

# 1 *New Foundations for Civil Service Systems*

There is a debt of service due from every man to his country, proportioned to the bounties which nature and fortune have measured to him.

President Thomas Jefferson 1796

Ask not what your country can do for you – ask what you can do for your country.

President John F. Kennedy 1961

In its broadest sense, “public service” is a concept, an attitude, a sense of duty – yes, even a sense of public morality. These attributes are basic to democratic society – attributes lacking or of low priority in an authoritarian society.

Comptroller General Elmer Staats 1988

The “New Public Passion” emphasizes that officials need to be empowered, and to feel empowered, to do what they joined the public service for in the first place, namely to serve citizens.

Helen Clark, Administrator,  
United Nations Development Program (UNDP) 2015

The idea of public service – the motivation of people to contribute to the good of the community and society – dates back to Aristotle. As the epigrams above imply, the idea is resilient, surviving the test of time and geography. President Kennedy’s call for service may be the most often repeated epigram, certainly in the United States, especially because many living Americans remember the Kennedy years. Similar sentiments are likely to be familiar to much of the world’s population. The ideas are both resilient and widespread because they capture important sentiments and values of humankind – service, giving back, and duty.

Only recently has public service come to be formally studied by social and behavioral scientists as a force in individual and group behavior. During the past two decades in particular, the motivating power of public service has been studied with respect to different concepts – among them public service motivation (Perry and Wise 1990), altruism (Piliavin and Charng 1990; LeGrand 2003), and prosocial motivation (Brief and Motowidlo 1986; Penner et al. 2005; Grant 2008b). The volume and quality of research has reached a critical mass that is hard to ignore as an important source of intellectual capital for shaping the way the public sector operates. The purpose of this book is to delimit specific applications from the knowledge base of research on these concepts.

Almost forty years ago, soon after passage of the landmark U.S. Civil Service Reform Act of 1978 (CSRA), Lyman Porter and I observed (Perry and Porter 1982) that the literature on motivation concentrated too heavily on employees within industrial and business organizations. The limitations of knowledge about the context for motivation in public organizations were borne out by failures associated with merit pay and other provisions of CSRA (Perry 1986), both in the United States and in countries globally following diffusion of the reforms (Lah and Perry 2008). Some of the research questions we identified as needing attention in 1982 – for example, the individual-organization match, the effect of goal clarity on motivation and performance, and the motivational influences of job security – have been addressed by research and are now part of the knowledge base for better understanding the motivation of public servants. Scholars have advanced our understanding of how individuals choose organizations and how organizations attract individuals and how the attitudes, beliefs, and interests that an individual brings to organizational settings affect motivation.

The creation of new intellectual capital that potentially supplants motivational practices and assumptions grounded in market enterprises is important for reasons articulated by Fabrizio Ferraro, Jeffrey Pfeffer, and Robert Sutton (2005). They argue that social science theories can become self-fulfilling and self-perpetuating. Theory shapes institutional designs, management practices, and expectations about behavior. If the theory becomes taken for granted and normatively valued, it can take on a life independent of its empirical validity. No better example exists than pay-for-performance in the U.S. federal sector. First introduced in 1978, performance pay schemes have failed

and been resurrected on at least three different occasions (Perry, Engbers, and Jun 2009). They are a classic reflection of the process of normatively valued management practices that have endured, despite repeated failures to demonstrate their empirical validity.

The research on public service motivation – embedded in different assumptions about human behavior and institutional context – has gradually begun to erode the premises of the old order as evidence of empirical incidence and effects have grown. Several articles have sought to articulate new sets of assumptions, institutional rules, and management practices. One of the first was by Laurie Paarlberg, James Perry, and Annie Hondeghem (2008) and identified fourteen tactics leaders and managers could employ to strengthen public service motivation to improve behavioral outcomes in public organizations. The tactics ranged across five units of analysis: individual, job, workplace, organization, and external environment, covering motivational contexts suggested in Perry and Porter (1982).

Although research on public service motivation was already well developed when Paarlberg, Perry, and Hondeghem (2008) presented their tactics, both the quantity and quality of research evidence has improved significantly in the decade following the first applications of the research. In light of the expansion of knowledge after 2008 (Ritz, Brewer, and Neumann 2016), Robert Christensen, Laurie Paarlberg, and James Perry (2017) synthesized research published between 2008 and 2016. New to their synthesis was consideration of a threshold question: To what extent is public service motivation a changeable individual attribute? They concluded that public service motivation, based on longitudinal and experimental research since 2008, can be an influential lever in motivational strategies. They extracted five overarching general lessons and implementing tactics associated with each lesson. The practices identified in Christensen, Paarlberg, and Perry (2017) did not duplicate all the tactics in Paarlberg, Perry, and Hondeghem (2008), but they were highly consistent.

Efforts by scholars and practitioners to extract practical applications from research on prosocial behavior and altruism have also emerged over time. Hans Bierhoff (2002) discussed four areas of research application related to prosocial behavior: increasing the readiness to give first aid, solidarity in society, prosocial behavior in the workplace, and volunteerism. Some of these applications, such as readiness to give first aid, are distant from the concerns of managers and leaders in

public organizations, but applications related to prosocial behavior in the workplace and volunteerism are very relevant to public leaders and managers.

The biggest impetus for basic and applied research about prosocial behavior in the workplace is the research about organizational citizenship behavior – when employees help others on the job without the overt promise of rewards (Organ and Ryan 1995; Podsakoff et al. 2000). Some dimensions of organizational citizenship behavior, specifically altruism and civic virtue, map closely to dimensions of public service motivation, specifically self-sacrifice, civic duty/commitment to the public interest, and commitment to public values (Perry 1996; Kim et al. 2013). More recently, research by Adam Grant and his collaborators (see, e.g., Grant 2007, 2008b; Grant and Gino 2010) has injected new life and attention into research about prosocial motivation and behavior.<sup>1</sup>

The UNDP, under the auspices of its Global Centre for Public Service Excellence (United Nations Development Program 2015b), initiated a program dubbed the “New Public Passion,” which began in 2015. The rationale for the new public passion program was concerns surrounding the implementation of the UN’s 2030 sustainable development goals. Helen Clark and other UNDP leaders and stakeholders viewed effective public services as crucial for the success of the sustainable development goals, but saw public service, specifically morale and motivation, in crisis across many countries in the developed and developing worlds. As a consequence of the perceived deterioration of public services globally, the leadership of UNDP (United Nations Development Program 2015a) feared performance could spiral negatively out of control:

Public servants seem to have little trust in their own leadership. Job commitment, professional satisfaction and ethical climate in the public service is decreasing, putting at risk fairness and impartiality. In the long term, this could threaten citizens’ trust and state legitimacy, but in the short term may be resulting in increasing disengagement and lack of commitment, even misconduct. (p. 1)

The GCPSE turned to the research on intrinsic and public service motivation as a guide for the new public passion. In “The SDGs and New Public Passion: What Really Motivates the Civil Service?” (2015b), they map motivating factors for work in the public sector, emphasizing

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intrinsic rewards and public service motivation. Although extrinsic rewards are included in the map of motivational factors, the report acknowledges that in developing countries “the scarcity of financial resources in the public sector to support extrinsic rewards provides additional impetus for the adequate provision of less tangible rewards...” (p. 9). Among the alternative levers for improving motivation, the report suggests developing pride and recognition in public service, establishing a merit-based, professional civil service, exercising care in using performance-related pay, promoting a values-based public service, and employee engagement. Many of the levers proposed for the new public passion are direct outgrowths of applying the intellectual capital from the public service motivation and related research referred to earlier. The Global Centre for Public Service Excellence concludes that, given the many demotivating influences affecting the public sector in the developing world, many countries need strategies for strengthening public officials’ passion and sense of mission.

To summarize, the idea of public service motivation is enduring, resilient, and meaningful in regimes and populations globally. The intellectual capital from social and behavioral science research has grown exponentially during the last two decades to the point where it can now sustain significant applications to improve civil service design and management practices. The supply of ideas is converging with demands for civil service reform, which have reached significant levels in both developed and developing countries.<sup>2</sup>

### 1.1 Continuing Pressure on Traditional Civil Service Systems

The sense of crisis afflicting both developed and developing countries is real. Governments around the world are under pressure. One prominent illustration of the pressure comes from *No Time to Wait*, issued by the National Academy of Public Administration (NAPA) in summer 2017. The report’s executive summary begins with a dire statement about the current state of affairs:

We launch this White Paper with a profound sense of urgency. In case after case, ranging from ensuring cyber safety to protecting the nation’s borders, the federal government faces profound problems in making government work for the American people. And in case after case, these problems share a common root cause: the federal government’s human capital system is fundamentally broken. (p. 1)

Despite the dire warning about the brokenness of the federal system, the federal human capital system has been on the Government Accountability Office's (GAO) High-Risk List since 2001. Although GAO credits both the U.S. Office of Personnel Management and various federal agencies with some progress in its 2017 report, many years have elapsed since GAO first cited strategic human capital management as high risk. In a 2016 report for the IBM Center for the Business of Government, Donald Kettl (2016) explored what lessons could be learned for improving government management from GAO's high-risk list. His conclusions about the centrality of human capital are startling:

Put sharply, most of the riskiest issues on the high-risk list are rooted in human capital. The challenges are increasing, especially because of the growing policy issues and difficulty of finding the right workers to solve them. Of all the issues on the high-risk list, this is the one most likely to lead future policy areas onto the list – and make it most difficult for policy areas already on the list to escape. (p. 14)

Confronted by GAO's long-term warnings about strategic human capital management and the urgency of not one but two reports titled *No Time to Wait* (National Academy of Public Administration 2017, 2018), an obvious question arises: Why has action been delayed? In fairness to the originators of the warnings about risks associated with federal human capital systems, the current hyper-partisanship reigning in Washington, D.C. is sufficient to put a stop to the legislative action envisioned to reform federal civil service. And the capacity of the federal government to faithfully execute the laws is becoming increasingly problematic (Light 2008, 2020). The persistence of the problem, however, transcends circumstances of political consensus and rests with the stock of intellectual capital and challenges to executing large-scale change in well-established institutional arrangements.

### *1.1.1 The Propensity for Civil Service Systems to Persist*

The degree to which “broken” civil service systems persist, not only in the United States but other countries worldwide, suggests that more than dysfunctions of the US political system explain the challenges facing reformers. More than two decades ago, Hans Bekke, Theo Toonen, and I (Bekke, Perry, and Toonen 1996) led a multi-investigator

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comparative study of civil service systems. A conclusion of the study was that civil service systems are overdetermined – caused and reinforced by a variety of external influences – which persist because they are perpetuated by the systems in which they are nested. With respect to nation-state development, for instance, we wrote: “The fact that civil service systems are outgrowths of external determinants suggests that they are not simple artifacts of their designers that can be remolded at will. Civil service systems are instead natural outgrowths of their context, in some respects organic parts of their surroundings” (p. 322).

Since Bekke, Toonen, and I first characterized civil service systems as overdetermined, scholars have routinely come to describe similar phenomena in terms of path dependence (Pierson 2000) and historical institutionalism (Thelen 1999). Kathleen Thelen (1999) offers an example of the persistence of a practice with which anyone familiar with civil service systems will be immediately familiar. She uses job classification systems as an example of a system originally imposed by employers on labor unions that subsequently became a system of union control because of rules attached to job classifications by labor unions. The ability of unions to adapt the institution to their purposes helps to explain its persistence. Thelen (1999) writes:

This system was originally imposed on unions by employers as a way of controlling labor. Unable to change the system, emergent unions adapted their strategies to it but sought to attach rules to these job classifications, and in doing so, they eventually turned it into a system of union control. In this case, “adapting” to the institution had the effect of transforming it altogether, so much so that now it is employers who attack the system, unions who defend it. (p. 286)

Two general features of civil service systems, both elements of the system’s operating rules, are consequential for their persistence. Operating rules serve to sensitize actors, particularly members of the civil service, to what they value. In doing so, the operating rules may become valued and protected. They can acquire a taken-for-granted quality, which reinforces persistence and constrains initiatives for change (Meyer and Rowan 1977; Tolbert and Zucker 1983; Scott 1987). In the U.S. federal civil service, these types of operating rules were memorialized as “merit system principles” in the 1978 Civil Service Reform Act. Any efforts to reform the system as it now stands

must retain the valued operational rules or risk immediate dismissal as a viable reform option.

The second way in which operating rules affect persistence is that they usually have rational origins as appropriate technical solutions to perceived problems. Even when they fall short of performance expectations, however, they are likely to persist in the absence of a plausible technical alternative. The search for plausible alternatives is complicated by the interconnectedness of operating rules – changing one may cascade to affect many others, which increases the complexity of finding a plausible technical alternative. Position classification in the U.S. federal civil service exemplifies an operating system that persists, at least in part, because alternative technical solutions are unavailable (National Academy of Public Administration 1991).

### *1.1.2 The Evolution of Motivation in the Face of Persistence*

Despite what seems at times as an imperviousness to reform, civil service systems and the organizations embedded in or linked to them do change. The reality, however, is that they are often less responsive to planned change – reform – and more likely to change as a result of processes driven by developments in their environments (March 1981). A look at the New Public Management (NPM), the name given to the movement to change the public sector beginning in the late 1970s, reveals a good deal about both change in the public sector and the evolution of public motivation.

New Public Management was the antidote for everything perceived as wrong about public bureaucracies that developed during the long period of bureaucracy's hegemony as an organizational form (Mintzberg 1979) – inefficiency, lack of responsiveness, and ineffectiveness. Although NPM is often invoked as a unitary construct, its meaning varies across the literature that invokes the construct. New Public Management has been used to refer to private sector practices imported to the public sector, approaches to organizing public services that rely on quasi-markets, and specific management practices designed to increase the efficiency and effectiveness of public services (Boruvka and Perry 2020). The diversity of meanings attached to NPM makes critiquing it a moving target, but several signature practices, among them high-powered incentives, contracting-out, and agentification, are closely identified with it (Boruvka and Perry 2020).



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These signature practices were greeted with high expectations they would fix the bureaupathologies they were adopted to remedy. New Zealand and the United Kingdom, countries that were first movers on agentification and contracting-out reforms, failed to realize expectations on high-profile reform initiatives (Boruvka and Perry 2019). New Zealand's pursuit of agentification resulted in the creation of over one hundred units across government, intense attention to agency-focused goals and incentives, and, in turn, an inability to establish cooperation among units to address complex inter-unit issues. In the United Kingdom, reforms of the National Health Service in 1990 led to greater autonomy for health-care providers and less central monitoring of services delivered. Death rates increased during the course of the 1990s, leading the Blair government in 1997 to correct competitive processes introduced at the beginning of the decade.

As a lever for reform, high-powered incentives have fared even more poorly than contracting-out and agentification. Evaluations of pay-for-performance from the early 1980s to 2000s have consistently concluded that high-powered incentives usually fail to deliver expected results (Perry, Engbers, and Jun 2009).<sup>3</sup> More importantly, the theoretical underpinnings for high-powered incentives have increasingly been called into question (Perry 1986; Frey 1997; Frey and Osterloh 2005; Miller and Whitford 2007). Scholars have not rejected incentives, but made a compelling case for low-powered rather than high-powered incentives (see Chapter 6 for further discussion of this research).

A long-term view of the evolution of public motivation from the late nineteenth century to the present provides perspective about transitions over time. Elise Boruvka and I analyzed the evolution of public motivation from the bureaucratic model to the NPM model to the model emerging today, which we call the new public service model. Our decision to call the post-NPM era the “new public service” motivation model stemmed from its re-emphasis of democratic and constitutional values (Denhardt and Denhardt 2015). The new public service motivation model elevates the prominence of “mission,” which serves to articulate public value in contrast to performance narrowly construed. Among the hallmarks of the emerging motivation model “is the centrality of socially acquired values in the motivational dynamic (Perry 2000), the stronger force of intrinsic in contrast to extrinsic motives, and the importance of personal development” (Boruvka and Perry 2020 p. 573).

Several facets of the evolution of motivation in public institutions stand out. One is the longevity of the bureaucratic model, which persisted in many developed countries for a century or more. The model's persistence masks patterns of change over time, best illustrated by Stephen Barley and Gideon Kunda's (1992) conclusion that waves of change since the 1870s have alternated between rational and normative ideologies. Despite several waves of change arriving near the end of the twentieth century, the bureaucratic motivation model remained intact, relying on the member's commitment to institutional values, job security, significant deferred compensation, and flat or pay-for-knowledge salary structures (Boruvka and Perry 2020) as the core of the motivational system. New Public Management may represent the most radical wave of change, arriving near century end and substituting rational ideology for normative (Moynihan 2008). Many of the motivational practices it brought, specifically agentification, contracting-out, and high-powered incentives, were grounded in principal-agent theory. In the aftermath of NPM, many of the motivational practices that accompanied it have been jettisoned. What remains is continuing attention to performance and symbolic action to sustain legitimacy (Boruvka and Perry 2020).

## **1.2 Public Service Motivation Research as a Foundation for Reform**

The goal of this book is to advance change in civil service institutions and organizations throughout the public sector. Research about public service and prosocial motivation during the last two decades, however, gives me confidence that we now have the intellectual capital to lead the way to significant changes in civil service systems. Three facets of the research deserve mention as foundations for my optimism: its evidence-base, comprehensiveness, and coherence.

### *1.2.1 Evidence-based*

A recent report from the Commission on Evidence-Based Policymaking (2017) called attention to two truisms: good government and good public policy rely on evidence; and we have too little evidence to meet our needs. The exponential growth in research on public service motivation and related concepts has crossed a critical threshold. The