rigid identification with the existing order; often it may be explained by more specific factors (italics in original).

Based on his observations, Blau suggests that bureaucrats' instances of overconformity and resistance to change were motivated by their anxious concern with the attitudes and opinions of their superiors. For example, he found that some administrators' opposition to an innovative suggestion was because it might reveal to their superiors imperfection in their departmental operations, but not because they opposed change in general.

Some other analysts have also shed light on the "virtue"
of bureaucracy's inertia to change. For instance, Anthony Downs, in his *Inside Bureaucracy*, points out that:

*It should be emphasized that the inertia exhibited by bureau (and most other large organizations) has many extremely important beneficial effects upon both the bureau themselves and society as a whole. Inertia imparts a measure of stability to social organizations which helps them perform certain vital functions, such as maintaining a pattern of order in social life, and preserving important ethical and cultural values. Such functions are especially significant in modern societies marked by strong pressures toward rapid change emanating from technological innovations.*

Even if we analyze the issue from the perspective of "the desirability of change," similar reservations are still made. Once again, let me cite Thompson's argument to illustrate this point:

*It takes time to convert a number of abstract, related positions into a flesh-and-blood working organization. Consequently, any suggestion for change must be measured against its effect on the co-operative system as a whole. Bureaucratic organizations must plan and control changes. Although the persons urging change may feel that the resistances they encounter represent "bureaucratic" stubbornness, the desirability of any particular change, all things considered, is usually an open question.*

Indeed, organizations are created to reduce the degree of irregularities in ways people handle their businesses. With the establishment of organizations, stability and predictability of social activities are thus increased. The construction of modern organizations is a huge step in the
advancement of human civilization. It is simply natural for people to adhere to a particular pattern of regularities and resist the change of it.

I do not mean to defend the inertia of bureaucracy or downplay problems caused by bureaucracy's resistance to change. The above discussion reflects the complexity of the issue. To understand the problem of innovation in bureaucratic organizations, we cannot take the charge "bureaucratic organization is an obstacle to innovation" for granted.

**Too Many Rules and Regulations**

The existence of too many rules and regulations is viewed as one of the contributing factors to the unresponsiveness, and the lack of innovation in public agencies. It is true that nowadays public agencies need to comply with too many rules and regulations. Though this will not seriously limit their capability in generating innovative ideas, this certainly will obstruct their efforts to implement the innovative idea which they have come up with. The Gore report puts the case very succinctly:

Reinventing our budget, personnel and procurement systems will strip away much--but not all--of the red tape that makes our governing processes so cumbersome. Thousands upon thousands of outdated, overlapping regulations remain in place. . . . We must clear the thicket of regulation by undertaking a thorough review of the regulations already in place and redesigning regulatory
Similar complaints are heard from our agency heads. They are not complaining about the existence of rules and regulations, per se, but about the unnecessary and unproductive ones. The Gore report rightly pinpoints the three major areas (budget, personnel, and procurement) in which these unnecessary rules and regulations proliferate. Currently, a review of many regulations is being carried out at the federal level. Likewise, Virginia is reviewing her personnel regulations. The focus of the present review reflects the current environmental context of this nation: reinventing government—more flexibility and less rules. As one of the agency heads states:

It seems to me that everything right now is going away from that kind of microscopic management, and more into either performance management where you talk about goals to be achieved and people have different ways of doing that; or in a public sector, that has more of a private sector twist to it.

There is a great debate going on. Recently, there is a committee of the General Assembly which is conducting a review on the role of the Department of Personnel and Training and its rules and regulations. It seems to me that the tide is moving toward more decentralization and more autonomy for the agency.

In short, the existence of too many rules and regulations obviously hinders the occurrence of innovative changes.
Financial Strain: A Lack of Adequate Resources

Financial strain was experienced by all public agencies in the 1980s. It is a common constraint that every public agency has to live with. As James L. Mercer suggests, this kind of financial crisis will continue into the 1990s. That means that public agencies will need to face the continuing pressures of downsizing and cost reduction. Consequently, as Herbert Kaufman points out:

[Resource limitations commonly bind organizations fixedly to their established repertoires of behavior. Even when the leaders and members of the organizations, as well as the critics, recognize the wisdom and the justice, if not the necessity, of change, they often find themselves powerless to bring it about.]

The Gore report also recognizes this problem, to deal with it, the report suggests that:

Congress should authorize a two tier system of innovation funds: small loan funds within agencies; larger funds at the departmental level. These would be capitalized through retained savings from operational appropriations.

This is a sensible suggestion that deserves an in-depth investigation. If Virginia had this kind of innovation fund, the capacity of her public agencies to implement innovative ideas would be greatly increased. For instance, the DVH can provide more training opportunities for blind persons in using
computers at work sites if it is supported by an innovation fund. Since the training is on a one-to-one basis, it consumes many human resources of the DVH. Due to a lack of technical staff, the DVH is unable to expand its program to meet the increasing demands on this service.

Closely associated with the issue of resources limitation is the issue of "sunk cost." According to Kaufman, limitations on resources often stem from sunk costs. Kaufman's argument is as follows:

Investments of any kind tie up resources that might be used in other ways, reducing degrees of freedom. If they lose their utility before their anticipated lives are over, they are especially burdensome. Therefore, when change demands an influx of resources, an organization with enormous assets in the form of massive investments may find itself in as tight a bind as one with few assets.

All in all, resource limitation is a constraint which is detrimental to an organization's ability to innovate and capacity to implement change. Without adequate resources, such as personnel, money, and technical competence, nothing can be done in the domain of innovation.

Resistance Forces to Innovation

As noted above, inside and outside an organization, forces of resistance to change are found. We have noted some that are external. Inside an organization, its personnel,
including both supervisors and subordinates, can be a barrier to innovative change. The existence of "programmed behavior" is a reason for that resistance. As Kaufman posits, after some years of existence, an organization's policies and procedures are apt to become for many people, including those at high levels, the natural, automatic way of acting. Hence, any suggestion of change will cause a feeling of uncertainty, which in turn, breeds a feeling of insecurity. The feelings of insecurity and uncertainty are the major sources of organization members' resistance to change.

These psychic costs of change are fully recognized by the agency heads. As one of them pointed out in the interview: "It is vital to design a change program in the way that members of the agency will not feel insecure or threatened by the change." Even so, difficulties still remain. Kaufman notes that people sometimes resist innovation even if they cannot foresee any harmful effect from the change: "Occasionally they resist even when they know they will suffer no injury in order to exact concessions or other advantages in return for their acquiescence." In short, these resisters oppose change for the purpose of protecting what they have got from the present pattern of practices. They probably can find alliances outside their organization. Their alliances are interest groups who worry that the quality in goods and services that an agency provides may be negatively affected by any action of change. They are therefore likely to oppose
proposals of innovative changes proposed by public agencies. Nonetheless, these forces are not a monolithic bloc, and a skilful and committed leader can change it. I will come to this point in the later section of this chapter.

In sum, despite all these impediments to innovative change, it does occur in organizations. What are the driving forces behind an innovative move?

FAVOURABLE FACTORS FOR INNOVATION

The above discussion points out the major hindrances to the occurrence of innovation. It also argues that some of the commonly perceived barriers are not really as obstructive as people think. What follows is a discussion of major favourable factors to change. The importance of leadership in the happening of change will be particularly stressed.

Presence of Difficulties in an Agency’s Functioning

Indeed, in a modern democratic regime like the United States, it is hard to image that public agencies can operate without being influenced by any external forces. As mentioned in Chapter 2, there are many instances that public agencies will have to change their course of actions. They may be told to depart from their standard operating procedures by orders of courts, directives from secretaries or the governor, to name a few. In other words, they are constantly under forces of change. To be adaptive to the outside environment, change
is a part of life rather than an exception.

External forces are particularly sensitive to any performance gap that an agency has. Disregarding the difficulty in measuring a performance gap, the concept is essential in explaining what causes public agencies to change. As Anthony Downs posits, no public agency will "alter its behavior patterns unless someone believes that a significant discrepancy exists between what it is doing and what it 'ought' to be doing."\textsuperscript{32} Obviously, this kind of performance gap will also be known by someone inside an organization.

If it is perceived by an external actor, changes are usually greater in scale. Take the case of the VHSCRC as an example. A performance gap was identified by two powerful external actors, the executive and the legislative bodies of the state. As a result, large-scale changes in statutes and patterns of practices have been seen in the last two years.

If the performance gap had been detected by an insider, the scale of change would have been smaller. For example, before the mid-1980s, the DLI used to keep thousands of records and index cards. Such record keeping consumed many hours of staff time and took up much space. Computer technology at that time certainly could have helped the Department to save many man-hours on record keeping and release space for other purposes. A performance gap existed between what the Department was doing and what it ought to be doing. This gap was discerned by the newly appointed
commissioner. She initiated the idea of computerizing record keeping. The Department's automation plan did not stop there; other automation programs took place after that first case of automation. Yet, compared with the case of the VHSCRC, changes within the DLI were of a smaller scale.

In short, as Blau observed four decades ago, change in public agencies is a recurrent phenomenon. There seemed to exist at all times some conditions that created difficulties for officials and interfered with efficient operations, which constituted organizational needs that required adjustment of these conditions and not merely adaptation to them. Difficulties that officials experienced in the course of performing their duties were responsible for the spontaneous development of unofficial practices and for their willing acceptance of many official innovations.

Response to the needs of external environment and internal process of operations is one of the forces behind changes. We now turn to motivations for an organization to be actively involved in processes of change initiation.

**Succession of Goals: Helping an Agency to Grow**

An organization, besides responding to difficulties found in its operations, also makes deliberate changes in its mode of practices. Such deliberate changes, as implied in Kaufman's work, are the result of the efforts of reformers in an organization. Kaufman points out that:
Every organization is under pressure from innovators and reformers as well as from defenders of things as they are, and the motivations of the former may be of much the same character and intensity as those of the latter.

In the ideal situation, these deliberate changes are part of the life of an agency. The majority of any agency’s employees is keen to change rather than resist it. Once again, Blau’s study offers detailed analysis in this regard. Blau suggests that an agency, after accomplishing its original purposes, would actively look for new purposes to pursue. He termed such a phenomenon as "succession of goals." Succession of goals is a process of the reverse of displacement of goals, and it takes place because:

The attainment of organizational objectives generates a strain toward finding new objectives. To provide incentives for its members and to justify its existence, an organization has to adopt new goals as its old ones are realized.

Besides the needs of providing incentives for its members and justifying its existence, the eagerness to extend an agency’s scope of operation also forces change. This is a belief which states that by assuming new responsibilities, an agency’s momentum of growth will be increased. The way which one of the agencies in this study handles its problem of personnel shortage illustrates this point well. One assumes that an agency will use the lack of adequate personnel as an
excuse to shrink from a new responsibility. However, instead of refusing to take up a new responsibility, the agency works overtime to accomplish its jobs. As the agency head states: "We can therefore use the results of our work to justify the creation of a new position."

In sum, it is without question that forces exist for change inside public agencies. However, the above discussion does not mention the engine behind them. That engine is leadership. I view the factor of leadership as the single most influential drive behind forces for changes.

Leadership: A Locomotor of Innovation

A change of leadership is an example of an organization's personnel turnover. As Kaufman suggests, a process of change usually starts with personnel turnover. It is because newcomers to organizations, no matter how carefully screened, bring with them "values and perceptions at least a little divergent from those prevailing among members and leaders of long standing." What Kaufman refers to is personnel turnover in general sense. That means, regardless at which level such kind of personnel turnover takes place, change occurs. Obviously, a change in leadership will result in a larger scale of change than an instance of ordinary personnel change. This is because of the importance of the role played by leaders in organizations.

Richard H. Hall provides a good working definition for
Our view of leadership involves what a person does above and beyond the basic requirements of the position. It is the persuasion of individuals and innovativeness in ideas and decision making that differentiates leadership from the sheer possession of power (italics in original).

This definition connotes three implications which shed light on why leadership can help to initiate and speed up the processes of innovations. First, it implies that leadership is not merely a job of managing organizations. This introduces the major difference between a leader and a manager: a leader would pay more attention to "do the right things" while a manager seeks more to "do the things right." This difference leads to the second implication of the definition: an important duty of a leader is to set the course of his organization so that it can meet the challenges of a rapidly changing environment. Finally, the definition implies a general feature of innovative leaders: they are leaders who would not simply drift with the current, but would hurl themselves into "the fray they could have avoided, striving to influence the course of events despite the limitations under which they had to labor." Richard A. Couto's discussion of "heroic bureaucracies" is particularly apt in relation to the image described above. According to Couto, the difference between heroic bureaucracies and normal bureaucracies is that:
Normal bureaucracies prefer stable institutional environment and not stimulated ones. This is not to say that heroic bureaucracies pay no heed to their institutional environment. They do and they must to survive. However, organizational survival is a secondary consideration that heroic bureaucrats pursue reluctantly and sometimes refuse to conform to, despite implications for survival.\textsuperscript{39}

Similar kind of thinking was found in Philip Selznick's study on leadership in administration. He suggests that:

The leadership of any polity fails when it concentrates on sheer survival: institutional survival, properly understood, is a matter of maintaining values and distinctive identity.\textsuperscript{40}

Selznick stresses that leaders have a responsibility to define the mission of their organization. He furthers his argument by saying that:

We shall stress that the task of building special values and a distinctive competence into the organization is a prime function of leadership. In this sense, the leader is an agent of institutionalization, offering a guiding hand to a process that would otherwise occur more haphazardly, more readily subject to the accidents of circumstance and history.\textsuperscript{41}

The major part of a leader's job is therefore not in making routine decisions, such as decisions about day-to-day issues; but in making critical decisions, that is, decisions that will affect an organization's mission. Therefore, the first key task which leaders are called on to perform is the
definition of organizations' mission and role. This is a creative task, in Selznick's words: "It entails a self-assessment to discover the true commitments of the organization, as set by effective internal and external demands." Put in other words, this task constitutes a sense of mission for leaders of public agency. With this sense of mission in mind, leaders can tolerate the current constraints that they encountered; and find ways to achieve a better result. That is exactly what this study found. A comment made by one of the agency heads clearly explains this argument:

The effectiveness that you have as a public administrator or a public servant depends primarily on you, on your knowledge of the system, your wider influence, your persistence and your skill. If you want to get something done in the system, you can do it. But you got to play by the rules of the game. And that's what the constraints and the rules are set up for.

In performing the function of creative leadership, leaders need to bear two aspects in mind. First, the inbuilding of values is a continuing process. It cannot be accomplished in one move. This is ultimately an educational process. In that sense, leaders also perform the function of educators. Leaders as educators require:

[A]n ability to interpret the role and character of the enterprise [organization], to perceive and develop models for thought and behavior, and to find modes of
communication that will inculcate general rather than merely partial perspectives.\cite{12}

One of the best modes of communication to achieve the above-mentioned aim is the practice of participative management. The basic theme of this management style centers around the relationship between employees' participation in the management of an organization and the motivational effects of such participation. It is believed that involving employees in the management of organizations would help them develop their potential and gain job satisfaction. These achievements, in turn, increase a sense of belongings to organizations. The relationship depicted here was seen in the case of the VEC's development of its participative management practice.

According to Selznick, the leader analyzes the environment to "determine how best to use the existing resources and capabilities of the organization."\cite{13} In the words of an agency head, this is the process of visioning. At this juncture, a question comes up: Can we link up visioning and leadership? Burt Nanus offers a useful framework on this topic in his book, *Visionary Leadership*. Nanus' conception of visionary leadership fits well with our discussion here.

*Visionary Leadership: A Further Step in Enhancing Innovation*

In discussing visioning, one thing should be made clear
at this very beginning: a vision is not a mission. As Nanus suggests, to state that an organization has a mission is to state its purpose, not its direction. For example, VEC states one of its visions in its *Strategic Management Operational Plan 1991-1992* as: "We are a team dedicated to being the best agency in Virginia Government and in our business worldwide." Contrast this with its mission statement: "We provide employment transition services and economic information for Virginia," the difference between vision and mission becomes clear. The vision shows the direction that the agency is going to work on while the mission states the agency's purposes. Some might query: what exactly is a vision and how is it related to leadership and innovation?

According to Nanus, a vision is:

[A] realistic, credible, attractive future for your organization. It is your articulation of a destination toward which your organization should aim, a future that in important ways is better, more successful, or more desirable for your organization than is present.

Under this context, leadership is defined as: "Leaders take charge, make things happen, dream dreams and then translate them into reality." Nanus coined the term "visionary leadership" to connote the two functions of a leader: visioning and leadership. He says that a visionary leader performs four roles. These are (i) Direction setter:
the leader would set the course toward a destination that others will recognize as representing real progress for the organization. (ii) Change agent: the leader is responsible for catalyzing changes in the internal operating procedures for the purpose of achieving the vision. (iii) Spokesperson: the leader is the chief advocate and negotiator for the organization and its vision with outside constituencies. And (iv) Coach: the leader is a team builder who empowers individuals in the organization and passionately "lives the vision." These four roles are equally important for a visionary leader. Together, they enhance the efforts of change. To organizations under the leadership of visionary leader, the occurrence of innovative change, in Blau's words, is simply a recurrent phenomenon.

RELATING INNOVATIVE CHANGE TO SUBJECTIVE RESPONSIBILITY

So far, I have argued that public agencies are, at the least, willing to change. Indeed, I got an impression that they are eager to change. And the agency heads are the locomotors behind all the above-mentioned instances of innovative changes. Some readers might find the above-mentioned observation very different to the one depicted in the Gore report. Yes, it is. I will use the Gore report to shed light on the implications of innovative changes described in this chapter.
The Gore Report: An Oversimplified Version of Innovative Process

The Gore report argues that at best little innovative change takes place in the federal government and at worst public agencies have no incentive to change. Obviously, two apparent incentives for changes were overlooked in the Gore report. These two incentives are: changes in the directions of adopting new technologies and simplifying operating procedures are the best way for an organization to outflank the current trend of retrenchment; and changes are also the best safeguards against organizational decline.

Without taking these two incentives into account, it is no wonder that the Gore report holds "system" as the sole factor in the determination of the success or failure of an organization's attempts to innovate. However, as demonstrated in the above discussion, innovative change is a process which involves many different factors: system is just one among them. To understand why an instance of innovative change was a success or ended in failure, we need to take all related factors into account. Merely pinpointing the system factor is to see the trees and forget the forest. Moreover, by holding the system factor as the ultimate key to innovative change, we may undermine the contributions of bureaucrats in instances of innovations.

In a nutshell, though I agree with the Gore report's analysis of the detrimental effects of a malfunctioning system
to public agencies' innovative ability, I think it is inappropriate to see system as the only factor that matters.

Innovative Change--A Key to Subjective Responsibility

Taking all the relevant factors into account, the previously mentioned instances of innovative changes are not a surprise to us. Contrary to images depicted in the popular-pejorative perspective, public agencies are responsive, flexible and willing to change. This finding completes the contention that bureaucrats are responsible to the public, both objectively and subjectively. Chapter 2 shows how bureaucrats are objectively responsible to the public. I am compelled by the above reasoning to conclude that these cases of innovations are the reflections of bureaucrats' subjective responsibility.

As you might recall, Carl Friedrich has argued that:

[W]e have a right to call such a policy irresponsible if it can be shown that it was adopted without proper regard to the existing sum of human knowledge concerning the technical issues involved.

Friedrich's contention is subjective in terms of the judgment of whether bureaucrats have taken a "proper regard" to existing techniques outside their organizations. For instance, it is hard for us to accuse an public agency for being irresponsible simply because it does not provide the
public with an on-line access to its information service. The fact that the technique exists for an agency to build up an on-line data system does not necessarily mean that the agency has to do so. Even if we do know what are the reasons behind the agency's decision, we still do not have a solid ground to establish our accusation. We do not know how much weight each reason carries in the agency's decision. However, based on the reasons we know, we can say that the agency has not fulfilled its subjective responsibility. In that sense, Friedrich's contention can be interpreted as follows: "Bureaucrats are not being subjectively responsible for their jobs and to the public if it can be shown from the known reasons that their jobs were done without proper regard to the existing technology involved." I am delighted to point out that the previous cases have shown that this is not the case in this study.

In Chapter 1, I also introduce Frederick Mosher's conception of subjective responsibility. Mosher says:

Its focus is not upon to whom and for what one is responsible (according to the law and the organization chart), but to whom and for what one feels responsible and behaves responsibly. This meaning is more nearly synonymous with identification, loyalty, and conscience than it is with accountability and answerability (italics in original).

The essence of Mosher's conception is one's "identification, loyalty and conscience" to an organization,
higher level of authority, or the public.

This essence was implied in the above discussion on leadership and our analysis of visionary leadership. Major incentives for leaders to initiate changes clearly reflect Mosher's conception of subjective responsibility. These incentives are: understanding the distinctive values of their organizations well and identifying with them, knowing that merely maintaining the survival of their organization is not enough, and realizing that, for their organizations to function well, to grow, and to better serve the public, they need to initiate whatever changes that are necessary. Moreover, leaders also see the importance of setting the direction for their organization (visioning).

In sum, then, bureaucrats' subjective responsibility is achieved through appropriate, deliberate, public-oriented innovative change.

In the next chapter, the two aspects of responsibility which this study looks into will be analyzed. I will also sum up the major findings of this research and compare them with the findings of Kaufman's study. An analysis of the question of autonomy in general follows. Finally, a discussion of directions for future research is in order.
Chapter 4

TWO ASPECTS OF RESPONSIBILITY IN THE STATE BUREAUCRACY

The discussion in the previous chapters on responsibility has defined the concept from two aspects, namely, objective responsibility and subjective responsibility. A complete meaning of responsibility must include both aspects. Responsibility covers not only the major aspects of how bureaucrats are supposed to behave (the objective aspect of responsibility), but how they should respond to such expectation (fulfilling their responsibility in full sense). In Chapter 1, the evolution of the concept was chronicled.

Because of all the constraints, especially the lack of adequate resources, public administrators often find themselves caught between their objective responsibility and subjective responsibility. However, having identified the public as the ultimate object to pledge their loyalty and responsibility to, public administrators must try their best to resolve this kind of conflict. Chapter 2 has discussed in detail what six Virginia administrators felt and how they responded to the constraints on their jobs. Their compliance with the constraints and their understanding of why these constraints exist support the contention that public administrators are faithful to their objective responsibility.

As mentioned earlier, any discussion on responsibility
will not be complete without referring to its subjective aspect. The essence of subjective responsibility is that bureaucrats will not only do the things right, but also consciously to do the right things within the existing limits set by the public. An indication of such kind of behaviour is the innovative ways they used to meet the rising demands on their services. Chapter 3 has given a comprehensive account of instances of innovative changes that took place in these agencies.

We now contrast the findings of this study with Kaufman's study.

DIFFERENCES BETWEEN THIS STUDY AND KAUFMAN'S STUDY

If my reasoning in the previous chapters is not substantially in error, I have to conclude that this study goes a step further from Kaufman's study, it affirms that bureaucrats behave consistent with the full sense of responsibility. Reasons for the differences in the two conclusions are discussed in the following sections.

State Agencies: Ready to Change Rather Than Resist It

The major difference between the findings of the two studies is that I did not find what Kaufman observes in the public agencies' attitudes toward change:

If organizations are self-regulating mechanisms that tend
to maintain a steady state by suppressing disturbing factors, every proponent of change—which is to say every complainer about the prevailing state of affairs—would encounter formidable resistance that few could overcome. Not even those inside the organizations could redirect things easily or extensively. That is exactly what this study found.

Though I found that there are some forces of resistance to change, such as dysfunctional elements of an agency's organizational culture, they are not as formidable as Kaufman discerns in his study. Because of the existence of a self-regulating element in public agencies, Kaufman sees two contending positions on federal administrative system. Kaufman concludes that "this study does not resolve the apparent contradiction. Advocates of either position can find here evidence supporting their views."2

The two contending views Kaufman refers to are the centrifugal-tendencies position and the systemic-stasis position respectively. The former ascribes the lack of control on public agencies to:

[T]he inability of central governmental leadership to rein in the powerful agencies and their allies. . . . [To deal with the problem] The centrifugal-tendencies position dictates that central restraints on the components of the system be multiplied and intensified to overcome its disintegrative thrusts.3

The systemic-stasis position agrees that the administrative system is not fully under control. However, it
diagnoses the causes differently and thus proposes a different remedy to replace the one proposed by the centrifugal-tendencies position. The systemic-stasis position stresses the interdependencies of the system and:

"[A]tributes the lack of control to rigidities resulting from the web of relationships binding each of the components and therefore the system as a whole; they see the system as resistant, if not impervious, to manipulation by its nominal masters... [To deal with the problem] Logically, the indicated correction would be to loosen the system a little, not to add more shackles from the top; to give agency administrators a little more leeway, not to confine them further." 

From this study, the advocates of the systemic-stasis position can find evidences to support their arguments. First, as I argued in Chapter 3, whenever there is a necessity to make changes, public agencies are ready to do so. In other words, they are not inherently rigid. Secondly, analyses of the barriers to change also support the remedy suggested by the systemic-stasis position—that is, they do not further confine the agency heads.

The agencies studied have no problem in fulfilling their responsibilities. The root of the contradiction that Kaufman mentions lies in the subjective aspect of responsibility. Since the federal agencies are constrained by their internal forces to the extent that changes did not take place as frequent as they should have, they did not fully accomplish their subjective responsibility. In other words, they are not
being responsible in a full sense. That is the reason why the systemic-stasis position was not substantiated by Kaufman's study.

Legislative Influences: State Legislature is Weaker Than Congress

Another contributing factor to differences between this study and Kaufman's is: the content of legislative-executive relationships here in Virginia is quite different from the one found at the federal level.

First of all, the legislative-executive relationships in Virginia is a cooperative one. Legislative-executive relationships at the federal level are different in certain sense. I do not say that cooperation does not occur between Congress and federal agencies. The fact is that Congress plays a dominant role in any legislative-executive interaction. Additionally, the practice of micromanagement has also been seen as a reason of the appearance of risk-averse bureaucrats. Even if there are no instances of risk-averseness in bureaucrats' day-to-day practice, overdone congressional oversight, at the very least, discourages bureaucrats from searching and initiating changes. Since instance of change involves risk, it is difficult for such activity to take place under the context of congressional micromanagement.

Secondly, several distinctive features of state politics
(here the point of reference is the State of Virginia) also lead to the differences in the powers of these two legislative bodies. These distinctive features are: the existence of a strong gubernatorial influence over the state agencies, the part-time functioning legislature, and the fact that state agencies have other sources of funding. All these have weakened the state legislature’s ability to micromanage state agencies. In another sense, state agencies have more room for initiating innovative changes (so that subjective responsibility can be realized) than their counterparts in the federal government.

A closely related issue to responsibility is the question of administrative discretion. Since Kaufman examines the issue from the perspective of autonomy that federal bureau leaders have, I will adopt the same perspective to present my analysis.

THE QUESTION OF AUTONOMY

Kaufman concludes that "autonomous" is hardly the way to characterize bureau leaders' behaviour. He claims that:

If you think of autonomy as the ability to do whatever you want regardless of what other people want, the chiefs in this study obviously did not attain it. Their personal wishes—even their deeply held convictions about the public good—too often had to give way to factors they could not control, including the demands of other people inside and outside their organizations, and the changes they could accomplish were too circumscribed, to warrant calling them autonomous.
He then moves to argue that bureaus seek visible discretion, that is, they want to be told explicitly what to do, rather than having a vaguely defined discretionary power. For these bureaus and their chiefs, autonomy seems to mean:

[S]ecuring a place for their bureaus under less exacting taskmasters, not the attainment of freedom to do all they wished. Loosening bonds, however, is not precisely what most of us mean by achieving autonomy.

Similar observation was found in this study. The agency heads are not asking for the freedom to do whatever they wanted. They are simply asking for some loosening of statutory controls imposed on them. As discussed in Chapter 3, in the phrase of the Gore report, they are asking for a reduction in "regulatory overkill." This kind of request draws my attention to the dual aspects of autonomy: autonomy in terms of political control and statutory control.

**Dual Aspects of Autonomy**

The fact that control contains two parts was seen in the two different responses that the agency heads gave to a question I asked in the interview: How much autonomy do you have in doing your job? One of the agency heads replied that: "How can there be any autonomy in my work? There are huge volumes of manuals and regulations out there for me to comply with." Nonetheless, the agency head also acknowledges that
such feeling of restraint has nothing to do with the controls from the secretary's office. The agency head says that there is little control from the secretary's office. When I asked the same question to the other agency heads, to my surprise, they all replied that they enjoyed a degree of autonomy ranging from fairly high to high. They say that there is no micromanagement from their secretaries' offices. From these two sets of responses, it is clear that controls in the context of public management contain two parts, namely, statutory control and political control. In evaluating the degree of autonomy that they enjoyed, the majority of the agency heads are evaluating it on the basis of how much political control there is from the two secretaries' offices; whereas the agency head who says there is little room of discretion in the job is using statutory control as a point of reference.

An important point to note here is that when talking about the measurement of autonomy that a bureaucrat or an agency has, we need to make clear which criterion we are using. Are we evaluating it with statutory control as our point of reference? Or, are we judging it on the basis of how much political control that an agency would have? With reference to the findings of this study, autonomy that agency heads seek is the former one.

By now, we know that autonomy contains two aspects. However, our understanding of the question is not complete.
For example, it seems that some public agencies are enjoying a higher degree of autonomy than the others, why is this so? To further our understanding of the issue, we need to explore what are the factors that would affect an agency's autonomy. Five general factors were identified below.

Factors That Would Affect the Autonomy of an Agency

Five factors are identified here: the size of an agency, the history of an agency, political environment at large, the nature of services an agency provides, and the expertise knowledge an agency possesses.

(i) The Size of an Agency

A large agency needs to face a greater number of statutory controls. A large agency will have more business, both internally and externally, to handle. To eliminate or reduce an agency's chances of malpractice, different kinds of statutes are written for it to follow. It is therefore understandable why a large agency is required to comply with so many statutes in its operations.

(ii) The History of an Agency

It is usual to find that an old agency, in terms of the number of years that it exists, has many statutory controls imposed on it. Though agencies will conduct reviews (usually on an annual basis) to see whether there are any obsolete statutes to delete, or the possibility of combining several statutes into one, statutes accumulate far faster than the
efforts to reduce them. In a normal situation, that is, without a crisis, it is almost certain that an agency's pace in deleting an unnecessary statute will fail to keep up with the pace of the accumulation of statutes.

(iii) Political Environment at Large

Due to the tradition of skepticism about the authority a government has, and the belief in limited government, the American political environment at large for public agencies inclines toward more, rather than less, political controls. Associated with such an inclination is the increasing numbers of statutes and political controls imposed on public agency. The situation would change, however, in crisis—or to a lesser extent, when there is a consensus that changes need to take place. The case of the VHSCRC discussed in chapter 3 is a good illustration of this point.

(iv) The Nature of Services an Agency Provides

The nature of services provided by an agency determines how frequent it would need to interact with the public. If an agency directly provides services to the public, then its chances of public encounter will also be increased. Public administrators, by nature, are in a disadvantaged position in instances of public encounter. The reason is: "For the official, the transaction is but a single 'case' among many; to the citizen, by contrast, a matter of personal importance is at stake." Usually, the public's unpleasant experiences will result in an increasing number of complaints about public
agencies' performances. Consequently, statutory and political controls will be increased. Moreover, in a number of cases, complainants will bring their cases to courts. This is when a court will step in to impose resolutions on the cases bought to it. In short, an agency which frequently interacts with the public will receive more controls on its operations.

(v) An Agency's Technical Expertise

The professionalization of public agency, and its potential danger on public interest, is not new to students of public administration. A typical treatment of this kind of issue was demonstrated in Frederick C. Mosher's *Democracy and the Public Service*:

There is nothing very new about professionalism in government. . . . In all probability the number of professionally educated personnel in all American governments has been rising for the past century. Yet there appears to have been very little recognition of, or concern about, the significance of professionalism in the public service and its leadership until quite recently.

Mosher warns us that:

The danger is that developments in the public service may be subtly, gradually, but profoundly moving the weight toward the partial, the corporate, the professional perspective and away from that of general interest.

In other words, there is a fear that professionalized public service will act in accordance with "its own
particularized view of the world and of the agency's role and mission in it." Others, such as Dwight Waldo, contend that there is a potential problem of conflict between elected officials and the professionalized public service. He posits the problem as follows:

In traditional conception of public authority, the public interest is represented by elected officials, and democratic control is effected through hierarchical authority under these elected officials, with authority exercised downward, responsiveness and responsibility yielded upward. But expertise and professionalism create another kind of authority, the authority of knowledge. How can these two types of authority be reconciled (italics in original)?

A major concern in the discussion of professionalism in public service is that public agencies' technical expertise will weaken our ability to control them. In other sense, bureaucrats may use their expertise on programs for which they are responsible as a weapon to defend and justify the autonomy they possess. In sum, an agency's technical expertise is closely associated with the degree of autonomy that it possesses.

Further Remarks on Political Control

As mentioned earlier, all of the agency heads said that there is little political control from the two secretaries' offices. Does that mean political control is not a constraining factor on an agency's autonomy? The answer is
no. In the words of an agency head: "It's a political world out there, everywhere you go, there is politics." This is especially true with regard to the fact that state agencies are sandwiched between local governments and the federal government. Over the state government is the federal government. It is one of the major sources of political control that a state agency has. One of the agency heads told me that some of his proposals were turned down by the federal government, not by reason of the proposal itself, but for political reasons by the federal government. In other words, the two factors, political control and statutory control, both have a significant role in determining how much autonomy an agency enjoys.

Generally, whether an agency would enjoy a high degree of autonomy or not depends on the five major factors mentioned above. I hope that the previous analyses have demonstrated that the state agencies in this study do not have so much autonomy that we need to think of further strengthening controls on them.

CONCLUDING REMARKS

Implications of the Study for Future Research

At this juncture, it is appropriate for me to generalize some directions from this study which merit further research efforts. Five such directions may be pointed to: (i) the
issue of state agency executive transition, (ii) the place of technological development in the improvement of an agency's performance, (iii) the importance of learning subordinates' potential, and involving them in the management of an agency, (iv) the issue of gender, race, and ethnicity in an agency's workforce, and (v) the relationship between an agency and its advisory board.

(i) The Issue of Executive Transition

During the time of this study, Virginia has experienced a change in governorship. This change of governorship not only implies a change of leadership at the cabinet level, but also at the agency head level. As a matter of fact, none of the six agency heads who this study interviewed have been reappointed to their positions. Consequently, there is a considerable sense of uncertainty both in these agency heads' work, and in the policy directions of their agencies. Janet Foley Orosz's study on metaphors used by Ohio state agency directors in describing the executive transition experience reveals a much more serious problems that this issue might develop into:

In the cases of the state agencies studied, in conditions of leadership transition, the metaphors of war and death communicate a hostile and sometimes deadly environment, even in situations in which partisan political change is not a factor.¹²

The way to minimize the degree of uncertainty and
hostility in executive transition is vital to the well-functioning of state agencies. Hence, the issue of smooth executive transition is an issue that deserves further exploration.

(ii) Technological Development of an Agency

Budget cuts have been bothering every agency head for years. A perceivable consequence of a budget cut is the reduction in an agency's workforce. In fact, all of the agencies studied feel being constrained in doing their jobs by the lack of resources, particularly in the arena of human resources. This kind of constraint has limited the agencies' capabilities in providing new services, expanding the provision of current services, or maintaining their services quality at a high level.

As argued in Chapter 3, a good way to deal with the issue of retrenchment is to use more machines. This would enable an agency to release its personnel to other areas of services—or to the very least, stop the growth of its personnel establishment. As we all know, the potential of technology development is unlimited. Much more effort needs to be put into searching for more economical, time-saving, and user-friendly techniques for the public agencies. Furthermore, moral questions, such as how to protect an individual's privacy in an electronic era, deserve more study.

(iii) Employees' Involvement in Agency's Innovative Changes

The basic questions asked in participative management
are: "Who should be involved and how? In what issue and for what purpose?" An answer to these questions is well grounded in the understanding of employees’ potential. In terms of implementing a program of change, without knowing the potential of employees implies at worst a failure of the program and at best getting half the result with twice the effort.

The DLI’s effort to implement its automation program well illustrates this point. In the mid-1980s, the DLI started its office automation plan. However, employees were not told to learn how to use computers by the top management. Instead, computers were bought and sent to employees in boxes. The top management said nothing but: "Here’s your box, when you are ready to use it, you open it up and teach yourself how to use it. Until then, you just keep it in your office." This was the best way to introduce this new technique to the department. Because employees of DLI are mostly technical trained people, they would not leave computers in boxes. As predicted by the Commissioner of DLI, most of DLI’s employees are self-taught on computers, and now every program is computerized, it was done on PC (personal computer).

In short, there are two major reasons for organizations to adopt the practice of participative management. First, employees’ inputs are usually with a high degree of relevance to the real problems. They are therefore an important input for an agency to improve its performance. Secondly, the
participation of employees would facilitate the implementation of change. As the case of DLI suggests, it is easier to implement a change with a participatory and committed workforce.

However, how to learn the potential of employees and involve them in the management of organizations is easier said than done. Further investigation is needed. Considering the advantages of participative management, such efforts are well worth making.

(iv) Issue of Gender, Race, and Ethnicity in an Agency's Workforce

The issue of heterogeneity in workforce is one of the most concerned topics in the country. Despite the passage of the Equal Employment Opportunity Act and the Affirmative Action Act, there still exists an uneasiness in people's relationships across gender, ethnicity, and racial lines. An agency head states the issue as follows:

Another area that have been constraining to me is the perception of gender and race and ethnicity in the organization. Probably not too unlike other organizations and government, maybe in the private sector, the relationships that people have is not always comfortable across gender, ethnicity and racial lines. And I see this as a constraint here because I want to make sure that we have a very diverse work force.

The agency head's concern is understandable, a public agency must be very cautious in handling this issue. Because
any act of unfair treatment, even if it is an unintended one, would easily involve an agency in litigation over its personnel policy. Therefore, this is another direction which merits further research efforts.

(v) The Relationship Between an Agency and its Advisory Board

There are now two separate sets of organizational structures exist in Virginia’s executive system: a state agency and its advisory board. They exist alongside each other. Though in this study all the six state agencies have good relationships with their advisory boards, the possibility of conflict between these two sets of organizational structures is still there. Two possible directions of future research in this area are: How would an outbreak of a conflict affect the operation of an agency and its performance? Can the mechanism of advisory board be used to ensure the proper functioning of an agency? If yes, how? And what kinds of questions need to be addressed in this regard?

What Should We Do?

All in all, the impression that I got from the interviews and my encounters with their staffs in arranging the interviews all point to the conclusion that state agencies are far from being out of control. On the contrary, as demonstrated in the last two chapters, responsibility in its full sense, was evidenced in the agencies studied.

I do not claim that this study is a representative of
bureaucracy at the state level. However, this study, at the very least, supports Kaufman's observations in general--except that I am more optimistic about change. This is a positive finding which itself invites future research. As Pendleton Herring, one of the pioneers of the field, wrote five decades ago:

More bureaucracy does not necessarily mean the death of democracy, but it does involve some essential readjustment. In recent years changes have been accelerated by economic stringency. It has been difficult to see clearly the direction of many trends. Old phrases have been used to discredit developments that deserve more careful analysis. No solution lies in damning bureaucracy while at the same time increasing the administrative duties of the federal government [and government in general] (emphasis added).

The validity of this warning, written more than fifty years ago, is astonishingly valid today. To students of the field, and to those who are concerned about the development and functioning of our public service system, the alternative approach to the study of bureaucracy, that is, studying bureaucracy from its own perspective is the right direction for us to pursue with unremitting effort.
APPENDIX 1

QUESTIONS ASKED IN THE INTERVIEW


(1) The first question deals with the size of a state agency. It looks at the number of administrative layers of an agency, whether it operates regional offices or not, and the agency's total number of establishment.

(2) The second question deals with the general profile of an agency head's working activities. Kaufman's four categories of bureau chiefs' working activities were employed in this question. Sub-questions are as follows:

a) Do you think Kaufman’s classification truly reflects the working activities of your own?
   b) Which type of activity do you think is most important to your work?
   c) Would you like to add or delete any item from Kaufman’s classification? If yes, what is it and why?

(3) The third question deals with some internal constraints that an agency head would encounter in his work. Sub-questions are as follows:

   a) In terms of specific statutes governing your Department, on the whole, would you say they are helpful or unhelpful to your work?
b) In terms of rules and regulations issued from the Secretary’s Office and from the Department itself, would you say they are helpful or unhelpful to your work?

c) What are some of the Department’s traditions or legacies that have encourage or challenge you in your job?

D) Cycle in the workload--how serious is its effect on your work?

(4) The fourth question deals with some external constraints that an agency head would encounter in his job. Sub-questions are as follows:

a) In terms of governmentwide statutes governing your Department, on the whole, would you say they are helpful or unhelpful to your work?

b) What are the impacts of various forms of legislative controls on your job?

c) Are there many executive controls from the Secretary’s Office?

d) Is inter-organization interaction a constraint on your work?

e) Are there many controls from the state central agencies (such as the Department of Personnel and Training, the Department of Planning and Budget, and the Department of Information Technology)?

f) What are the impacts of judicial controls, if any, on your work?

g) What are the effects of intergovernmental interaction (interact with the federal government and local governments) on your work?

h) Will the influence of interest groups confine your work?

(5) The final question deals with the issue of bureaucratic responsibility.

a) Can you describe a case in which you try to initiate a change but not successful? How are changes usually
b) How would you evaluate your role in policy-making?

c) Which political institution (the Legislature, the Governor, or the Judiciary) is most influential to your work? Why is this so?

d) How do you feel about all the constraints we have just discussed? Are they seriously limiting your capability to do your job? How is it like to work for the Department?

e) How would you evaluate the impacts of the recent change in the leadership of the Governor's Office on your job?

f) To whom, do you think that a bureaucrat should be accountable to?
APPENDIX 2

PROFILES OF THE STATE AGENCIES

The Executive Budget of the Commonwealth of Virginia, 1991-92 (Richmond, VA: Office of the Governor, 1990) offers precise descriptions of missions and functions of all agencies in the executive branch. The following profiles of agencies studied draw heavily from the data provided by this executive budget. Additional data come from annual reports of these agencies.

THE VIRGINIA COUNCIL ON CHILD DAY CARE AND EARLY CHILDHOOD PROGRAMS

Established in 1989, the agency has 14 employees and does not operate any regional offices. The mission of the Council is to: "Provide an integrated, multi-agency approach to plan, coordinate, and evaluate all child day care and early childhood programs within the Commonwealth, emphasizing developmental programs for at-risk four years old." About 96% of its budget comes from the federal government. The Council is under the direction of the Secretary of Health and Human Resources.

The Council’s major activities include the coordination of child care and early childhood programs within state government; the analysis and formulation of relevant policy initiatives; the review of state agency funding requests related to child care and early childhood programs; the provision of information on child care to employers throughout the state; and the review and approval of funding requests for local comprehensive early childhood and child care services.

The Executive Director of the Council during the time of this study is Ms. Mary Allen Verdu. For further information, contact the Council at (804) 371-8603. Or write to Suite 1116, Washington Building, 1100 Bank Street, Richmond, VA 23219.

THE VIRGINIA EMPLOYMENT COMMISSION

Created in 1933, the agency operates four regional offices and 45 local area offices, with 1,540 full-time employees and 5,000 part-time staffs. The mission of the
Commission is: "We satisfy our customers with job services, labor market information and job insurance." About 99% of its budget comes from the federal government. The Commission is under the direction of the Secretary of Commerce and Trade.

The Commission's major activities include providing a statewide labor exchange by interviewing, testing, referring and placing individuals in job opportunities listed by public and private sector employers; administering the Unemployment Compensation Act through the adjudication and payment of claims for such compensation; administering special unemployment benefit programs; operating the State Data Center and several Apprenticeship Information Centers; and providing labor market information on current labor supply, prevailing wages and unemployment rates to the general public through monthly and periodic newsletters and reports.

The Commissioner of the Commission during the time of this study is Mr. Ralph G. Cantrell. For further information, contact the Commission at (804) 786-3001. Or write to 703 East Main Street, Richmond, VA 23219.

VIRGINIA HEALTH SERVICES COST REVIEW COUNCIL

Formed in 1978, the agency has 23 employees and does not operate any regional office. The mission of the Council is: "Promotes cost containment within Virginia's health care institutions by collecting, analyzing, and disseminating information to the public." The Council receives no federal funding. Its budget comes from nongeneral fund sources consisting primarily of filing fees paid by health care institutions. The Council is under the direction of the Secretary of Health and Human Resources.

The Council's major activities include establishing and enforcing a uniform system of financial reporting of health care costs and charges and related statistics; executing and disseminating financial studies; and approving financial reports.

The Executive Director of the Council during the time of this study is Mr. John A. Rupp. For further information, contact the Council at (804) 786-6371. Or write to 805 East Broad Street, 6th Floor, Richmond, VA 23219.
DEPARTMENT OF LABOR AND INDUSTRY

Founded in 1927, the Department has 225 employees and operates nine regional offices. The mission of the Department is: "To contribute to the quality of life enjoyed by the citizens of Virginia by improving Virginia's workplaces through informational services, training, education, and enforcement of laws relating to occupational safety, health and employment practices. The achievement of the mission will be assessed by positive trends in labor and industry statistics." About 12% of the Department's budget comes from the federal government. The Department is under the direction of the Secretary of Commerce and Trade.

The Department's major activities include investigating on-the-job accidents; inspecting workplaces to make sure they are safe for workers; providing education and employment assistance to apprentices; providing competency testing and certification of boiler and other pressure vessel inspectors; investigating alleged violations of child labor and related general labor laws; and promoting, collecting, analyzing and publishing data and information related to industrial health and safety.

The Commissioner of the Department during the time of this study is Ms. Carol Amato. For further information, contact the Department at (804) 786-2377. Or write to 13 S. Thirteenth Street, Richmond, VA 23219.

DEPARTMENT OF MENTAL HEALTH, MENTAL RETARDATION AND SUBSTANCE ABUSE SERVICES

Instituted in 1942, the Department operates 15 facilities across the state with 11,000 full-time employees and 8,000 indirectly employed employees. The mission of the Department is: "[T]o provide, support, and ensure that consumers and family members can choose among a continuum of services available in their communities that enable individuals with or at risk of mental disabilities and alcohol or other drug problems to restore, rehabilitate, improve, develop or market their ability to function in their chosen social, occupational, educational, and family environments with the least amount of assistance needed for maximum independence." About 2% of the Department's direct funding comes from the federal government, and about 67% of its budget comes from the federal government's reimbursement to its services through Medicare and Medicaid programs. The Department is under the direction of the Secretary of Health and Human Resources.
The Department's major activities include treating, training, and caring for over 265,000 people with mental illness, mental retardation, or substance abuse problems through its network of inpatient facilities and community programs. These facilities provide psychiatric and rehabilitative services, medical care, and self-help and social skills training.

The Commissioner of the Department during the time of this study is Dr. King Davis. For further information, contact the Department at (804) 786-3921. Or write to 109 Governor Street, Richmond, VA 23219.

DEPARTMENT FOR VISUALLY HANDICAPPED

Inaugurated in 1922, the Department operates six regional offices and has 208 full-time employees. The Department's mission is: "[P]rovide assistance and services to individuals with severe visual limitations or blindness in order to enable them to become useful, productive and self-sustaining citizens." About one-third of the Department's budget comes from the federal government. The Department is under the direction of the Secretary of Health and Human Resources.

The Department's major activities include administering a comprehensive program of services for blind and visually handicapped persons. It provides vocational rehabilitation services; education services; library services; rehabilitation teaching; diagnostic and vision evaluation services; vending facility services; workshop training and employment services; coordination of services with other state agencies and private organizations; research; and client advocacy.

The Commissioner of the Department during the time of this study is Mr. Donald L. Cox. For further information, contact the Department at (804) 371-3145. Or write to 397 Azalea Avenue, Richmond, VA 23227-3697.
NOTES

Chapter 1. Responsibility in State Agencies
(pp. 1-27)

1. Unless otherwise specified, the term bureaucracy throughout the thesis is referring to public bureaucracy, that is governmental institutions created to accomplish duties of a government. Private bureaucracy is not the focus of this thesis.

2. Gerald E. Caiden has identified more than one hundred and fifty "common bureaupathologies" in his book Administrative Reform Comes of Age (New York: Walter de Gruyter & Co., 1991), 127. Though some of the bureaupathologies can be collapsed into one item of bureaupathology, the quantity of commonly perceived bureaupathologies are still a bore.

3. In his discussion with the Katheder socialists in 1909, in the Verein fur Sozialpolitik (Society for Social Policy), Weber's presentation of the dilemma (the admiration for the precision of bureaucratic administrative on the one hand and the opposition to the growth of the bureaucracy on the other) was as follows: "On the one hand, he pointed out that no machine in the world was as efficient as this human machine (bureaucracy). From the technical-functional point of view it was unsurpassable. On the other hand, he asked what there was to substitute for this machinery, in order to keep a remnant of humanity free from that splintering of the soul, from autocratic imposition of the bureaucratic way of life" in Henry Jacoby, The Bureaucratization of the World (Berkeley, CA: University of California Press, 1973), 150.


6. Ibid., 196-98.


10. For a detailed account of these negative images, see Carol H. Weiss and Allen H. Barton, eds., Making Bureaucracies Work, (Beverly Hills, CA: Sage Publications, Inc., 1980), 7-26, 10.

11. I have just used the word "his" to refer to one person of unspecified gender. I would like to make very clear that in this thesis the masculine pronoun, unless otherwise specified, refers to both males and females. I totally agree with James Q. Wilson's remarks on this issue. He states that: "As the dictionary makes clear, that pronoun has been used since time immemorial to represent any person. Though it is fashionable to find circumlocutions to avoid gender-biased writing, it is also awkward and wooden" (James Q. Wilson, The Moral Sense New York, NY: The Free Press, 1993, viii).


23. Ibid., 335.

24. Ibid., 338.


28. Ibid., 19.
29. Ibid., 19-20.
30. Ibid., 25.
31. Ibid., 27.
32. Richard C. Kearney and Chandan Sinha, "Professionalism and Bureaucratic Responsiveness: Conflict or Compatibility," Public Administration Review 48 (January-February, 1988): 571-79, 571. To Kearney and Sinha, the fear that a professionalized bureaucracy would become a self-serving bureaucracy was a "misplaced fear." They then present five reasons to support their assertion: "First, professional and organizational values and goals do not necessarily conflict. Also, members of a profession do not hold homogeneous values. Third, the professional bureaucracies are representative of broader society. Fourth, there is no monopoly on specialized knowledge and expertise. Finally, there are numerous political checks on bureaucratic activities" (p.576).
33. Ibid., 39. See also Burke's "Reconciling Public Administration and Democracy: The Role of the Responsible Administrator," Public Administration Review 49 (March-April 1989): 180-186.
35. However, Kaufman also asserted that initiating change is a formidable difficult task. This is because organizations are self-regulating mechanisms that tend to maintain a steady state by suppressing disturbing factors, disregarding who introduced them into the organizations. This point will be further elaborated in Chapter 4.
38. Ibid., 2.
Chapter 2. Ways in Which State Agency Heads are Constrained (pp. 28-71)


2. Ibid.

3. My framework to identify the common constraints was constructed with reference to the following works: (i) Kaufman, *op. cit.*; (ii) Glenn Abney and Thomas P. Lauth, *The Politics of State and City Administration* (Albany, NY: State University of New York Press, 1986); (iii) Richard C. Elling, *Public Management in the States: Administrative Performance and Politics* (Westport, CT: Praeger Publishers, 1992). My intellectual debt in constructing this framework is also due to Professor Charles T. Goodsell. He has helped greatly in refining and restructuring the framework to make it more precise and forcible in identifying constraints on the agency heads' work.


6. Ibid., 416.

7. In Chapter 3 of the Gore report, it states that "The President should craft agreements with cabinet secretaries and agency heads to focus on the administration's strategy and policy objectives. These agreements should not 'micro-manage' the work of the agency heads. They should not attempt to row the boat. They should set a course." (Executive Office of the President, National Performance Review, *From Red Tape to Results: Creating a Government That Works Better and Costs Less*, Washington, D.C.: U.S. Government Printing Office, 1993, 75). That is exactly what we have here at Virginia.

8. Luther Gulick, "Notes on the Theory of Organization," in
9. For the general profiles of these six state agencies, please refer to Appendix 2.


16. *Ibid.*, 165. Nevertheless, the relationships between the chiefs and Congress were not one-way street. As Kaufman points out: "members of Congress have been known to defer to the judgement of the chiefs . . . influence ran in both
direction. But the relationships were not symmetrical. Congress could rarely be led by the chiefs if it was strongly unwilling; the reverse was not equally true" (p.166).


21. The origin of such a restrictive frequency and length of state legislative sessions is interesting. As Michael J. Ross points out, it is a legacy of the late 19th century fear of pervasive legislative venality. It also reflects a preference for the part-time "citizen-legislator." In the 19th century, some citizens will serve as legislators between the period of planting and harvesting. For details, see Michael J. Ross, *State and Local Politics and Policy: Change and Reform* (Englewood Cliffs, NJ: Prentice-Hall, Inc., 1987), 116-17.

22. In fact, in a 1990 study, Thad L. Beyle analyzed the institutionalized powers (such as the power of appointment) of the governorship of 50 states, his analysis shows that the governor of Virginia has a strong institutionalized powers. See Thad L. Beyle, "Governor," in *Politics in the American States: A Comparative Analysis* (5th. ed.), ed. Virginia Gray, Herbert Jacob and Robert B. Albritton (Glenview, IL: Scott, Foresman/Little, Brown Higher Education, 1990), 201-51, 228.


28. The distinction between statutory control and political control will be further elaborated in Chapter 4.


31. There was one instance in which a court ruling has changed the working pattern of the VEC completely. The ruling made by the U.S. Supreme Court 20 years ago was the "JAVA Decision." In that ruling, the U.S. Supreme Court rules that a citizen has the right to receive unemployment benefits before the Court determine whether he is eligible to receive the benefits or not. This ruling imposes a new pattern of work to VEC. Before the ruling, VEC staff will stop paying a citizen any unemployment benefits whenever that citizen's eligibility is in question and is waiting for the Court's decision. After the ruling, VEC can stop the payment only after the Court say the citizen of the case does not has the eligibility to receive the benefits. In other words, as long as the court has not rule on the case, VEC needs to continue to pay benefits to the citizen in question.

32. Quoted in Morris and Sabato, *op. cit.*, 238.


36. Ibid. In that Supreme Court decision, the Court upheld the authority of a federal judge to order a local government to levy a tax increase in order to remedy constitutional violations, even though state laws prohibited such a tax increase.


41. Ibid., 202-3.

42. Abney and Lauth, op. cit., 86.

43. Kaufman, op. cit., 68.

44. Virginia Council on Child Day Care and Early Childhood Programs, Child Care And Development Block Grant: 1992 Directory of Services (Richmond, VA: Virginia Council on Child Day Care and Early Childhood Programs, 1992), 17.

45. Department of Mental Health, Mental Retardation and Substance Abuse Services, Virginia Comprehensive State Plan 1992-2000 (Richmond, VA: Department of Mental Health, Mental Retardation and Substance Abuse Services, 1991), 56.


47. J. Steven Ott, The Organizational Culture Perspective (Pacific Grove, CA: Brooks/Cole Publishing Company, 1989), 1. The reason that Kaufman does not use the phrase organizational culture probably has something to do with the fact that the
organizational culture perspective does not receive much attention before 1981. As J. Steven Ott points out, the turning point for the organizational cultural perspective came in 1981 and 1982, when it suddenly became a very "hot" topic in books and journals. Ott's book is a good introduction to this perspective and the concept of organizational culture.

48. Edgar H. Schein, *Organizational Culture and Leadership* 2d ed. (San Francisco: Jossey-Bass Publishers, 1992), 12. Schein's book gives a comprehensive discussion on how leaders can change their organizations' cultures. As Schein points out, culture and leadership are two sides of the same coin in that leaders first create cultures when they create organizations. Once cultures exist, they determine the criteria for leadership and thus determine who will or will not be a leader. But if cultures become dysfunctional, it is the unique function of leadership to perceive the dysfunctional elements and to manage a change in the culture. Schein warns that unless leaders become conscious of the cultures in which they are embedded, those culture will manage them.

49. Kaufman, *op. cit.*, 118.

50. The case of VEC also illustrates the concept of "transformational leader" posited by Tichy and Devanna, quoted in J. Steven Ott, *op. cit.*, 5. Putting in the case of VEC, the Commissioner is a transformational leader who has literally transformed an imbedded organizational culture by creating a new vision [if it works, make it better] of and for the organization and successfully selling that vision [by involving employees in formulating plans of change] by rallying commitment and loyalty [continuing commitment and support of the Commissioner was witnessed during the whole process of change] to transform the vision into a reality.


Chapter 3. Instances in Which State Agency Heads Have Been Innovative

(pp.72-112)


2. The four agencies which have Offices of Management Information Systems (MIS) are the VEC, DMHMRSAS, DLI, and DVH.
For the two smallest agencies, the VHSCRC and VCCDCECP, they are too small to have their own offices of MIS. However, they did assign individuals staff to take care of their agencies' technical related business.

3. Data of the agencies' instances of innovative changes come from the interviews, agencies' annual reports and strategic plans. To smooth the flow of discussion, besides direct quotations, no reference will be given to data used in the text.


5. The three divisions of VEC are: Economic Information Services (EIS), Job Service (JS), and Unemployment Insurance Services (UIS). It also has four support services units, they are: Administrative and Financial Services (AFS), Employment Relations Services (ERS), Management Information Services (MIS), and the Commissioner's Office.


8. These six committees are (i) Values, Participation, and Mission Committee, (ii) Financial Resources Committee, (iii) Strategic Service Development Plan Committee, (iv) Human Resources Committee, (v) Quality Improvement, Accountability, and Assurance Committee, and (vi) Service System Relationships Committee. For details, see Department of Mental Health, Mental Retardation and Substance Abuse Services, Annual Report 1993, 50 Years: Continuing the Tradition. . . . Building the Future (Richmond, VA: Department of Mental Health, Mental Retardation and Substance Abuse Services, 1993), 9-10.

9. Ibid., 12.

10. Department of Mental Health, Mental Retardation and Substance Abuse Services, Virginia Comprehensive State Plan 1992-2000 (Richmond, VA: Department of Mental Health, Mental Retardation and Substance Abuse Services, 1991), 80.

11. Department of Mental Health, Mental Retardation and Substance Abuse Services, op. cit., 13-4.

12. Nancy C. Roberts, "Limitations of Strategic Actions in


15. Virginia Council on Child Day Care and Early Childhood Programs, Child Care and Development Block Grant Plan: Executive Summary (Richmond, VA: Virginia Council on Child Day Care and Early Childhood Programs, 1992), 3.


23. Thompson, op. cit., 19.


27. Executive Office of the President, National Performance Review, op. cit., 111.


29. Ibid., 21.

30. Blau's study provides empirical support to this assertion. From his study, Blau concluded that the feeling of insecure breeds rigidity, and vice versa. He says: "When officials were afraid of possible negative reactions of superiors, overconformity ensued. The less secure an agent's knowledge of existing procedures, the greater was his resistance to changes in them. . . . Contrary to prevailing assumptions, however, a secure position in the bureaucratic structure and strong identification with its normative standards do not lead to displacement of goals. . . . Once the accomplishment of tasks becomes a mere matter of routine, officials will seek new fields to conquer in order to revitalize their work, and thus new goals will succeed the old ones" (Blau, op. cit., 247-48).


32. Downs, op. cit., 191.


34. Kaufman, op. cit., 45.


39. Richard A. Couto, "Heroic Bureaucracies," Administration and Society 23 (May 1991): 123-47, 135. See also Christopher Bellavita's "The Public Administrator as Hero" (Administration and Society, 23 August 1991: 155-85). In his article, Bellavita gives a detailed description of a hero's journey. He uses the framework of the hero's journey (starting from hearing the call to adventure and ending at helping to revitalize the nation in one of the two ways: by helping
people or by insuring that public resources were used effectively)" to analyze the experiences of bureaucrats who have helped to revitalize the public sector. For two cautionary notes to Bellavita's conceptualization, see Larry D. Terry, "The Public Administrators as Hero: All that Glitters is not Gold--Rejoinder to Christopher Bellavita," Administration and Society 23 (August 1991): 186-93; and Larry Hubbell, "Heroes in Public Service: A Rejoinder," Administration and Society 23 (August 1991): 194-200.


41. Ibid., 27.

42. Thirty years after the publication of Selznick's book, an important new duty was added to leaders. This is the function of visioning. In brief, this is a process of setting the direction for an organization to work on. For a recent work on this topic, see Burt Nanus, Visionary Leadership: Creating a Compelling Sense of Direction for Your Organization (San Francisco: Jossey-Bass Publishers, 1992).

43. Selznick, op. cit., 62. The other three tasks of leaders are the institutional embodiment of purpose, the defense of institutional integrity and the ordering of internal conflict (pp.62-4).

44. These two aspects are from Selznick's work (pp.49-54) with my own modifications.


46. Ibid., 149.


50. Ibid., 10.

51. Ibid., 12-15.

52. Carl J. Friedrich, "Public Policy and the Nature of
Chapter 4. Two Aspects of Responsibility in
The State Bureaucracy
(pp. 113–131)

1. Herbert Kaufman, The Administrative Behavior of Federal
Bureau Chiefs (Washington, D.C.: The Brookings Institution,

2. Ibid., 191.

3. Ibid.

4. Ibid.

5. Ibid., 161.

6. Ibid., 163.

in The Public Encounter: Where State and Citizen Meet, ed.
Charles T. Goodsell (Bloomington, IN: Indiana University

8. Frederick C. Mosher, Democracy and the Public Service 2d

9. Ibid., 230. Mosher suggests that the cure for this
problem lies in education. He thinks that the universities
offer the best means of making the professions safer for
democracy. His reasoning is as follows: "Almost all of our
future public administrators will be college graduates, and
within two or three decades a majority of them will probably
have graduate degrees. Rising proportions of public
administrators are returning to graduate schools for refresher
courses, mid-career training, and higher degrees" (p.240)
Mosher goes on to argue that: "[U]niversity faculties have
growing responsibility for preparing and for developing public
servants both in their technical specialities and in the
broader social fields which their professions interact"
(p.240).
10. Ibid., 132.


12. Janet Foley Orosz, "The Language of State Agency Executive Transitions," *American Review of Public Administration* 24 (March 1994):43-66, 58. Orosz's article gives a detailed account of different types of metaphors used by state agency heads in describing executive transition experience, which reveals the initial anxiety typically felt by employees during periods of leadership change. Moreover, ways to deal with hostility arises during the time of leadership change were also suggested in the article.

Vita

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In 1993, Lui furthered his study at the Virginia Polytechnic Institute and State University's Center for Public Administration and Public Policy. At there, he continues his study of bureaucracy. His recent study is about the question of bureaucratic responsibility of Virginia's public agencies.

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