

## *Chapter One*

# Varieties of Organization: Four Cases

A central theme of the research presented in this book is that managers respond to bureaucratic constraints such as personnel and budgetary systems differently from one organization to another. Managers' approaches to these constraints are affected directly by such aspects of the environment as the size, structure, and resource level of their organization. These factors, along with the history and mission of the organization, also help shape the underlying organizational culture. Embedded in the culture are norms defining the appropriate role for managers and values concerning bureaucratic constraints.

This chapter begins with a general discussion of the concept of organizational culture. It then presents a typology of such cultures, which provides a framework for examining the specific organizations featured in the study.

### **Organizational Cultures and Subcultures**

Inherent in the assertion that agency cultures help determine the behavior of individual managers are assumptions about the nature of organizational culture in the federal government. The recent research on organizational culture has reflected three different approaches, frequently described as "integrated," "differentiated," and "fragmented." The integrated approach stresses the beliefs and values that are held consistently within an organization; the differentiated approach looks at consensus within subcultures but sees inconsistency and even conflict between subcultures; the

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fragmented approach emphasizes the ambiguity and lack of consensus within organizations (Trice and Beyer, 1993; Martin, 1992; Frost and others, 1991).

The research presented here supports a differentiated approach to organizational culture in the federal government. While there are a few common beliefs and values that federal managers tend to share, agencies have markedly different cultures, which arise from their distinctive missions and histories. Cultures are likely to differ in their strength and internal consistency; most organizations, particularly large organizations with multiple missions, have a variety of internal subcultures reflecting geographical proximity and function. For example, Navy shipyards usually have organizational cultures that are different from those of Navy labs.

Further, like most large organizations, federal agencies contain a number of occupational subcultures, which draw on common education or training, shared experiences, and close working relationships (Trice and Beyer, 1993). Indeed, a key question, which is addressed in detail in Chapter Three, is the extent to which the personnel staff in federal organizations forms a distinct occupational subculture, and the degree to which its values support or conflict with those of line managers.

Federal managers do share some basic values and assumptions. For example, they generally share the typical American belief in rational approaches to problem-solving that dominates most management literature (Trice and Beyer, 1993). Career federal managers also tend to hold a related belief in the efficacy of technical solutions. This is not surprising, since—as we shall see in Chapter Two—most enter government with technical backgrounds. The preference for technical rather than political solutions to problems sometimes puts career managers at odds with their political superiors.

It is questionable whether the basic values shared by federal managers constitute a “federal culture.” Most managers identify with their individual agencies rather than with the federal govern-

ment as a whole. And the differences between these working environments are so great that the federal government cannot even be viewed as a single entity; it is a loosely knit group of organizations that sometimes act in cooperation but generally perform quite separate functions. As a result, individual federal agencies have evolved differently and have developed distinct organizational cultures reflective of their particular working styles.

### The Competing Values Approach to Organizational Culture

The popular view of federal agencies is undifferentiated; we tend to see them all as large bureaucracies—a term that carries both positive and negative connotations. In the descriptive or positive sense, bureaucracy is seen as the most efficient way of managing work in large organizations. But the very characteristics that caused Max Weber, as well as later scholars, to stress its efficiency—hierarchical structure, division of labor, reliance on formal rules and regulations—have caused recent critics to fault traditional bureaucracies as inefficient, inflexible, and unresponsive to customers (Osborne and Gaebler, 1992; Savas, 1982).

The traditional model of the bureaucracy does not, in fact, fit all government organizations equally well. While they all work within the same formal system of rules and regulations, their cultures differ significantly. Some, for example, are far more formal and impersonal, while others are smaller, more informal, and stress the importance of personal relationships. They differ, too, in the extent to which they stress use of formal regulations and other internal systems of control to guide managers' behavior. The "competing values" model (Quinn and Rohrbaugh, 1983; Quinn, 1988; Quinn, Faerman, Thompson, and McGrath, 1990) presents a useful framework for analysis both at the organizational level, the focus of this chapter, and at the level of individual managerial behavior, examined in Chapter Two.

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The model posits that organizations differ on two critical dimensions. One dimension ranges between the poles of control and flexibility. The other reflects the degree to which organizational focus is on internal or external functioning. Taken together, the two dimensions define four quadrants (see Figure 1.1), each representing an organizational culture. The cultures are termed *the hierarchy*, *the market*, *the clan*, and *the adhocracy* (Quinn, 1988; Hooijberg and Petrock, 1993; Cameron and Quinn, n.d.).

### *The Hierarchy*

The hierarchy culture comes closest to the traditional model of bureaucracy, with a strong emphasis on controls and on formal rules and procedures. The values stressed in this culture are stability, predictability, and efficiency.

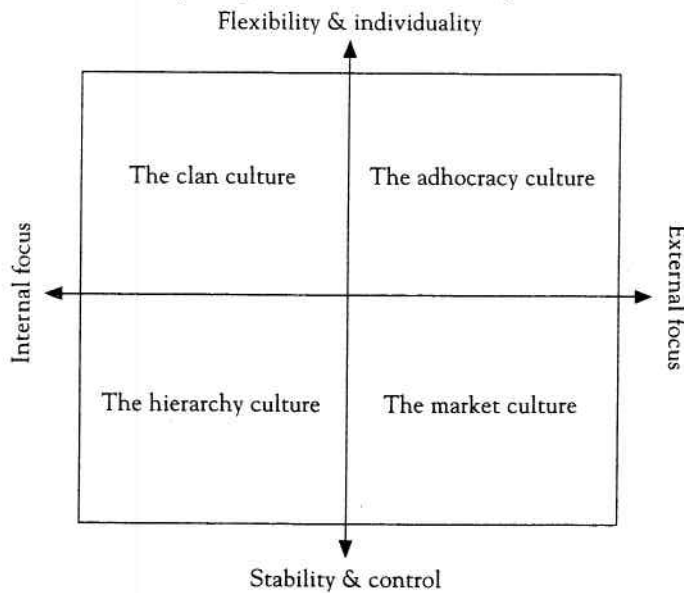
### *The Market*

The market culture also has an emphasis on control, but the focus is on external competition. The organization values hard-driving competitiveness and achievement of measurable goals and targets. While this model is more typical of private sector organizations, reformers are increasingly calling for a market approach to management in the public sector; they believe that the introduction of market incentives would improve government efficiency (Osborne and Gaebler, 1992; National Performance Review, 1993a).

### *The Clan*

In a clan culture, the organization is seen as a family—a friendly, supportive environment in which to work, where organizational members have a voice in decisions and where group cohesion, teamwork, and morale are highly valued. This culture reflects values from the human relations school of organizational theory and

Figure 1.1. Competing Values Model of Organizational Culture.



Source: Hooijberg and Petrock, 1993, p. 33. © by John Wiley & Sons, Inc. Reprinted with permission.

from both the quality movement, with its reliance on group decision making, and the advocates of labor-management cooperation.

### *The Adhocracy*

The adhocracy is an open culture, focusing on external relations and flexibility. The working environment it fosters is seen as a dynamic and entrepreneurial one, where creative problem-solving and risk-taking are rewarded. The adhocracy is able to adjust to rapidly changing external conditions and is committed to being on the cutting edge.

These are, of course, ideal models. No organization is purely one or the other. But the competing values model is extremely useful in forcing us to recognize that there are positive values that are competitive with one another. It is hard to imagine a culture that is

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simultaneously stable and dynamic, dependent on regular routine and permitting flexible approaches. Yet organizations regularly try to balance these seemingly irreconcilable values, and the proper balance point will vary from one organization to another or even from one phase to another of an organization's life. Further, these ideal models may have somewhat different applications in the public and the private sectors. Thus, while some government agencies may act very like private, market-driven companies if (for example) they sell their services to other organizations, they will nonetheless retain major elements of the classic Weberian model, since they still must operate within the formal rules that constrain all government agencies. The organizations in this study reflect different balances between the four ideal cultures, and these differences have significant consequences for both how the organization as a whole values rules and stability and how individual managers cope with formal bureaucratic constraints. Let us look at each of the organizations in turn, examining such "objective" characteristics as size, organizational history, and resource levels, and then relating these to the organization's culture (or cultures).

### **The Navy: From Hierarchy Culture to Market Culture?**

The Navy is by far the largest agency in this study and certainly the oldest. The Department of Defense as a whole employs fully half of all *civilian* federal employees, and the Navy has a goodly share of them—over 329,000 in 1991, with roughly 10 percent in Washington and the remainder all around the world. Table 1.1 compares the workforces of all the organizations in this study.

The Navy also has a great diversity of organizational missions and structures. In addition to the fleets—staffed largely by uniformed staff and officers—there is a complex structure of commands (or SYSCOMS, in Navy lingo) that provides a broad range of planning and support functions. Some parts of the organization design

Table 1.1. Employment in Subject Agencies 1980–1991.

	<i>Full-Time Equivalent Employees</i>		
	1980	1986	1991
Navy	308,700	345,000	329,000
NAVSEA	102,000	104,400	112,300
SPAWAR	N.A.	N.A.	N.A.
Portsmouth	7,900	7,600	7,000
Agriculture	82,700	98,800	109,300
FCS	2,300	1,900	1,900
APHIS	5,600	5,000	5,900
EPA	10,900	13,100	16,800
Headquarters	8,600	7,500	8,600
Region Three	600	700	900

Note: Figures have been rounded to the nearest hundred.

Source: Data from *Budget of the United States, Fiscal Year 1992*. Washington, D.C.: U.S. Government Printing Office, 1991; and internal agency reports.

weapons or ships; some maintain them; some provide intelligence, legal, or other services. Of the thirteen SYSCOMS, I selected two to look at: Naval Sea Systems Command (NAVSEA) and Space and Naval Warfare Command (SPAWAR). NAVSEA is enormous, comprising a third of the Navy workforce. SPAWAR is a relatively new organization, formed primarily from the former Naval Electronics Systems Command, charged with coordinating high-tech research. Together, the two have roughly 6,000 employees at their headquarters in Crystal City, Virginia (just outside Washington, D.C.). My field site for the Navy, the Portsmouth Naval Shipyard in New Hampshire, had at the time of the study 7,000 employees, but by 1994 that number had fallen to 4,000 as a result of reductions in force (see Chapter 7).

The Navy's history dates back to the Revolution, and the symbols of its tradition, which began with John Paul Jones, are proudly displayed in its offices. The mission of the Navy has remained

essentially unchanged since that time: to provide, along with the other branches of the military, for the defense of the United States. But the interpretation of that mission is changing now that the Cold War has ended, and managers are participating in a sweeping process of reevaluation. The changes underway are reflected in the resource base of the Navy. Table 1.2, comparing budget trends for the organizations in this study, shows both the rapid growth of the Navy budget under President Reagan and the more recent decline.

In a large organization with many separate subcomponents, shrinking budgets lead to increasing competition for resources. The natural rivalry that exists between various segments of the organization may be exacerbated by the budget cuts and by subsequent attempts to reorganize. In the case of the Navy, many managers saw that cuts were falling unequally on different parts of the organization. Particularly at headquarters, where cuts have been taken mainly through attrition, those subcomponents unlucky enough to lose several people were badly hurt, while others had fewer problems and felt that resources were only "medium tight" or "not very tight."

Some conflict over resources was in evidence both at headquarters and at Portsmouth. At headquarters, one person told me about resisting a "power play" to take over his functions. Another told me that it was hard to reallocate resources from one part of the organization to another because managers are, understandably, loath to give up resources, so no one will admit that he or she could get by with fewer staff.

### *Doing Things "The Navy Way"*

The Navy's large size and military mission affect the organization in several ways. Navy managers are very aware of the size and diversity of the organization and are more likely to stress the differences between units of the Navy than the similarities. Indeed, the Navy is composed of distinct organizational structures, with their own cul-



Table 1.2. Budgets of Subject Agencies, 1980–1991.

	Appropriation Level (In Thousands)		
	1980	1986	1991
Navy	\$46,948,000	\$93,168,000	\$100,379,000
NAVSEA	14,262,000	20,620,000	19,293,000
SPAWAR	N.A.	N.A.	N.A.
Portsmouth	240,000	344,000	412,000
Agriculture	21,612,933	38,232,764	46,434,067
FCS	10,708,433	17,887,955	22,871,215
APHIS	220,976	242,004	314,408
EPA	4,669,000	3,663,000	6,094,000
Headquarters	2,351,845	1,849,815	3,077,470
Region Three	368,851	289,377	480,662

Source: Data from *Budget of the United States, Fiscal Years 1980, 1986, 1991*. Washington, D.C.: U.S. Government Printing Office, 1979, 1985, 1990; and internal agency reports.

tures and career paths. Even at headquarters, the SYSCOMS are quite separate and manage their own resources. Nevertheless, certain common themes and common values emerged from the interviews. One was the formal, bureaucratic style of the Navy. Of course, older and larger organizations tend to be more “bureaucratized”; that is, they tend to be highly structured and to depend heavily on formal rules and “standard operating procedures” (SOPs). This tendency to bureaucratization is even stronger in a military environment.

In the Navy, people address or refer to their superiors by their last names, if not their rank. They dress quite formally. They are very conscious of issues of rank. For example, at the Portsmouth Naval Shipyard, both rank and organizational location are indicated by the colors and markings on the hard hats worn on the job.

Coupled with this formality is the impersonality of the bureaucracy. Weber was probably the first to use the analogy of the

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machine, describing the bureaucrat as “only a small cog in a ceaselessly moving mechanism” (Weber, 1978, p. 988). While many might see this as dehumanizing, at least some Navy managers perceive it as functional for the organization, as is evident from the following discussion among a group of Wage Grade (blue-collar) supervisors:

*First supervisor:* “I think . . . if you look at the system and analyze it . . . you could drop an atom bomb right in the middle of that base out there, and this system would still roll. There’s got to be something said for that. I don’t think the government system is all wrong. The wheels still turn. Every day, no matter what happens. It amazes me. . . . I don’t know, it just seems to work.”

*Second supervisor:* “I think part of the government philosophy is not to make any one individual so important that his absence would be missed.”

*First supervisor:* “It’s true. It just absolutely amazes me, though, that the wheel just keeps right on turning. That might be ego-busting, but it’s the right thing to do. It’s the right way for it to be.”

The Navy culture, like the hierarchical model, values stability and tradition. Navy managers talk about doing things “the Navy way.” This is not an environment that welcomes a free spirit; there is considerable resistance to marked deviance or to dramatic change. As one manager described it, “[People] pretty much are set in their opinions, and there’s not a lot of latitude for deviation. That’s the bureaucratic organization that you’re dealing with.”

The Navy’s management style is more “by the book” than that of EPA, for example. This is not to say that no one ever bends the rules, but the attitude of Navy managers is somewhat more accepting of working within the rules. In fact, while in the other agencies people complained, sometimes vociferously, about the excessive

rules and red tape, in the Navy such complaints were more muted, and some people actually saw the written rules and guidance as useful, providing "fairly comprehensive instruction on how to handle most situations."

### *Civilian and Military: A Clash of Cultures?*

The hierarchical, bureaucratic culture in the Navy certainly stems in large part from the fact that it is a defense agency. The people I interviewed were all civilian managers, but they worked within a prevailing culture that was military, and many reported directly to military officers. The military environment means that many of the top management positions are reserved for military officers. Further, officers frequently work beside career civilians, and consequently, at least some of the military culture rubs off—though much of it rubs civilians the wrong way.

Several managers I talked to complained about the problems created by military leadership. Anyone acquainted with the literature on political appointees in government will hear a familiar ring in these discussions. In general, the complaints are that military officers do not understand or care about civilians, they do not understand the civilian personnel system, and they come and go so fast that the organization is constantly disrupted.

Let us look at some examples of how civilian managers describe their interactions with military officers. One part of the difference in cultures is the tendency of military officers to operate by giving commands. One Senior Executive Service (SES) member spoke for many in expressing his discomfort with this approach: "The military, primarily the senior military, come very often to the job with the mind-set of issuing orders, and very often they're dealing with a civilian workforce, whose job expertise far exceeds their own. And consequently, orders are not the most effective way to get the job done, in many instances."

Further, civilian managers feel that in some cases they are not

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listened to or trusted by the military. A first-line supervisor articulated the clash of cultures that sometimes occurs: "There seems to be, at least from the perspective that I'm at, a hesitancy on the side of the military to trust the civilians. They don't understand the rules and regulations that govern civilians. They think that we are just weird because we don't wear the same uniform every day and salute them. They take it as a personal affront when you point out that civilian rules and regulations prohibit what they are about to ask you to do. They just have no concept at all."

Of course, not all military-civilian relations are so negative. While few people talked about positive interaction with their military superiors, I observed one example when an interview was interrupted by a crisis and the "team" kicked into action. A military officer dropped in and brainstormed strategy with the civilian, each speaking in the kind of shorthand that comes of a positive working relationship governed by mutual respect.

On the other hand, when military command is exercised in a way that is perceived as cruel or insensitive, the effects can be disastrous. A manager who reports directly to a military officer told me a story about such an event in her office:

I would make it mandatory to make officers take a course in how to manage civilian personnel. Too many times, they act like we are enlisted personnel. They are too abrupt; they act with no forethought. We have a person with a new baby who she needs to take for doctor visits. She commutes from Frederick [a considerable distance away]. She brought the baby in, just for the morning. She had a friend who was going to take the baby home. And [the military officer] came out of his office and said to her, "Don't you ever bring that baby into the office. You get out of here and take that baby home." She didn't do any work for two or three weeks, and she is very interested in getting out of the office. You just do not treat people like that.

The differences in management style are compounded by differences in formal personnel systems between the military and civilian sides of the Navy. Many managers see the military commanders as uninformed about the civilian system and uninterested in learning. The SES members I spoke to have often dealt with this by cutting a deal in which their military boss in effect cedes authority over civilian personnel to them.

Navy officers, like political appointees, are "birds of passage," normally rotated every three years, if not sooner. Many managers saw this as disruptive. One described the tensions created this way: "Frankly, I think the turnover of military management hinders the job. They're here for three years. You spend a minimum of a year training your bosses. Then it takes them another year to where they get to be useful, then they have another year and you start all over again. You're lucky to get a fifty-fifty split on good ones and bad ones."

Military leaders are seen as people who are trying to make their mark quickly. As one manager described it, "For the most part, the military rotation system brings in people with an inadequate background of the organizational culture and at the same time a mandate to do something, to become visible to make the next promotion." The result is that newly arrived officers are biased toward making changes—a bias that can undermine rational planning. From one perspective, the tendency of new military officers—like that of new political appointees—to want to move the organization in new directions can be seen as healthy, as it prevents organizations from becoming ossified (Ingraham and Ban, 1986; Aberbach, Putnam, and Rockman, 1981).

For career managers, however, the costs of such frequent mid-course corrections can be unreasonably high. One Navy manager, who complained that he had to "reinvent the wheel" every three years because of new commanders, shared his frustration: "You've expended all this money. You're going in this direction, and for

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some ungodly reason, I can't convince this person that he's not doing us any justice if he tells us to go in that direction now, and I've already spent a couple of million dollars going in this direction, and now he starts all over."

The bottom line is that the Navy is always going to be a military organization, its priorities and values set by military leadership. Sometimes, this gets articulated with startling frankness by the military, as in the conversation a manager had with an admiral, who told him, "You civilians would be a lot better off and a lot happier if you realized that your only purpose in life is to make your officers look good for their next assignment." The tension between military and civilian managers was much more obvious at both NAVSEA and SPAWAR headquarters than at Portsmouth, but in general, we can conclude that for civilian managers in the Navy, working for uniformed superiors is often a source of frustration and can act as one more constraint on their ability to manage.

#### *External Pressure for Change*

Both because of its size and history and because of the dominance of the traditional military culture, the Navy looks very like the hierarchical culture, which values stability and is dependent on formal communication and standard operating procedures. Changing that culture in response to a changing external environment is a bit like turning an aircraft carrier: it can be done, but not quickly or easily.

While some of the pressure to change could be felt at headquarters, it was very much in evidence at the Portsmouth Naval Shipyard. On the one hand, the shipyard has a strong sense of tradition. It is almost two hundred years old, and a sense of history hangs over the place. (In 1905, the Treaty of Portsmouth was negotiated there.) Even though it is large, it has a close-knit feeling, since for years it has been the only major employer in the region. Frequently, several generations of the same family have worked at the yard. One person described it as "family-knit," saying: "Person-

ally, I really like it here. They better not shut the gates. I don't know what I'd do. My dad works here, and my sister works here, and my mother-in-law works here, and my friends work here. I don't know where people would work if they didn't work here."

On the other hand, this speaker articulated the fear, spoken or unspoken, that permeated the interviews at Portsmouth: what is the future of the Portsmouth Naval Shipyard in the new Navy? The Navy as a whole is shrinking, and thus there is a reduced need for new ships. While the existing fleet must be maintained, reduced demand is pitting one shipyard against another, and yards operated by the Navy against commercial yards, in a race for business that is also a race for survival. In short, although they are public organizations, Navy shipyards are being required to act like commercial corporations—that is, to adopt a market culture in order to stay afloat.

In fact, one of the reasons I chose Portsmouth as a site was that these pressures were very real there and had recently precipitated a reduction in force (RIF)—government jargon for a layoff. While I was there, rumors were circulating about another RIF the following year. (These rumors subsequently proved to be well-founded.) But as the previous quotation makes clear, the real, underlying fear was that the whole yard would be shut down.

The high level of uncertainty about the future sometimes made planning impossible, as one Portsmouth manager explained:

The unknowns out there affect the shipyard, because there's no way the managers can predict what's coming. The shipyard commander would go down to Washington and get one story, and by the time he got back it had changed. . . . There are so many proposals floating around Washington that it just made it virtually impossible to manage. All those unknowns, and we keep hearing about further budget cuts and cuts in nuclear armaments. We don't handle the armaments, but we work on attack boats [nuclear submarines]. Our workload will be affected. To do a five-year staffing plan is a joke, in reality.

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Given this uncertain background, managers particularly recognized the importance of improving efficiency and boosting production in order to remain competitive with other yards. Changing the way work and people are managed was seen as vital, because, as one person put it in the plainest terms, "Our jobs are at stake."

#### *Total Quality Management*

For the Navy as a whole, adjusting to the post-Cold War environment requires wrenching change, and top management has recognized that doing business as usual is no longer possible, that the Navy needs to change both how it works and its underlying culture. As a result, implementation of Total Quality Leadership (TQL), the Navy's version of Total Quality Management (TQM), has been mandated throughout the Navy, from the top down. TQM is a complex approach to management, and there are a number of different versions of it. But most authors would agree with Dean and Bowen (1994), who list as the core concepts of TQM a customer focus, continuous improvement, and use of work teams. The values underlying these three concepts lie in different quadrants of the competing values model. Continuous improvement in production, which relies on the use of statistical process controls, draws on elements of the market culture. The focus on customer relations is central to the adhocracy and market cultures. The use of teams of employees to analyze and improve work processes fits well with the clan culture. TQM deemphasizes the values of the hierarchy culture, with its stress on stability, top-down leadership, and formal rules.

After several years, it remains unclear how extensive the effects of TQM have been, but the approach has by no means been uncritically accepted within the Navy (Ban, 1992).

Under the dual impact of changes in the external environment and internal attempts to reform the culture, the Navy is now an organization in flux, clinging to some extent to the old ways of doing things but also grappling with the need for change.



### The Environmental Protection Agency: A Nontraditional Culture

The contrasts between the Navy and EPA are dramatic, both on objective dimensions and in cultural terms. EPA is relatively small, as Table 1.1 shows, and relatively young. It was created as an independent agency—by amalgamation of various programs that existed in other agencies—in 1970. At headquarters, it is divided into offices dealing with air, water, and other categories of pollution. The agency also has a strong regional structure; almost half (49.5 percent) of its staff members are in the regions. EPA's general mission—the protection of the environment—is clear. But the interpretation of this mission has changed over time and is the subject of ongoing debate, both inside and outside the agency. Among the contentious issues is how to balance environmental goals with those of economic development. More than in the other organizations studied, such debates have taken place in public, under intense scrutiny from Congress; from active, vocal interest groups; from the media; and from the courts.

EPA's resource picture also differs from that of the Navy. While the Navy is currently facing severe cutbacks, EPA's budget has grown significantly over the last ten years (see Table 1.2). But this growth has not been uniform across the board. At one end of the spectrum is the Superfund, whose expansion has outstripped all other programs. At the other end are programs that have actually been reduced in size.

#### *Definitely Not Your Average Agency*

As we have seen, the traditional view is that all government agencies fit the model of the traditional bureaucracy, or—in competing values terms—the hierarchical culture. While EPA certainly has some elements of the traditional bureaucracy, it is overall far less bureaucratic than the other agencies in this study. Its culture is

complex and includes elements of all the other quadrants in the competing values model.

First, a central theme in EPA culture is a strong commitment to the agency's environmental mission. This came up frequently in the interviews and was supported by an internal study of the agency culture conducted by Region Three (U.S. Environmental Protection Agency, 1988). As one regional manager expressed it: "A lot of people work here because they have a true devotion to improving the environment. They don't see it just as a job, but more as a cause."

This strong commitment to mission clearly affects the agency style. One of the first things that struck me when I started conducting interviews at the agency was the high energy level. EPA is a place that hustles. When you walk through the rather dingy halls of its headquarters in southwest D.C., you notice that people in the halls are really moving, not just strolling. As one person said, "EPA is a dynamic, exciting place to work." And in the group interviews, the decibel level was dramatically different from that at the Animal and Plant Health Inspection Service (APHIS), where I was holding group interviews at the same time. EPA people are not shy about expressing their ideas, often at full volume and in no uncertain terms. This is not a soft-spoken agency. Employees relish what they see as a style that sets them apart: "You're expected to speak and have opinions and be energetic and be entrepreneurial. I'm not sure I'd be happy working anywhere else in government. We have a mission, and people care about it. We have an elitist attitude of looking at places like [the Department of] Agriculture and saying you can hear the squeak of the wheelchairs in the corridors."

While the analogy to a market culture does not fit EPA perfectly, since regulatory agencies do not face external competition, EPA employees' high energy and their strong commitment to the organization's mission are both highly congruent with the underlying production values of that quadrant in the competing values model.

### *EPA as an Adhocracy*

While some elements of the EPA culture fit the production or market model, others are much closer to the adhocracy. These include the attitudes toward change and toward formal regulations, as well as the external focus and political environment of the agency.

Although some EPA old-timers bemoan the fact that the agency is growing, aging, and becoming more formal and thus more like just another government agency, it is still a relatively open, informal organization, willing to experiment with new approaches and savoring a reputation for being on the cutting edge. For example, parts of EPA were pioneers in the application of Total Quality Management. Furthermore, TQM spread informally from below, rather than being imposed from above (Ban, 1992; Cohen and Brand, 1993).

The same values permeate the agency's attitudes toward formal rules and regulations. The combination of EPA managers' strong commitment to mission and the agency's freewheeling, still somewhat countercultural atmosphere, results in a management style which is consistently described as individualist, entrepreneurial, and independent in thought. Here, too, EPA staff like to compare themselves with the rest of the federal government; they see EPA as relatively less bureaucratic, rigid, and rulebound than other agencies:

In DOD [the Department of Defense], everything is by the regulations, and everything is slow. That's somewhat a function of old versus new organizations. When I first came here, I was aghast at how they put a contract through. It's less structured and less controlled than at DOD. Also, everyone here is known by their first names, up to the administrator and deputy—it's Bill and Hank. That gives a certain informality to it. In DOD, it's Colonel this, and Captain that. The DOD culture is sort of stuffy and staid. Here it's not that this culture doesn't have its bureaucracy, but it's a little easier to take, if you have a certain personality. If you like structure and rules, you'll be happier in DOD.

However, as several people pointed out, the looser EPA environment is not everyone's cup of tea. One told of hiring a person from the DOD who could not adjust and who left after six months: "He said that he simply couldn't deal with the lack of structure. He couldn't find his bearings in the place, he didn't think that there were any rules, that everything had to be made up as you went along, and he just found it disconcerting. He didn't fault it, you understand. He thought the people were very nice, but he just couldn't live with that."

Not only does EPA have fewer rules, but it clearly has less respect for those it does have. Several people expressed an attitude that combined a willingness to push the rules to the limit with an unwillingness to take no for an answer. The fact that managers do not work by the book is not lost on the personnel staff. In one of my first visits to the agency, I talked to a senior manager in human resources who told me: "This isn't the kind of place where you can tell people what to do, where you can say, 'You will follow the following twelve steps.' My job may be harder than someone at Navy, because here everyone thinks they're an expert after ten minutes. I have no authority. I have to use persuasion to get people to do things."

### *A Political Environment*

The EPA culture resembles the adhocracy also because of its focus on external relations. The high energy level at EPA comes not only from internal commitment to the agency mission but also from an extraordinary level of outside pressure and scrutiny—from the courts, the press, the public, and particularly Congress. EPA managers frequently mention how it feels to be on the receiving end of all these pressures. Discussions focus on both "the incredible, intense, and continuous congressional scrutiny, the number of hearings, the number of committees that get involved in any one law," and the level of public concern, often "a very emotionally involved public, on issues like siting, like various forms of pollution control."

The other key aspect of this pressure is deadlines—deadlines that managers know are unrealistic. As one explained: “The outside pressures affect our daily lives a lot, because a lot of our laws are really structured to give us a lot of deadlines that we can’t meet. We don’t meet them until someone sues us to meet [them].” Not surprisingly, the unrelenting pressure leads to crisis management, or as one person put it, “In [this] agency . . . we have lived and died by crises.” As we shall see in later chapters, this crisis-management style puts pressures on the personnel staff as well.

The fact that the EPA environment is so political necessarily affects the nature of political leadership at the agency. In the Navy, as we saw, there is considerable tension between the military leadership and the civilian managers. At EPA, the tensions are between political and career managers. EPA is more politicized in a partisan sense than either the Navy or the Department of Agriculture (or at least the branches of the department I studied). This is a reflection of the controversial nature of its mission. The years under administrator Ann Gorsuch (Burford) in the early 1980s were an example of such politicization at its most extreme, and current employees still tell stories about that period.

Although EPA does not have an unusually high number of political appointees, they occupy highly visible positions. For example, most assistant administrators (AAs), who head the major divisions of the agency, are political appointees. They are not universally loved by the career people. While in the Navy problems were caused by the rapid turnover of military officers, at EPA, people griped about the turnover of political appointees and about their uneven quality. A senior manager expressed concern about the administrative competence of the political appointees at the top of the organization as well as about their sheer numbers. As she put it: “This place has enormous numbers of political appointees. It’s crawling with them. It’s a lack of stability or of a long-term commitment to things like personnel management or management systems.”

### *Region Three: A Clan Culture*

While griping about political appointees was common at EPA headquarters, it was nonexistent in Region Three, except as part of general complaints about headquarters. The region has only one political appointee, the regional administrator (RA). At the time of the study, the incumbent was respected by the regional staff, who perceived him as sincerely committed to the environment. And his deputy was not just respected but genuinely admired. Far more than at headquarters, the values of the region appear to be those of the clan culture. Top management was seen as experienced, able, and committed. One senior manager described the region as "a very nurturing place." Indeed, Region Three prides itself on being an open environment, where there is "still enough room for a manager to come up with new ideas." The regional leadership is also seen as genuinely caring about good management. As one manager expressed it: "I think there is a real concern for management here. We have a good group up there, who really look for ways to improve management. We have a good RA—we've generally been blessed with good RAs."

In general, direct conflict with political appointees is likely to be less in the regions, simply because almost all such appointees (except the regional administrators) are at headquarters. But Region Three staff also saw a difference in style between the region and headquarters. At headquarters, competition sometimes led to deadlock. In the region, by contrast, managers perceive less turf-guarding and less blocking by veto. Or as one manager put it, "We have a bias for moving forward in the region."

### **The Department of Agriculture: A Holding Company**

The Department of Agriculture is the most loosely structured of the agencies in this study. I was interested in looking at a "holding com-

pany" to examine both structural issues—such as the level at which personnel policy is set—and cultural issues. Is there a department-wide organizational culture or management style? Or are organizational identity and organizational culture formed at the lower, agency level?<sup>1</sup>

The Department of Agriculture is an old organization, founded in 1862 and established as a cabinet department in 1889. It is much larger than EPA, although it does not approach the size of the Navy. The department is also very decentralized in structure, comprising more than forty-three separate agencies with diverse missions and internal structures. The two organizations included in this study, the Food and Consumer Service (FCS) and the Animal and Plant Health Inspection Service (APHIS), illustrate the broad range of functions subsumed within the Department of Agriculture.

The Food and Consumer Service (formerly the Food and Nutrition Service) is the smallest of the organizations in the study, with a total staff of less than two thousand, one-third of whom are at headquarters. FCS is a relatively new organization, founded in 1969 to administer programs such as food stamps, the Special Supplemental Program for Women, Infants and Children (WIC), and school lunch and other food programs.

APHIS is somewhat larger than FCS (see Table 1.1) and much more loosely structured. It has broad-ranging responsibilities, including:

- Detecting and monitoring agricultural pests and diseases
- Excluding exotic agricultural pests and diseases (including port-of-entry quarantine and inspection)
- Protecting the welfare of animals in a wide range of settings, including zoos, circuses, and laboratories
- Overseeing the growing industry in biotechnology and biologics (Animal and Plant Health Inspection Service, 1989)

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The diversity of these functions means that just as the Department of Agriculture is a holding company so is APHIS. The separate parts of the organization function independently and even have their own field and regional structures.

Although the resources of the Department of Agriculture as a whole have grown significantly, there are substantial disparities among its component agencies. Of the two in this study, FCS, which administers welfare-like programs, was cut drastically in the Reagan years, while APHIS, which provides services that protect American farm production, has remained steady and has even grown slightly.

#### *The FCS Family*

FCS managers, more than those in other organizations in the study, present a consistent view of the organization's culture and consistently use a common metaphor: people talked frequently about the organization as a family. This culture is a reflection of the FCS mission, size, and structure and of the kinds of people attracted to the organization. Agency members see their mission as setting them apart from other agencies of the Department of Agriculture; as a midlevel manager explained: "Every other part of Agriculture is dealing with farmers and agricultural policy, and we're out there with the income maintenance and social welfare. We're urban-oriented, whereas agriculture is rural-oriented—even if it is not crops, it's rural developmental kind of stuff. [FCS] has almost nothing to do with agriculture except that it has to do with food."

The small size of FCS and its clarity of mission contribute to a relatively open, informal organization, where people use first names, even up to the top levels. (The administrator of FCS was always referred to as "Betty Jo" rather than "Ms. Nelson.") Managers stressed the ease of both horizontal and vertical communication. As one described it: "It's not the strict chain of command type setup in which you don't go to the next chain unless you report to the



first line. It's more of a relaxed environment, in which the first-line supervisors can feel free to go to the branch chief, can feel free to go to a director if necessary."

Some participants in the group interviews felt that the food stamp side of the organization, which is governed by extensive rules, was somewhat more hierarchical. There was also some friendly rivalry between food stamps and special programs. For example, the final shot in a disagreement over performance appraisal standards in a group interview was, "Well, you know those food stamp folks. They're weird." But in fact, the programs are quite permeable, with people moving fairly easily from one program to another.

FCS managers do not express the same impatience with rules and regulations as do EPA staff, nor is there the same drive to be on the cutting edge of new approaches. But within the FCS "family," there is a tendency to look for informal solutions to problems. This was particularly apparent, as we shall see in Chapter Eight, in strategies for dealing with problem employees.

### *FCS Political Leaders, Past and Present*

In the Navy, we saw tension between military and civilian leadership and, at EPA, tension between political and career executives. At FCS, there was some griping about inexperienced short-timers who were too low in the organization. But overall, the current level of tension between career managers and political appointees at FCS is far less than at other agencies. In fact, one senior manager praised the appointees, saying, "We've never had anyone as competent as the Bush people." The political leadership appeared to reinforce the caring values of the clan culture and to downgrade somewhat the values of traditional hierarchy.

Relations with political appointees have not always been so warm. One of the stories that has passed into the folklore of the agency features the past administrator (described by one person as a "full-bird colonel"), who was clearly uncomfortable with the FCS

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culture and referred to the agency in an open meeting as a "country club." People are still smarting from that comment, and still feeling the need to explain why it was inappropriate. The following observation from a regional manager, discussing the country club label, sums up nicely the differences between a formal, rigid military culture and the more informal style of FCS:

There's about two thousand people or less here. . . . The only way you can run this agency is to be very, very flexible. Inflexible people cannot get the job done. . . . So the fact that people are fluid, they're moving back and forth, they're doing things, they're being creative, that's the only way you can cover all of our programs, all of our responsibilities, with the number of people we have here. So if someone would come from Defense, where he saw people pigeonholed down the line and wired into little tiny cubicles . . . with little tiny jobs, and pyramids from top to bottom, and then come into an agency where he can't track what everybody is doing every day, because people are working on five or six different projects, then basically, it's not a country club, it's just a very advanced form of management, getting the most out of your people.

The political leadership at the time of the study obviously had much more respect for the career staff. However, the administrator was trying to make some changes in the agency, and change is never easy. Nelson, who had been at the helm for about a year when I began my research, was seen as trying to open up an organization that was already fairly open and informal compared with other government agencies; her aim was to make it less hierarchical and more participative in management style. The policy was received better at the bottom than at the top. In the group interviews, the change in style elicited mixed reviews. As one first-line supervisor described it: "[She] is trying to open the system up . . . by trying to at least give the impression that she is trying to include everyone in decisions that are important to the agency, and doing that with a lot of very

positive feedback, especially to supervisors. I think she's concerned about the individual a great deal."

Another first-line supervisor talked about the administrator's expectation that lower-level staff who had worked on a policy participate in meetings. As he put it: "When you take the staff with you to the administrator's office, wow, that's pretty darn good! They'll even put a suit on for that!"

But the first-line supervisors encountered resistance to change at the levels between them and the administrator. As one of them summed it up while the administrator was trying to make changes, "How open an environment is depends on who's right above you, who's two steps above you, who's three steps above you."

The changes are seen as threatening by some top managers. One senior manager commented: "If you have a new management style, then you have to retrain managers or replace them. . . . That's why the paranoia."

However, such tensions did not show up in the regional office I visited because the regional administrator, who had been in that position for sixteen years, seemed to epitomize an open management style. Rarely have I heard such unanimously warm comments about a top manager. People characterized the culture there as open and participative, and they saw the regional administrator as "very accessible." One person described his style this way: "He walks around, and you will see him on the floor within the units a couple of times a week, maybe. And so literally everyone has an opportunity to talk to him. Indeed, they take advantage of it. And [he] takes his time. He knows the people, he talks to them, and he's open to comments and suggestions. It can be friendly chitchat. . . . He will ask them what they are working on currently, or he will ask them about an issue."

The openness of the FCS culture, both at headquarters and in the region, was very evident to me as a researcher. The friendliness and warmth of its managers at all levels, including political appointees, were striking. Even though resources were very tight, this

was a close-knit, mutually supportive group of managers. I saw much less of the competition or conflict between parts of the organization, or between political and career managers, that I found in other organizations. In short, the top leadership supported and reinforced the organizational norms of a clan culture.

### *A Holding Company Within a Holding Company*

APHIS is the hardest agency to describe in cultural terms; its own managers, in the group interviews, had trouble articulating what they considered to be the common elements of an overall organizational culture. At both the midlevel-manager and SES levels, they focused first on the organization's diversity. As we saw, APHIS has an unusually diverse mission. The agency's staff carry out a wide range of activities, from checking luggage at ports of entry for everything from fruit to sausages, to eradicating medflies, to overseeing the biotechnology industry, to protecting animal welfare. The diversity of these functions means that, just as the Department of Agriculture is a holding company, so is APHIS. As an SES member described it: "APHIS, rather than having a single mission, is really a conglomeration of a number of programs and activities. Many agencies do have a single mission. When we talk about ourselves as being regulatory, that gives the impression of having a single primary mission. We really are a conglomeration of small programs."

The two largest parts of the agency are Veterinary Services (VS) and Plant Pathology and Quarantine (PPQ). Traditionally, they were very separate organizations. One senior manager in VS described both the separateness of the organization and its stability over time: "Going back and looking at the segment that I've been in, Veterinary Services, we really were organized as the old Bureau of Animal Industry, way back in the 1880s, and when you go back and look back from the 1880s up until three or four years ago, there wasn't a whole lot of change in our organization, really, and Vet-

erinary Services' leadership pretty much ran their own organization, answering to the administrator."

The separation between the two sides of the agency is still so great that the organizations maintain completely separate regional and field structures. A recent reorganization, in 1988, was designed to improve coordination, provide better scientific support, and reflect new missions, at least in part as a response to outside criticism. Many functions that had been contained within major programs were spun off into new organizations in such areas as science and technology; biotechnology, biologics, and environmental protection; and program development. But the changes were quite unpopular, particularly within the old-line sections of the agency, which lost resources to the new units.

There were also tensions between headquarters and field offices, which is probably inevitable in an organization where a lot of the hands-on work is done out in the field. And at APHIS, they mean "hands-on" literally: "I've been out there and gotten dirty. It helps so much, I think, to have people come up through the structure, start in the field, start out there with coveralls, you know, and get knocked around by the cows, and having to do the dirty work, so that when they get into the upper positions they know what the problems are to the guy out in the field doing the work."

Here, too, tensions reflect competition for resources, with several people reporting that the field was the consistent loser. As a headquarters manager described it, "When funds get tight, it's the resources available for field delivery of services that get tightened, and headquarters feels it less."

If there is a common culture among so much diversity, it appears to most closely resemble the traditional hierarchy, focusing on stability and tradition and changing only slowly and with difficulty. The first-line supervisors, in particular, described APHIS as "conservative" and "conventional." While individual units, particularly some of the new ones, appear to be fostering innovation and looking for new approaches to the agency's mission, the feeling in the

agency generally was very much one of business as usual, with heavy reliance on standard operating procedures and hierarchical decision-making structures. It is interesting that although one small part of APHIS successfully implemented TQM, the method had not spread spontaneously through the organization nor was it supported by top management (Ban, 1992). The movement to TQM may have been too great a jump for such a traditional culture, absent the intense external pressure faced by the Navy.

### *Political Environment at APHIS*

While APHIS and its programs have nothing like the visibility of EPA, for example, APHIS does have strong political support from those served by its programs. It is also subject to stringent oversight (seen by those inside the organization as meddling) from Congress. Managers complain about increased politicization, decrying the role of political appointees and the intrusion of political considerations into the policy process. This is particularly resented by managers with scientific backgrounds, as one articulated: "The politics are becoming more and more a factor. It's coming down lower to our level. We didn't notice it in the past. We had things we wanted to do in the field. Now it seems the direction comes the other way. Scientific considerations are diluted more by political considerations."

What was really striking in analyzing the APHIS interviews was how infrequently people mentioned the top leadership of the agency. Not only was the leadership failing to articulate a consistent culture, it was nearly invisible. This was in marked contrast to both FCS (which is much smaller) and EPA, where people referred frequently to Administrator William Reilly as "Bill" and to Deputy Administrator Henry Habitch as "Hank." Even in the Navy, people often talked about the admirals who headed the major SYSCOMS and occasionally about the current or past secretary of the Navy. But at APHIS, members of the top leadership were shad-

owy figures who apparently had little direct influence on people's lives. The only interviewees who presented a different picture were SES members (who obviously had more frequent contact with top management), and they were quite critical. One described the current administrator as "weak in leadership skills." Another told me, "Most of the managerial decisions are made on the basis of personality and close relationships with some of the unit heads, as opposed to issue management or management to the benefit of the organization." He saw the lack of strong leadership as having a negative effect throughout the organization.

I should note that the administrator just referred to was removed during the course of the research. As one person described it: "Glosser . . . has resigned. There was some scandal about vehicles. So he's going on the shelf. There's some program where he'll stay on the payroll and go to the University of California and be an honorary faculty member and give two lectures."

Not only the administrator seemed detached from the daily lives of first-line supervisors. With only a few exceptions (mainly the heads of some of the newer sections of the organization), SES members chose to have their offices not at APHIS headquarters, a somewhat dingy office building in suburban Hyattsville, Maryland, but at the Department of Agriculture headquarters in downtown Washington. This may have improved communications upward in the departmental hierarchy, but it cut off the managers from easy informal communications within their units. I did not hear many stories of "management by walking around" at APHIS.

### Conclusions

What is most striking about these findings is the sharp differences between the agencies, not only in their size, missions, and histories, but in their organizational cultures. Of course, none of the four agencies are pure types, and all have elements of each of the four cultures described in the competing values model. But there are

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clear differences of emphasis, with APHIS falling most closely into the traditional hierarchy mold, the Navy attempting to move from a hierarchy to a market model (particularly at the shipyard), EPA placing strong emphasis on the values that exemplify an adhocracy, and FCS epitomizing a clan culture.

These cultural differences have a significant effect on the attitudes and behaviors of managers within each organization. As we shall see in Chapter Two, they affect both the kinds of people hired into managerial positions and the messages they are given about the appropriate role for supervisors. The cultural differences also directly affect the norms that develop within the organization about bureaucratic constraints and how to cope with them.

It is important to note, as we look at the effects of organizational culture on management style, that even in organizations with a strong culture, there are likely to be significant variations, including subcultures that may support values counter to those of the wider agency. One of the key issues we will turn to in Chapter Three is the culture of the personnel office and the extent to which it is congruent with that of the agency as a whole.