Title

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INSTITUTIONAL PARADOXES: WHY WELFARE WORKERS CAN'T REFORM WELFARE

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Institutional Paradoxes: Why Welfare Workers Can't Reform Welfare

Abstract

This paper considers the implementation of welfare reform in California in the early 1990s as a case of bureaucratic reform. Using Richard Elmore's model of "backwards mapping," we develop a model that contrasts the *instrumental* transactions between welfare workers and their clients that have dominated operations in local welfare offices for several years with the *transformational* transactions that we would expect after the successful implementation of welfare reforms designed to increase clients' work and self-sufficiency. Using this model to analyze in-person interviews between welfare workers and their clients, we find little evidence that street-level transactions were consistent with policy makers' stated objectives to increase employment among recipients. We then turn to information collected through semi-structured interviews with welfare workers and their supervisors to identify the organizational factors that inhibited successful implementation. We conclude by suggesting that the gap between stated and enacted policy may be traced to the failure of policy makers to align organizational incentives with policy objectives, and/or their failure to clearly communicate their policy goals. It is also possible, however, that what appears to be an implementation failure is more accurately understood as a failure by policy making principals to forge agreement on contested policy issues. Efforts to force bureaucratic compliance with ambiguous and contradictory policy goals may create the "institutional paradox" of asking local implementing agents to deliver policies that are impossible given existing organizational capacity and authority.

INTRODUCTION AND OVERVIEW

Current political rhetoric about welfare "reform" would suggest that there is a nearly frictionless translation of policy intent (via legislation) into policy realization (via behavioral responses by program recipients). The study of policy implementation in intergovernmental and bureaucratic systems has demonstrated that this is unlikely. Enactment of any national or state policy involves numerous political, bureaucratic and other implementing agents. On any reasonably complex issue, policy implementation looks less like smooth translation and more like a long, complex, and often unpredictable transliteration. Because implementation is complex and unpredictable, directing bureaucratic agents in the delivery of policy is an important challenge for policy makers. And the evaluation of this process is an equally important challenge for policy and public administration researchers.

Between 1991 and 1993, policy makers in California made substantial changes in the primary welfare program for families with children (Aid to Families with Dependent Children). These changes continued a several-year shift in the goals of the AFDC program, away from its historical role as an open-ended entitlement and toward a program of transitional assistance and promotion of work and economic self-sufficiency for program clients. In this, California anticipated many of the policy changes that are likely to result if welfare proposals now before Congress are adopted as federal law.

This paper considers the implementation of welfare reform in California during this period as a case of bureaucratic reform. We begin by considering the problem of interest converge, policy conflicts, and implementation fidelity in complex bureaucratic systems. Because social policies are often deeply contested, policy goals are frequently ambiguous and internally contradictory. Given the persistence of interest conflicts, we argue that one "yardstick" against which we should measure the success of social policy delivery is the content and quality of the transaction, between the citizen (as a client) and the street-level bureaucrat, during which policy outcomes are jointly produced.

Using Richard Elmore's model of "backwards mapping," we suggest such a yardstick for the implementation of welfare reform in California. We develop a model that contrasts the *instrumental* transactions between welfare workers and their clients that have dominated operations in local welfare offices for several years with the *transformational* transactions that we would expect after the successful implementation of policies to shift the mission of the AFDC program toward transitional assistance and client self-sufficiency.

We then use this model to analyze in-person interviews that were observed in 1993 and 1994 between welfare workers and their clients in four California counties. We find little evidence that transactions were consistent with the stated objectives of welfare reform. In the street-level delivery of welfare policies, workers rarely communicated the incentives, expectations, or opportunities for clients to reduce welfare reliance or to increase work and self-sufficiency.

We then turn to information collected through semi-structured interviews with front-line welfare workers and their supervisors to identify the organizational factors that inhibited the successful implementation of welfare reforms. We draw on economic and organizational theories of bureaucratic control to examine the "institutional paradox" of asking welfare workers to reform welfare policies. We conclude that the structure of formal and informal incentives in local welfare offices, and a narrow technical understanding of program mission, created substantial disincentives for workers to engage in the type of transformational transactions that were consistent with policy makers' stated goals.

We conclude by suggesting that the gap between legislated and enacted policy may be traced to the failure of policy makers to align organizational incentives with policy objectives, and/or their failure to clearly communicate their policy goals. It is also possible, however, that what appears to be an implementation failure is more accurately understood as political failure. If policy making principals are unwilling or unable to forge agreement on contested policy issues, efforts to force bureaucratic compliance may create the "institutional paradox" of asking local implementing agents to deliver policies that are impossible given existing organizational capacity and authority.

Organization of the Paper

Section I of the paper situates this study in the literature on social policy implementation and the control of complex organizations and bureaucratic systems. The sample used in this study, and the data collection and coding methods, are detailed in Appendix 1. Sections II through V address the following research questions:

Part II:	What were the stated goals of the welfare reforms adopted by California officials?
	What did these policy goals suggest for the enactment of policy at the street level, i.e. for the transactions between street-level bureaucrats (welfare workers) and clients?
Part III	How did actual outcomes (in terms of transactions between workers and clients) compare to expected outcomes?
Part IV	How was the gap between anticipated and observed outcomes related to the structural characteristics and understanding of program mission in the local welfare bureaucracies?
Part V:	What are the implications for welfare reform and as bureaucratic reform more generally?

PART I BACKGROUND

An important consequence of the liberal federalist structure of the U.S. government is that the federal government must rely on the cooperation of other authorities -- federal, state and local, public and private -- to achieve policy objectives. State and local governments are likewise dependent on a variety of public and private entities to achieve public purposes.

To the extent that policy objectives are clear, desired outcomes are unambiguous, and the interests of all relevant actors converge, multi actor policy implementation can be expected to proceed smoothly toward anticipated policy outcomes (Palumbo and Calista, 1990; Ingram, 1990; Sabatier and Mazmanian, 1983). Policy implementation under these conditions appears to be relatively rare, however. More often, policies adopted at any level of government contain some challenge to the perspectives, interests, or priorities of other organizational entities that are key to implementation success (Ingram, 1990; Ferman, 1990). The challenge becomes one of gaining the cooperation of what Stoker (1991) terms *reluctant partners*: "implementation participants who enjoy substantial autonomy and whose cooperation is uncertain and may be difficult to achieve" (p. 4).

Implementation as Policy Politics

Conflicts of interest are anticipated in policy formulation. They are less often anticipated in policy delivery. But conflicts of interests frequently persist throughout the implementation for at least three related reasons.

First, legislated policies are enacted by implementing agents who have substantial discretion over institutional and organizational arrangements that affect policy outcomes. Implementing agents have discretion because they have both critical capacity to deliver and enforce policy directives, and control over critical information about policy delivery and outcomes (Kelman, 1987; Wilson, 1989). In policy areas that require the delivery of services or enforcement of rules directly to citizens and clients, the discretion of implementing agents at the front lines -- the street-level bureaucrats -- is especially ubiquitous and important in determining policy outcomes (Lipsky, 1980; Hasenfeld, 1983).

Second, implementing agents -- whether considered as individuals or organizations -- bring their own interests to the implementation process (Ferman, 1990; Brandl, 1989; Stoker, 1991). As organizational analysts have long observed, the key challenge in directing the activities of any complex organization is that of aligning the interests of organizational members with that of the organization as a whole. Organizations, as collectivities, can also be seen to have interests that diverge from those of policy makers; interests, for example, in continued survival, operational efficiency, and employment security for organizational members. To the extent that policies must be enacted by multiple organizations, each facing the challenges of survival and internal coordination, policy makers can only achieve their policy goals by aligning the efforts of many more or less reluctant partners.

Finally, conflicts of interest among implementing agents may be exacerbated by conflict and ambiguity in the policy objectives themselves. Some implementation scholars identify the clear and unambiguous statement of policy objectives, in statue or regulation, as a precondition for successful implementation (Sabatier and Mazmanian, 1986). Others suggest that to the extent that policy formulation is political -- in the sense of mediating contested interests -- ambiguous policy directives are not a failure but a predictable outcome of the policy making process. As Ferman (1990) suggests, because American politics are coalition politics, elected officials build convergence of interests by adopting vague, broad, even internally contradictory policies in an effort to satisfy multiple interests. Implementing agents receive ambiguous policy directives and multiple, often competing demands from various interests. Policy implementation, no less than policy formulation, includes interest competition and bargaining.

Conflicts of interest may be especially prominent in the case of social policies that have redistributive consequences (Ingram, 1990). Brodkin (1990) argues that on social policies interests are likely to be especially contested and institutional capacity for conflict resolution is particularly weak. The most contested policy issues, on which elected officials cannot forge agreements, may be passed out of the political arena altogether in the form of ambiguous statements of principle, symbolic policies, and nondecisions. Elected officials "delegate to the bureaucracy the hard task of giving specific meaning to vague or contradictory statements of legislative policy intent" (111) . Implementing agencies become alternative mechanisms for formulating policy.

Locating and Defining the Outcomes of Social Policies

Because policy makers depend on implementing agents who have divergent and sometimes conflicting interests and substantial discretion, the content of social policy is rarely defined once and for all at any level of government. This model of implementation moves considerably away from what are often called top-down or "command and control" models of implementation and bureaucratic management, in which political officials direct neutral bureaucracies (Elmore, 1978). And it raises particularly vexing problems in defining policy objectives (Ingram, 1990; Ferman, 1990). If policy makers do not always mean what they say (or say what they mean), and implementing agents do not always do as they are told (nor are they always told what to do), by what yardstick can we measure policy outcomes?

One option is to focus on policy as it is enacted or delivered to citizens; in other words, to move the focus from the top of the implementation chain (policy directives) to the bottom or end product (programs, services, and other direct transactions with citizens and clients.) In his seminal study of street-level bureaucrats, Lipsky (1980) describes social policies as the product of the actions of front-line workers in social agencies. As he suggests, "Although they are normally regarded as low-level employees, the actions of most public service workers actually constitute the services delivered by government" (p. 3).

The actions of street-level bureaucrats can be considered enacted social policy because they occur at the end of a chain of nested principal-agent relationships between elected officials, bureaucrats, managers, workers and clients.[1] As Lynn (1993) describes it:

> Assume social legislation has as its goal a net collective benefit for members of enacting coalition. The most concrete expression of such a social policy occurs at the point of contact between service workers and the target group or clients. Interactions between service works and clients are, however, the culmination of a series of formally hierarchical relationships... Cooperation and coordination up and down the line can be assumed to be necessary in securing a full measure of the collective benefit anticipated by the legislation.

Given the complexity of hierarchical implementing relationships, how can policy and organizational analysts operationalize the "concrete expression" of social policies that would demonstrate the occurrence of this cooperation? In his classic paper on the study of program implementation, Richard Elmore (1984) anticipates this questions by suggesting that implementation researchers begin with "backwards mapping" the policy to be implemented. As Elmore describes it, analysis begins, "not with a statement of intent, but with a statement of the specific behavior at the lowest level of the implementation process that generates the need for policy." When the behaviors desired at the end point of service delivery have been precisely described, the analysis 'backs up' through the implementing agency or agencies asking, what is the ability of this unit to affect the behavior that is the target of policy? And what type of transaction would be most congruent with this outcome?

Managing Policy at the Street Level: Incentives or Inspiration?

This perspective on implementation -- as the joint product of the actions of numerous individuals in their roles as street-level bureaucrats and clients -- suggests that social policy implementation will be decisively shaped by the management, coordination, and measurement of performance in the organizations that actually deliver social policies and programs. For the analyst, this suggests application of traditional public administration insights about bureaucratic behavior to questions about policy consequences (Ingram, 1990). And it emphasizes the importance of evaluating policy outcomes under conditions of routine implementation by line bureaucracies operating under real-world constraints. That is, policies as delivered by established bureaucracies or what Peter Rossi calls "your ordinary American agency."

The organizational challenge, whether it is formulated in terms of policy achievement, public administration or program evaluation, can be described in terms of aligning the actions of individuals and organizations toward the achievement of policy goals and objectives. The tools that government bureaucracies and other complex organizations possess for meeting this challenge have been considered in two scholarly traditions as structures (rules and incentives) and leadership (inspiration). Although often contrasted, incentives and inspiration are probably more usefully considered as contrasting but complementary frames of analysis.

From early work in the rational-legal bureaucratic and administrative management traditions, organizational analysts have described ways in which organizations direct members through the elaboration of explicit rules, rewards, and professional standards. One strand of organizational analysis has focussed on explicit structural dimensions: lines of authority, spans of control, production and coordination mechanisms (e.g., Thompson, 1967; Mintzberg, 1979). Structural theories have been augmented in important respects by explication of ways in which organizational control is embedded in standard operating procedures, and in reward, training, and communication structures that provide individuals with the specific and limited knowledge they need to make decisions that further organizational objectives (March and Simon, 1958; March and Olsen, 1989; Cyert and March, 1963; Perrow, 1986). Economists and others working in the tradition of agency theory have framed the question of organizational control in terms of the incentive structures in the hierarchical or market-like relationships that coordinate efforts of self-interested, interdependent parties (Eisenstadt, 1989; Moe, 1984). Agency theory makes a particularly important contribution to understanding the problems of information asymmetries that arise when managers (as principals) must depend on workers (as agents) but are limited in their capacity to observe or evaluate the efforts of those agents.

There is a second tradition in organizational scholarship that contends that leadership and inspiration dominate formal structure as a means for aligning the work of individuals with the goals of the organization. As J.Q. Wilson notes: "It is a commonplace that people do not live by bread alone, but it is one often forgotten by scholars seeking to find the most parsimonious explanation of human action and the most elegant prescription for how to induce that action" (157). In his classic work on *The Functions of the Executive*, Chester Barnard (1938) helped shift attention to the critical role of leadership in securing the cooperation of individuals within the organization. Selznick (1957; 1966) and others provided an important extension to the study of leadership by emphasizing the role of organizational mission in unifying, motivating and directing individual effort. More recently, organizational analysts have characterized the unifying role of mission in terms of organizational culture (Schein, 1992) and commitment (Ouchi, 1981). Some contemporary work on leadership also returns to questions of individual characteristics in an effort to explain the success of some individuals whose transformational leadership engages followers in the development of a shared organizational vision (Burns, 1978; Tichy and Devanna, 1986). Although many observers have pointed out ways in which leadership is constrained in public organizations, others convey a more optimistic view. Wilson (1989) reminds us that, contrary to the predictions of formal economic theories, most government managers do succeed in making things happen -- delivering services, enforcing rules, and so on -- even in the absence of compelling economic incentives for their employees. Behn (1991) provides examples of successful "leadership metastrategy" in the execution of policies and reform of government bureaucracies. Golden (1990) emphasizes similar themes in her analysis of successful grassroots innovations in social programs.

Social Policy Implementation as Bureaucratic Reform

Social policies, as considered here, are jointly produced through transactions between street-level bureaucrats and their clients. Both workers and clients enter into this transaction with some congruent and some divergent interests; their individual interests can also be expected to converge only partially with the policy goals of political and bureaucratic principals. Managers direct these transactions toward organizational and policy goals, at the local level, using some combination of organizational structures and leadership to direct and engage members in the achievement of organizational goals. The local agencies and their managers, in turn, respond to rules, incentives, and inspiration from state and local bureaucracies; state and local bureaucrats respond in turn to political officials. Because the policies and programs they deliver frequently incorporate conflicting interests and contradictory purposes, these bureaucrats, managers, and front-line workers, in their roles as implementing agents, often mediate conflicting interests.

This perspective on policy -- as the product of complex organizational processes in numerous "ordinary American agencies" and bureaucracies that respond to multiple stakeholders-- suggests that we should not be surprised by the frequently noted gap between policy intent and policy outcomes. This perspective also directs our attention back to an examination of bureaucratic organizational factors in analyzing policy implementation. Because policies are delivered in a complex intergovernmental and bureaucratic system, policy reform is often synonymous with bureaucratic reform (Goodsell, 1985).

Welfare Reform in California as a Problem of Bureaucratic Reform

This study examines the implementation of welfare reform in California as an example of the organizational challenges that arise in the implementation of new policies through established, complex, and intergovernmental bureaucratic systems. Although the chronology of welfare reform nationally and in California is well documented, the results of the implementation process and implications for policy outcomes are less well understood. The implementation of state-level experiments has been studied in a number of demonstration sites (e.g. Riccio et al., 1992), but most of these studies have concentrated on the delivery of services under the specialized conditions of demonstration They have not addressed the question of how complex welfare changes are delivered in established welfare bureaucracies. A multi-state study of the implementation of the Family Support Act (Lurie & Hagen, 1995; Hagen & Lurie, 1994) suggests that as states go to scale implementing welfare reforms, the policy changes may be received as one among many priorities competing for scarce organizational attention and resources. The extent to which national and state policy directives transform local operations may vary substantially between sites and over time at the same site, depending on organizational experience, political leadership, local priorities, and other contextual factors.

If, as argued earlier, social policies are ultimately produced in transactions between clients and street-level bureaucrats, it is important to open the "black box" of local welfare bureaucracies to better understand what occurs in these transactions and how they are produced. This study examines the implementation of welfare reform in California from the "bottom up" by considering the work of front-line workers in welfare offices. Using data from interviews and observations conducted in local welfare offices in 1993 and 1994, we analyze the extent to which transactions between welfare workers and their clients reflected the stated goals of legislative and administrative directives. We then consider how organizational factors in local welfare offices -- particularly issues of job structure, incentives, and mission -- help explain the gap between these transactions (or enacted policy) and the policy goals articulated by elected and bureaucratic officials.

PART II THE CASE OF CALIFORNIA WELFARE REFORM: WHAT WOULD IT TAKE TO REFORM WELFARE FROM THE BOTTOM UP?

Between 1985 and 1993, California lawmakers made significant changes in the major welfare program for families with children (AFDC). These changes had implications for the benefits and services available to welfare clients. They also reflected a shift in the mission of the program. In his 1992 State of the State Address, Governor Pete Wilson of California articulated this shift when he pledged to "Make welfare what it should be: transitional aid to the needy, not a permanent way of life."

The Policy Changes

The Aid to Families with Dependent Children (AFDC) program was established as part of the 1935 Social Security Act to provide economic protection for dependent children who were deprived of support by the death or desertion of the primary breadwinner -- assumed to be the father -- for the family. By the 1980s, state and federal welfare policies were shaped by a quite different set of expectations about women's labor force participation and concerns about long term "dependency" in welfare recipients.

Beginning with the 1988 Family Support Act (FSA), Congress moved to increase the stringency of work tests for welfare recipients and support their transition from welfare to work with a combination of education services and transitional benefits. Despite the lure of federal matching funds and the stick of participation requirements, however, states were slow to fully implement the job preparation services mandated under the JOBS program of the FSA in the early 1990s. By 1992, only 7 percent of all adult AFDC recipients were participating in JOBS programs designed to move recipients from welfare to work (Bane & Ellwood, 1994). Although slow to fully implement the FSA, many governors and state legislatures were enthusiastic about conducting state-level experiments with the AFDC program. Most state-level experiments, variously labeled "new paternalism" and "tough love" for welfare recipients, included some combination of benefit reductions, work tests, educational requirements, and tightening of eligibility rules to promote such "family values" as marriage and contraception (Heclo, 1994).

Beginning with the creation of a state welfare-to-work training program in 1985 (the Greater Avenues to Independence or GAIN program), California was a leader in state-level welfare experiments. Between 1991 and 1993, amid contentious public and political debate, the state legislature approved several additional changes in the AFDC program. These changes signaled two important shifts in the program (see Appendix 2 and Appendix 3 for detail):

First, they emphasized *transitional assistance*. Although AFDC continued to be an entitlement program, policy makers expressed growing concern for reducing caseloads, encouraging rapid transitions out of the welfare system, and reducing dependency on aid. Beginning with the federal Family Support Act, eligibility for most welfare benefits became contingent on participation in work or employment preparation activities. California created additional disincentives for long term welfare receipt by reducing the value of AFDC payments. Most prominently, AFDC benefits were reduced in nominal terms through elimination of COLAs, and in real terms through a series of benefit reductions totaling nearly 13% between 1990 and 1993. [2]

Second, policies explicitly promoted *work and economic self-sufficiency* for welfare recipients. Whereas, AFDC was originally provided as an alternative to paid employment, welfare policies in the 1990's aimed to enhance and facilitate employment. As described by the California Department of Social Services, the policies were designed to "substantially change the focus of the AFDC program to promote work over welfare and self-sufficiency over welfare dependence" (California Department of Social Services, 1993). California policies affecting employment of welfare recipients were changed in three important respects between 1990 and 1993. First, policies shifted to reduce employment disincentives. The marginal tax on earnings was reduced by extending the time during which recipients were eligible for a partial disregard of earnings; benefit reductions were partially offset by policies that allowed some recipients to keep more of their earnings; and the ceiling on employment hours for two-parent families was removed. Second, policies were adopted that emphasized employment preparation. Requirements for participation in the GAIN employment preparation program were strengthened, along with incentives for adolescent recipients to remain in school, and incentives to save for education. Third, program rules were modified to ease the financial difficulty of making a transition from AFDC to economic self-sufficiency by extending benefits, including child care and Medicaid, for a period after cash aid was terminated.

State Level Implementation

The California Department of Social Services (DSS) was responsible for managing the AFDC program on the state level, including oversight of the GAIN program and implementation of the 1990s reforms. Between 1991 and 1993, DSS officials issued a series of "All County Letters" informing the 58 county welfare directors of changes in state AFDC benefits and rules. These letters emphasized the information that the state (through county offices) were legally required to provide clients about benefit reductions and rule changes. Sample "Notices of Action" for individual clients were provided, along with required deadlines for grant reductions and suggestions for mass informing of entire caseloads. Because these reforms made several separate changes in AFDC policy, and some changes were subsequently rescinded, DSS issued multiple instructions to county welfare executives.

In 1993, the state DSS stepped up efforts to communicate policy changes to welfare workers, recipients and the public. Dubbed the "Work Pays Campaign," activities included the design and distribution of brochures, buttons and posters, public service announcements, and directives sent to county welfare workers. Brochures explaining AFDC work incentives, and eye-catching "Work Pays" posters and buttons, were distributed to county welfare offices, public health departments, clinics, foods banks, and other programs serving low-income clients. A new toll free number was established (1-800-WRK-PAYS) that provided recorded information about work incentives and access to a state DSS staff person. Governor Wilson proclaimed November 1993 "Work Pays" month, and both he and the director of the state DSS attended press conferences and other media events. The DSS director also prepared letters to county welfare workers, to be forwarded through the 58 county welfare offices, explaining the state welfare reforms, encouraging them to participate in the new outreach campaign by wearing "Work Pays" buttons, and directing them to deliver the message to their clients that "it always pays to work."

Delivering Welfare Reform on the Street-Level

The welfare reforms adopted in California signaled important shifts in the goals of the AFDC program, from provision of permanent assistance to keep mothers out of the labor market to provision of transitional assistance to move them into paid employment. In legislation, executive action, and public outreach, the state promoted the idea that "Work Pays" for people on welfare. As the Director of DSS described it, "the goal [was] to materially influence the work behavior of AFDC recipients by establishing incentives to work and disincentives to remain on AFDC" (Anderson, 1995, 44).[3]

These goals were ambitious in policy terms. They were also ambitious in organizational terms. described some of the resulting organizational challenges when he considered welfare reform as a problem in operations management. Current welfare reforms follow an earlier wave of reform, in the 1970's, that emphasized error reduction, automation, and efficient and standardized client processing. Eligibility norms were formalized and the administration of state and local welfare programs was increasingly bureaucratized. Front line operations staff were also deprofessionalized as trained social workers were replaced with eligibility technicians (Simon, 1983). Local welfare offices adopted the type of line operations best suited for high volume programs striving for productivity and consistency in output (Rosenthal in Sawhill, 1989).

The policies of California's "Work Pays" reforms, that emphasized work, self-sufficiency and a shift from open-ended to transitional assistance, had quite different operational implications. With the shift from processing claims to seeking jobs for clients, welfare offices were challenged to replace standardized line operations with "job shop" operations that could provide individualized services to clients (Rosenthal in Sawhill, 1989). Bane and Ellwood (1994) describe the challenge of changing the dominant "eligibility compliance culture" of local welfare offices -- a culture that is consistent with efficient claims processing but fundamentally at odds with communicating new expectations and providing support for transitions to self-sufficiency. Evidence from the implementation of the Family Support Act suggests that this level of transformation in the organizational process and culture of welfare offices may be very difficult (Lurie & Hagen, 1994; Hagen & Lurie, 1995).

In the following section we use "backwards mapping" to consider the type of transactions between front-line workers and clients that would be consistent with the objectives and mission of the AFDC program as articulated by California policy makers. We use the results of this thought experiment to suggest a model that contrasts worker-client transactions (1) as they have been observed under the "eligibility compliance culture" that has characterized welfare offices in recent years with (2) those we would expect to observe after the successful implementation of policies designed to facilitate transitional use of welfare and promote work and economic self-sufficiency and (3) those we would expect given partial or "reluctant" implementation of these same policies.

Backwards Mapping

To "backwards map" the delivery of welfare reform, and generate expectations about street-level implementation, we answer three questions posed by Richard Elmore.

> ***First, what are the specific behaviors or conditions that the policies address? What are the desired outcomes?***

The stated goals and desired outcomes of welfare reform in California were reductions in welfare dependency and increases in clients' work and self-sufficiency. The targets of the policy were actual or potential welfare clients; the aim, as DSS Director Anderson described it, was to materially influence their work behavior. These goals implied a shift in both the goals and technologies employed by the AFDC program, moving from what Hasenfeld (1983) has called a "people sustaining" program, designed to increase or maintain the well-being of clients without attempting to change their personal attributes, to a "people changing" or transforming program that aims directly at altering the personal attributes, motivation, and behaviors of clients.

> ***Second, what is the ability of this unit of the implementing process to affect this behavior or condition?***

Welfare workers are limited in their ability to change the self-sufficiency and work behaviors of their clients. As with other transformational technologies, the ability of the state to affect clients' self-sufficiency and employment is contingent on the participation and the reaction of the clients themselves. Welfare workers cannot make welfare clients go to work. They are limited even in their ability to observe clients' work aptitudes and behaviors. They are even more constrained in their ability to influence the opportunities for employment that their clients encounter.

In their role as gatekeepers controlling access to information and resources of the welfare system, welfare workers do have some opportunities for transforming clients. They control the *message and information* received by clients, decisively influencing clients' knowledge about work and welfare rules and access to various supportive resources. Workers also control the extent of *personalization or individualization* in transaction between the client and the state, with the potential to greatly influence clients' motivation to achieve self-sufficiency outside the welfare system. Workers' success in informing and encouraging clients may be particularly important because of their pivotal role at the interface between the welfare system and the (often highly vulnerable) client. The initial application and annual redetermination interviews are often clients' only direct contact with the welfare bureaucracy; workers conducting these interviews are often the only individual with whom a client has extended face-to-face contact.

Workers are thus clients' principal source of information about the welfare system and their interactions with clients the most concrete embodiment of the values and expectations of the welfare system itself. They control two mechanisms that may affect clients' work-related behaviors: the content (message) and form (personalization) of communication between clients and the state.

Message/Information Street-level welfare workers have control over critical information resources that may be directly related to clients' successful transition from welfare, including a sophisticated understanding of how the welfare system works, how to make the system "work" for clients, what clients might reasonably expect from the state, and what the state expects from the clients.

Information is a critical resource for clients because the system they face is complex, fragmented, and often very difficult to negotiate. Low-income individuals in California, as in other states, are potentially eligible for numerous transfer and in-kind benefit programs. Each program operates with different eligibility and benefit rules; depending on the locality, many require separate applications through different offices. Rules in each program are complex for the calculation of regular benefits. In most programs, determining eligibility and benefits is even more complicated when claimants combine income transfers with earnings.

The calculation of "fill the gap budgeting" -- promoted as part of the California welfare reforms -- provides an especially germane example. After the state "rolled back" welfare payments, program rules allowed most AFDC recipients to offset the benefit reduction by increasing their earnings. In order to do so, however, they were required to document their earning, child care, and work expense deductions each month. Actually calculating continued eligibility and benefit required a calculation "about as complicated as an income tax form" for each month, according to the state Department of Social Services (Johnson, 1993). Even after this calculation, the impact of earnings on eligibility for and benefits through other programs would still be unknown.

The size and complexity of the welfare system makes information about programs, rules, and program interactions a critical resource for transforming clients' abilities to become self-sufficient. Most narrowly, welfare workers can inform clients about income transfer programs, program rules about earnings, and the treatment of earnings in the calculations of various cash and in-kind benefits. Workers are also well positioned to direct clients of the welfare system to other resources -- such as child care and job training programs -- that provide supportive assistance for the transition to employment. Because they understand program rules and interactions in great detail, workers can also provide clients with information necessary to understand incentives for employment and make strategic education and work choices. Thinking more broadly, welfare workers can link clients to additional services directly, by accessing information from their counterparts in other parts of the public welfare and education bureaucracies, by making direct referrals, and by advocating for their clients' interests.

Personalization. Because they work directly with clients, workers' interpersonal behaviors constitute another resource that might be used to transform the prospects for clients' self-sufficiency. In particular, workers have substantial discretion in the extent to which they use their time, expertise, and attention to *personalize* their transactions with clients, in order to advise and encourage clients' efforts toward self-sufficiency.

Discretion is endemic in social policy delivery because jointly produced outcomes are dependent on the interaction between client and worker (Lipsky, 1980; Hasenfeld 1991). Rules governing the allocation of resources in cash transfer programs have been designed with an eye to standardizing treatment of client claims and reducing opportunities for workers to deviate and possibly discriminate in their treatment of different claimants. Nevertheless, even the most rigidly prescribed eligibility determination process, if conducted in person, involves an unpredictable and partially uncontrollable interpersonal encounter between the worker and the claimant.

In the shift from the "people sustaining" goals of AFDC as an income transfer program to the "people changing" goals of AFDC as a work transition program, the quality of this interpersonal interaction takes on new importance. Because the information needed to negotiate the program incentives is complex, workers might need to tailor the information to reflect diverse client circumstances. Welfare workers are also positioned to personalize and enhance the implicit and explicit messages that clients receive about self-sufficiency, work, and welfare. This is especially important insofar as the desired outcomes are behavioral, and must be jointly produced by the welfare office and the clients themselves. Welfare workers cannot compel work; they are even less able to compel more subtle characteristics that contribute to economic self-sufficiency, such as skills, motivation, and personal responsibility. Through the medium of their direct, interpersonal relationships with clients, however, they can hope to influence clients toward the development of these characteristics and behaviors by teaching, socializing, and/or motivating. The efficacy of these "purposive interpersonal relations" is likely to depend on the extent of personalization in the client-worker transaction and on the development of positive personal relationships and bonds between client and staff member (Hasenfeld, 1983).

Third, What type of worker-client transactions are most congruent with the desired outcomes?

Backwards mapping suggests that, at the street level of policy delivery, welfare workers in California were positioned to control at least two critical factors in the implementation of policies designed to transform clients' employment behaviors and prospects for self-sufficiency. In their role as gatekeepers and eligibility technicians, workers had access to important *information* about program rules, interactions, and services that were available to support clients' efforts to leave welfare for work. Because they delivered this information in face-to-face transactions, workers also influenced the extent of *personalization* experienced by welfare clients, from the tailoring of information to fit clients' individual circumstances to the encouragement and communication of new expectations for work and self-sufficiency.

Table 1 presents our model contrasting four styles of worker-client transactions, given variations on these two dimensions: the content of the message and the quality and personalization of the transaction.

<< INSERT TABLE 1 ABOUT HERE >>

The cell labeled *instrumental*, in the lower right, describes transactions when information is limited and individualization is low. This might be thought of as the traditional work of the street-level bureaucrats (or eligibility technicians) in welfare offices, as described by Bane and Ellwood (1994), Lipsky (1980), Rosenthal (1989) and others. Information is limited to that which is needed to achieve the operational pressures of the welfare system for efficient processing of client claims. Personalization is limited by the structure of line operations, the separation of claims processing from the delivery of social services, and pressures to increase equitable treatment and avoid discrimination on client claims.

The cell labeled *transformational*, in the upper left, describes the transactions that are most congruent with the goals of the new welfare policies. Workers actively engage in "people transforming" technologies to support the goals of shifting AFDC to transitional assistance and supporting client self-sufficiency. The explicit and implicit messages about work and self-sufficiency are high, as workers expand their discussions with clients to communicate expectations about work and the transitional nature of assistance, to provide information on work-related rules and benefits, and to assist clients with securing supportive services such as training, job referral, child care, and transitional benefits. The personalization would also be high, as workers modified their transactions to help clients understand how, in their own situation, "it pays to work."

We would expect workers to engage in *transformational* interactions if welfare reforms were fully and successfully implemented at the street level. There are at least two other outcomes that might be anticipated, however. If workers who are primarily concerned with determining eligibility are instructed to communicate new and complex information to clients about work-related program rules, incentives, etc., they may cope with these demands by *routinizing* their contacts with clients even further, combining high levels of information with low levels of individualization (lower left). This is particularly likely if workers face contradictory demands or lack sufficient resources to meet all demands. Routinization in the service of rationing limited resources and controlling unmanageable work demands has been noted in several studies, including the delivery of special education services for children (Weatherley and Lipsky, 1977) and social services for welfare recipients (Hagen, 1987; Pesso, 1978).

If expectations are ambiguous or resources are insufficient workers might be expected to cope in another fashion by increasing personalization in their work with clients, but limiting the scope and of the information they provide. In this case, workers might adopt a *particularistic* style of interaction by exercising their discretion and control over the information and advice they give each client (upper right). This describes the personalized but sometimes arbitrary treatment of welfare claims that has been described in highly localized welfare delivery (Pesso, 1978; Goodsell, 1981). And it suggests another source of potential distortion in the implementation process. If workers increase the personalization of their transactions without systematically informing clients about program rules, services, opportunities, etc., they may introduce multiple personal and professional biases into the enforcement of rules and allocation of scarce resources.

PART III RESULTS: DID WELFARE WORKERS REFORM WELFARE?

The exercise in backwards mapping suggested that effective street-level implementation of welfare reform in California would be reflected in two dimensions of workers' transactions with clients: in the implicit and explicit <u>message</u> about work and self-sufficiency that workers communicated, and in the extent of <u>personalization</u> to engage clients in the joint production of self-sufficiency outcomes. Workers who both inform clients about opportunities and expectations and personalize their transactions to engage clients in the achievement of self-sufficiency can be said to engage in *transformational* interactions that cooperate with policy makers' intentions to change clients' behaviors. Workers who do neither can be considered to continue the dominant technology of *instrumental* transactions with clients that concentrate on eligibility determination and fail to incorporate welfare reform goals. Workers may cooperate only partially with the policy intent by increasing information but doing so in a *routinized* transaction that is not responsive to diverse needs and circumstances, or by *particularizing* the information and advice they provide based on their own idiosyncratic understanding of program goals and client needs.

This section presents the results of observations and interviews conducted in 1993 and 1994 to determine whether the transactions between welfare workers and their clients demonstrated cooperation with policy goals on these dimensions. The actual transactions between workers and their clients during intake and redetermination interviews were observed and coded for message and the personalization of the transactions (see Appendix 1 for details of data collection and coding methods). Results are summarized first for the occurrence of any discussion of the recent welfare reforms, and second for the occurance of any personalization in client transactions. The frequency with which each of the four hypothesized transaction types occurred is reported next, along with examples from intake and redetermination interviews.

The Message: Do Workers Talk about Welfare Reform?

Table 2 summarizes the welfare-reform related content of client-worker transactions that were observed in 1993 and 1994. Transactions were coded for the occurrence of any discussion of specific elements related to the California welfare reforms no matter how minimal or routinized, including supportive child care and training services, the interactions and incentives in program rules about earnings, and transitional assistance programs.

In both years, these topics arose rarely in client interviews. The employment-related issue mentioned most frequently was the GAIN program; just over thirty percent of new and continuing applicants were informed about the program. These discussions were typically about eligibility, however, and treated by workers as one more step in the welfare application process. More detailed discussions of the program -- its services, goals, or benefits -- were almost non-existent. Benefits to assist clients who went to work, including child care and transitional Medicaid, were mentioned in fewer than ten percent of transactions with clients. None of these involved actual referrals for services.

Other elements of the California welfare reform package were virtually never discussed. No workers had incorporated the policy message that "work pays" or "it pays to work." Only three clients, of the 66 observed, were informed that they were allowed to combine work with welfare. Only one interview made any reference to the elimination of the 100 hour ceiling on employment. Only one worker described the effect of "fill the gap budgeting" rules that allow clients to reduce the impact of these cuts by increasing their earnings.

Welfare reform goals were largely ignored in other forms of client communication as well. By 1994, only two of the four counties included the "Work Pay" brochure -- explaining rules for "fill the gap budgeting" and support services -- in the package of forms given to clients at intake. Only one office was observed to display a "Work Pays" poster within sight of clients. Two workers were observed to have "Work Pays" buttons in 1994. One had attached it to the wall of her cubicle, in a large collection of buttons. When asked about it, she was unclear as to the meaning. She assumed, in fact, that it had been sent by her union to advertise their efforts to make work pay for the employees of the welfare office.

The 43 workers who were interviewed about their jobs confirmed the accuracy of the observations. Workers gave low priority to informing clients about work incentives, encouraging them to leave welfare, or referring them to training or other support services. Nearly all indicated that they did not routinely initiate discussions about work, and they discussed the impact of work on benefits only when clients asked or reported new earnings. Only one worker indicated that it was important to communicate "the importance of work" to clients. None routinely included discussions of "fill the gap budgeting," the lifting of the 100 hour work rule, or other work provisions with clients. As one described it, "If they are exempt from GAIN, we don't talk about work issues; if they are eligible we tell them about GAIN. Other than that, if they don't push it, we don't push it."

Personalization: Do Workers Tailor Their Interactions with Clients?

Interactions between workers and clients were highly routinized and organized more or less explicitly by the need to collect and verify extensive program eligibility information. The need to process large amounts of information in short (usually 20-40 minute) interviews led workers to tightly structure their transactions with clients. In some counties, interviews were organized by a written script of topics to review. In others, workers organized the interview by systematically reviewing written application materials page by page. When coded systematically for the occurrence of any individualization, seventy-five percent of intake and renewal interviews showed no evidence that the worker tailored or personalized her interaction to determine clients' interests or needs for assistance.

Although the bulk of the transaction between a worker and her clients was structured by the application process, workers were observed to retain some discretion over the amount and clarity of information they communicated, the level of assistance they provided, and their attention to non-required and non-scripted information or referrals. In about one quarter of observed interviews, workers did exercise judgement in telling clients about the rules or services needed to negotiate the welfare system successfully, including reporting requirements, program interactions, program rules, and sources of additional assistance. Workers addressed issues outside their script *when they judged the topics appropriate* given their own understanding of program rules and goals and their knowledge of the circumstances of the applicant family. For example, workers informed pregnant applicants that they needed a pregnancy verification form, questioned families with an unemployed father about their work history, and advised applicants who volunteered that they were currently working that they should submit monthly paychecks to the welfare office.

Although rarely voluble, workers ranged from terse to friendly in their interactions with clients; different workers, and the same workers with different clients, provided minimal or active assistance to help clients interpret welfare rules to their advantage. One worker, for example, questioned a young applicant who had valued her jewelry above the asset limit for AFDC. "Are you sure it is worth that much?" she probed repeatedly, until the young woman -- clearly unsure of her answer -- suggested a value that would not disqualify her from aid.

Workers' discretion in tailoring their client interviews was bounded by time and resource constraints, and by their formal job descriptions. During interviews, workers repeatedly emphasized that their priority and most legitimate task was collection and processing of information. A worker "can't talk about future scenarios," as one described it, because she can only interact on the basis of the information at hand. Nor could she afford the time consuming work of "counseling" her clients. As many workers pointed out, it was simply not in their job description to help clients with problems other than qualifying for income assistance. This concept of workers as technicians was reinforced in comments from supervisors. "Workers are only paid to determine eligibility," one supervisor described it. "They are not social workers; unless they get paid more or their workload is reduced, they can't do it."

Reforming Welfare from the Bottom Up: From Instrumental to Transformational Encounters

The earlier exercise in backwards mapping suggested that if welfare offices were cooperating with policy makers' stated reform goals we would expect to see change in the message and the individualization of transactions with clients. We suggested a model of worker-client transactions ranging from traditional *instrumental* interactions to *transformational* transactions, that both informed and engaged clients in the new goals of using welfare as transitional assistance on the route to self-sufficiency. Table 3 codes the worker-client interviews that were observed in 1993 and 1994 according to this model.

Over half the observed interviews were judged to be *instrumental*: they provided no information about programs, incentives, services or expectations regarding work and self-sufficiency, and they showed no evidence that the worker tailored her interactions to the individual needs of her clients. These interviews were dominated by an emphasis on determining eligibility, and by an instrumental concern for collecting and verifying eligibility information. Instrumental transactions ignored or even discouraged clients' interests in issues of work and self-sufficiency. If information about work or self-sufficiency was referenced at all, it was done so in an instrumental fashion that emphasized program rules and regulations, and discouraged clients' active engagement or involvement.

Instrumental transactions were very apparent in workers' treatment of the most commonly discussed employment topic: referral to job training services. Workers regularly screened clients' for eligibility for the GAIN program. But most workers described this as an eligibility test, and indicated that they did not provide additional information about the program to clients. Well aware of resource constraints in the GAIN program, workers assumed that few of their referrals would result in services. As described by one worker, "we call registering for GAIN registering for work, but [to us] its just a code on the computer."

Consider the following examples of exchanges between workers and applicants about GAIN education and training services:

Worker:	Have you been on cash aid in the last 3-5 years?
Applicant:	No.
Worker:	Are you under 24?
Applicant:	No.
Worker:	Is your youngest child over 16?
Applicant:	No.
Worker:	You're not eligible for GAIN because you don't fall into any of these groups. Those are the groups they're targeting now.

Or the following:

Worker:	Did you read through the GAIN information?
Applicant:	Yes, but to be honest with you, I could teach that course...In fact, I am relying on those skills to get a job I am looking at, this would be a career opportunity.
Worker:	Well, I am going to go through this questionnaire for GAIN, did you received AFDC for 3 of the last 5 years?
Applicant:	No
Worker:	Under 24?...

After determining GAIN eligibility, and discouraging further questions from the applicants, the workers ended their attention to issues of work, training or self-sufficiency. The purpose and opportunities for training were glossed over, no alternatives were suggested, no interest in the clients' plans for self-sufficiency were evidenced, and the message to the applicants about expectations that they prepare for work could only have been discouraging.

Workers who engaged in instrumental transactions were observed to discourage discussions of work and self-sufficiency even more directly in some cases. In several cases, clients were warned that if they went to work they were required to report their earnings to the welfare office each month, but were not given any information about work deductions and disregards, or the use of "fill the gap budgeting" to retain more of their earnings. In other cases, clients tried to initiate discussions of work, but their inquires were ignored by the worker who proceeded mechanically to the next item on her script. Or the worker responded to clients' overtures with even more detailed questions about eligibility. When one client volunteered that she was returning to school to become a dental hygienist, for example, her worker followed up by asking "Did you get a grant [for school]?" and warning her once again to report all income to the welfare office. Completely missing was any engagement or encouragement for the clients' efforts to increase her marketable skills, or information and counseling about the various support services to which she might be entitled.

In about one-fifth of the transactions observed, the worker responded to the increased information demands of welfare reform by *routinizing* discussions of work and self-sufficiency with clients. In these interviews, workers provided more information related to work and self-sufficiency, but their standardized recitation of work incentives and rules did little or nothing to explain complex program information or tailor it to clients' individual situations. Workers were observed, for example, reciting one-sentence descriptions of supportive services as part of a long list of client "rights and responsibilities." Some workers routinely informed clients, "if you pay for child care, turn in receipts and we will pay for it" or "if you work you can get help paying for child care." Divorced from discussions of the value of work, clients' needs for child care or other forms of assistance, these scripted recitations were received by the client with the same silent attention as the other welfare rules included in the long, scripted recitation.

In a small number of cases, fewer than 10% of those observed, workers responded to the new rules and incentives included in welfare reform by reforms by *particularizing* their transactions with clients. These interviews maintained the instrumental concern for determining program eligibility, but deviated on an *ad hoc* basis to give advice, guidance, or individualized information relating to work, the need to transition out of welfare, or help with self-sufficiency. Because these deviations were idiosyncratic and driven principally by workers' conceptions of program expectations and client needs, they provided clients only a very partial and sometimes confusing exposure to work-related information and resources.

In one interview, for example, the worker followed up her standardized inquiry about prior GAIN participation with some specific and unsolicited advice to a mother with young children: "You probably shouldn't participate until later when your children are older. Then, education is the first step -- getting your GED."

Less than 20 percent of interviews showed some evidence -- however sparse -- that workers both provided information about self-sufficiency and work, and exercised discretion in tailoring and individualizing their interview in more *transformational* interviews with clients. Although rare, these transactions suggested that workers could adjust the message and the quality of their interactions with clients to communicate, promote, and possibly produce the outcomes envisioned for welfare reform. Examples of workers engaging clients about issues of work and welfare rules illustrate the differences between these interactions and the cursory discussions of GAIN presented earlier:

Worker:	Do you work or did you ever work?
Applicant:	I volunteer at the school [where her oldest child is enrolled]. They said that I could get paid for it but it is too much of a hassle to fill out all the forms.

Worker:	But it will be really easy to pick up a pay check once you're through it...
Applicant:	Well, will it affect my grant?
Worker:	It is much to your advantage to work, especially right now. *(Worker pulls out a form showing figures used to calculate benefits with earnings, and explains briefly how much the client would keep and encourages her to go ahead and get paid.)* It will also be good for your resume.

Or the following:

Worker:	Do you have child care now?
Applicant:	No, my mother helps.
Worker:	Well, if you do have child care expenses then call me and I'll explain it to you.
Worker:	If you qualify for AFDC and start getting it and then you finish school and get a really good job, you can still get Medi-Cal and help with child care. So keep that in mind.
Applicant:	OK.
Worker:	If you get a job don't just call and say, 'stop my AFDC.' OK?! Because they'll just give you some income deductions but you'll probably still qualify for AFDC. And also there are allowances for clothes and other things you need when you work.

Although the work-related information was still limited and the exchanges continued to have a formal, standardized quality, the workers did communicate the rules that allowed clients to work, information about how the clients might make strategic choices given welfare rules, and positive reinforcement for the clients' desires to work. Their assistance provided some evidence that workers could, given the right circumstances, provide the information and tailor the interpersonal encounter with clients to communicate the letter *and* the spirit of welfare changes.

PART IV WHY IS IT SO HARD FOR WELFARE WORKERS TO REFORM WELFARE?

The findings in Part III of this paper suggest that only a small fraction of transactions between welfare workers and their clients evidenced cooperation with welfare reforms in California. There was evidence that state and local operations had been modified to reflect new programs rules: welfare offices had reduced client benefits, and workers were applying new rules in calculating eligibility and benefit levels. On the state level, the DSS had launched a public education and outreach campaign to inform the public, the clients, and county eligibility workers that "Work Pays" for welfare recipients. But in street-level transactions between workers (the gatekeepers of the system) and clients (the targets of reform) there was little evidence that the incentives, expectations, or opportunities for clients to reduce welfare dependence and increase work and self-sufficiency were communicated.

This section considers the question of why street-level bureaucrats failed to change the message and style of their transactions with clients. In brief, we argue that the existing institutional mechanisms for aligning individual actions with organizational goals in local welfare offices -- the job structure and the understanding of the mission of AFDC -- were fundamentally incompatible with the activities needed for street-level welfare reform. Workers had few incentives and substantial disincentives to modify their transactions with clients, and were discouraged from engaging in the substance of reform by their narrow technical understanding of program goals and mission.

Structural Constraints: Rules, SOPs and Incentives in the Welfare Office

Rules, standard operating procedures and incentives are used to align the actions of employees in public bureaucracies with the goals of the organizations and, it is hoped, with larger policy goals. In the local welfare offices we visited, rules and incentives powerfully affected the actions of street-level bureaucrats, including the content and quality of their transactions with clients. Rather than supporting the goals of welfare reform, the rules and incentives directed workers toward instrumental transactions with their clients that were incompatible with more detailed and individualized communication about work and self-sufficiency.

Organizing Pressures: Rules and Clients

The job of a welfare worker in California is demanding. If she is an AFDC intake worker, she is responsible for determining eligibility for the AFDC, Emergency Assistance, and Food Stamps programs. With each of 30-50 clients per month, she completes a long application form, collects and verifies supporting documentation, and determines initial eligibility. If she is a continuing worker, she is responsible for processing monthly reports from as many as 270 active cases, calculating the allowable benefit after disregards and deductions, submitting paperwork and authorizing payment. She meets with clients annually to redetermine eligibility and, as needed, to solve problems, reconcile errors, answer questions, and ferret out fraudulent claims.

Our interviews and observations suggest that the job of a California welfare worker is driven by two organizing pressures: extensive and frequently revised program rules, and unpredictable and largely unobservable program clients.

Welfare workers deliver programs that are governed by extensive, complex, and specialized rules, subject to nearly constant revision by federal and state legislation, administrative rules, and court decisions. Rules are extensive because welfare entitlements are allocated on the basis of need and various categorical eligibility criteria. Rules are complex because they reflect policy makers efforts to target assistance on specific groups under varying conditions; any one applicant may quality for several programs, resulting in complex interactions in program rules. Rules are in a nearly constant state of revision because programs are jointly managed by federal, state and local governments.

As eligibility rules have become more elaborate and extensive, so too have the monitoring systems needed to hold individual workers and agencies accountable for the enforcement of rules, and to discourage misrepresentation and fraudulent client claims. Since the mid 1970s, federal officials have held state welfare department strictly accountable for AFDC overpayments. California, like other states with local welfare systems, has passed this accountability on to local welfare officials through an extensive quality control monitoring system. Local welfare systems, in turn, have adopted detailed rules to prevent, detect and reverse erroneous eligibility determinations and payments.

Welfare workers feel the pressure of the elaboration of rules and monitoring systems directly. They are expected to know and enforce rules specified in extensive and frequently updated program manuals; they are explicitly directed in the execution of various eligibility tests and verifications; the accuracy of their determinations is monitored through local quality control systems.

Clients are the second organizing pressure on the street-level bureaucrat in a welfare office. Workers respond to a large and varied client population who have both legal entitlement and oftentimes urgent need for assistance. Clients come in person to apply for aid and on an annual basis to recertify their eligibility. Monthly, clients communicate with the worker through forms updating and verification. On a daily basis, any number of clients contact workers in person or by phone to complete paperwork, ask questions, update addresses or other information, resolve problems with missing or late payments, and register complaints.

It is one of the paradoxes of welfare workers' jobs that they are simultaneously in control of their clients' fate and dependent on their clients for the production of welfare services. To enforce program rules and produce income transfers, they need substantial amounts of accurate information about their clients. But they have little direct access to this information. Virtually all of the relevant information -- about clients' financial need, their household characteristics, their prospects for self-sufficiency, their motivation -- is revealed only outside the welfare office. Welfare clients, like any individuals, can be expected to vary in their honesty and reliability. Given their status as supplicants for help from the welfare system, they may even have more than average motivation to misrepresent their circumstances. But workers have immediate access only to clients' self-reports and to supporting documents provided by the client in their job of assessing the extent and veracity of claims.

Workers' Response: Standardization, Routinization

Welfare workers face pressures from above, in their need to be accountable to supervisors, and from below, in their dependence on uncontrollable and largely unobservable clients. In their role as gatekeepers for the welfare system, the information welfare workers obtain from applicants is a critical resource for managing these pressures. But workers face formidable information asymmetries in obtaining information. The solution for most workers is adoption of routinized, instrumental transactions that control interactions with and extract the maximum information from their clients.

The instrumental conception of transactions with clients was prominent in workers' description of the critical information to be exchanged with clients. When asked what information they considered most important to communicate in their client interviews, workers were nearly unanimous in identifying "rights and responsibilities," and, most especially, the client's responsibility to report *everything* to the welfare office. By communicating legal rights and reporting responsibilities, usually by reading verbatim a one page summary that is given to all applicants, workers hope to impress on clients their responsibility to disclose the unobservable information needed by the worker to do her job: to report changes in circumstances and not to lie in giving information to the welfare office. As one supervisor described it, she expected her workers "to emphasize to clients that they must report all changes and *let the worker assess* whether it will affect benefits."

Incentives and Goal Displacement

A routinized and instrumental conception of client transactions is reinforced through the formal structure of employment rewards and penalties at the welfare office. Concrete rewards and penalties are limited in the welfare bureaucracy. The most acute risk for workers is that errors, once detected, will require correction and therefore create more work; this fuels displacement of efforts away from providing information and assistance to clients and toward extracting information from them.

Workers described performance evaluation in surprisingly uniform terms across the four counties: informal evaluation by supervisors on an ongoing basis, and formal, written performance reviews quarterly or annually. The criteria for good performance were also described in surprisingly standard language by workers and supervisors in all counties: organization, speed in processing claims, ability to meet deadlines, accuracy in paperwork, number of cases processed, and general "work habits" such as punctuality, attendance and dress.

The quality of interactions with clients was mentioned occasionally as an element in performance reviews. When asked how interactions are evaluated, however, both workers and supervisors agreed that client complaints to supervisors were the only mechanism for evaluating these interactions. None of the workers or supervisors described performance standards for the quality of staff interactions with clients, or mechanisms, such as regular observation of client interviews, through which supervisors might obtain information about the content or quality of these interactions. None of the workers indicated that providing more information, counseling or referrals for clients would be noticed or recognized by supervisors; a few indicated that they had been specifically advised that such "social work" activities are not part of their job.

How much did the informal and formal evaluations matter to workers? Not much, according to their reports. Good workers were recognized through certificates, "employee of the month" awards and positive written reviews, and through informal praise and recognition by their superiors. Positively evaluated workers might also be assigned to special committees, task forces or special processing units -- a dubious reward insofar as the appointments usually entailed additional work. For many, even limited merit rewards were not particularly compelling. When workers were asked, "What happens when you do a good job around here?" the most frequent answer was "Nothing." Salaries were raised through annual step increases; promotions were widely perceived to depend on standardized, civil service tests rather than on-the-job performance.

If the workers were not cognizant of organizational rewards for good performance, neither did they complain about harsh or even very specific penalties for poor performance. Some thought that poor workers would be transferred to a different desk or unit; many did not know of any specific sanctions for errors or poor performance.

The penalty for poor work described most often and forcefully was simply more work. Workers eventually have to correct errors or incomplete information on client applications. Documents may be "bounced" from the computer back to the worker if there are errors; cases are returned from supervisors or auditors for more processing if information is incomplete or calculations are incorrect; serious errors that delay claims generate time-consuming client complaints to the worker and her supervisor.

To a large extent, client complaints--like other performance failures--are problematic because they create more work: more work for the supervisor who has to resolve the dispute, and more work for the worker who has to resolve the problem. At their most serious, complaints become requests for fair hearings to contest eligibility decisions. Supervisors rarely, if ever, hear from satisfied clients; as neatly summed by one worker, "The less the supervisors hear about you from clients the better."

The need to control work demands creates another, even more direct incentive for workers to routinize their transactions with clients. Applicants who have special circumstances or needs that complicate their eligibility represented more work and more uncertainty for the welfare worker. Processing their claims is more time-consuming up front. Special circumstances are also more likely to produce errors, additional work and, possibly, client complaints.

Workers strive to standardize applications and, by extension, their knowledge of client characteristics and needs. When asked which cases were the most difficult to process, workers pointed to families with unusual circumstances: those with non-English speaking parents, transitions in household structure, eligibility under specialized rules, and, notably, those with earned income. While workers have strong incentives to extract reliable information from clients, they also have strong incentives to standardize clients' claims. For example, workers commonly voiced the opinion that clients have earnings they do not report to the welfare office, but they rarely probe clients about work or earnings unless clients volunteer that they were employed. It is even more uncommon for workers to direct, encourage, or exhort clients to change their employment status. "When the client calls and tells you they are working," one worker described, "then you talk about it [work]."

Inspiration and Mission in the Welfare Office

Effective organizations rarely rely solely on rules, procedures, and directives to align individual actions with organizational goals. Effective organizations also engage and direct their members through inspiration, leadership, and engagement in the unifying mission of the organization. Leadership and inspiration may be difficult, however, when the mission and goals are conflicting or ambiguous and outcomes are uncertain. Such is the case in welfare programs that incorporate fundamental ideological conflicts and produce uncertain outcomes. Given contradictory and sometime unattainable policy directives, workers in local welfare offices come to view the goals of the programs they deliver -- and the goals of welfare reform -- in proximate and technical terms that emphasize means over ends.

What are the Goals and the Outcomes of Welfare?

For both political and operational reasons, the goals of welfare programs are exceptionally indeterminate. National and state debates about welfare reform in the 1980s and 1990s exposed substantial, unresolved conflicts about the legitimate mission of welfare programs. Although the details of the conflicts were new, the underlying cleavages reflect what Heclo (1994) has called "constant predispositions that underpin American attempts to deal with anti poverty policy" (399). Both public opinion data and the vacillating history of welfare reform reveal a persistent tension between support for government programs to alleviate poverty and disadvantage and the expectation that individuals can and should achieve self-sufficiency without government assistance. Policies affecting the poor are notable for the lack of input from those most affected, i.e. the poor themselves (Heclo, 1986a; 1994). For the two hundred years of American social policy development, citizens have demanded that policies for the poor simultaneously help the "deserving" while deterring the "undeserving" poor, and help those who cannot help themselves while enforcing expectations that the able-bodied help themselves (Heclo, 1994; Katz, 1986; Patterson, 1986).

These persistent tensions have been routinely passed out of the political arena and into administrative channels in the form of "policies that simultaneously preach compassion and stress deterrence" (Katz, 1986). Welfare policies routinely include, for example, apparently conflicting directives to both provide and ration assistance; to impose tough requirements and provide generous exemptions; to actively recruit program participants but control program costs.

The articulation of a clear mission can be difficult in welfare programs that have multiple and contradictory goals in policy directives. These difficulties are exacerbated by the technology of the work itself. The most central activities of social welfare organizations -- those involving direct contact between clients and workers -- are typically unpredictable, difficult to observe, and difficult to evaluate (Hasenfeld, 1983). Activities and demands for organizational resources are initiated through encounters between clients and line staff that can rarely be specified in advance. The activities themselves, and the information they generate, are largely unobservable by supervisors. And the outcomes, particularly in "people transforming" technologies, are jointly produced and highly dependent on the participation and the reaction of the clients themselves.

Narrow Mission

Perennial controversies and contradictions in the legitimate mission of welfare programs, and uncertainty in the joint production of outcomes, could make the job of delivering welfare services impossible. In the California county welfare offices that we observed, managers and workers resolve these contradictions by substituting means for ends: adopting simplified and proximate goals for their work that separate operational activities from larger, more controversial, and less certain program outcomes.

Workers in the front lines of welfare offices concern themselves with processing applications and supporting paperwork to get welfare checks to their clients. When asked to describe what is most important about their job, they consistently described deadline-driven demands associated with processing client claims: completing application documents, processing monthly eligibility adjustments, making address changes, responding to client appeals, and absorbing the contents of "state letters" that notified local offices of changes in welfare program rules. Occasionally, workers voluntarily stated that service to clients was an important aspect of their job. When pressed to describe "service," however, all spoke in terms of completing paperwork and meeting deadlines to ensure timely and accurate issuance of benefits. And nearly as many stated that the aspect of their work that they would most like to *reduce* was contact with clients.

This narrow conception of the role of the welfare worker was consistent with the views of immediate supervisors. As they described, supervisors expected workers to produce timely and accurate welfare grants and supporting paper work. As one supervisor described it, "The job [of a worker] is to serve the public, so getting people their entitlement is my highest priority."

Notably absent in these descriptions was any discussion of larger and more controversial goals for welfare programs. When a worker described her job, she did not speak about *outcomes*, in terms of the traditional goals of reducing poverty, hardship, or inequality. Nor did she talk about the welfare reform goals of supporting self-sufficiency and work. She spoke instead about the *process* of determining and dispersing entitlement. *The larger mission and associated controversies and uncertainties are neatly shorn from the day-to-day work of street-level bureaucrats.*

Workers as Helping Professionals

The county welfare systems do not operate *without* articulated mission statements or goals. Shaped by incremental policy making and contested interests, however, local programs embrace mission statements that substitute process for outcomes, means for ends. Consider the following mission statement from Alameda County in Northern California:

> To promote the social and economic well-being of individuals and families in Alameda County through a responsive, accessible, and flexible service delivery system that recognizes the importance of the family, culture and ethnic diversity, and the increased vulnerability of populations at risk.

While it is clear in articulating process values, the mission statement neatly sidesteps the most fundamental controversies over the outcomes of welfare policies, through an explicit definition of "well-being." Welfare programs can strive to reduce clients' poverty or reduce their dependency on welfare; the substantial body of research on welfare-to-work programs suggests that it is exceedingly difficult to accomplish both (Gueron & Pauley, 1991).

If there is any incentive for workers to help clients, it is intrinsic to workers' understanding of their roles as helping professionals. Despite the many formal and informal messages that they receive about the technical and instrumental nature of their jobs, and their narrow responsibility to determine eligibility, some workers still volunteered that they derive their greatest job satisfaction from helping their clients. They spoke with some pride about returning calls promptly, trying to answer difficult questions, and building trust with their clients. Some recognize that their own, perhaps tenuous self-sufficiency depends on the clients who are, in modern management terms, "customers" of the welfare system. "I enjoy my people and I enjoy working with the public," one worker described it. She went on to observe, perhaps even more significantly, "If it weren't for the clients, I wouldn't have a job, and I'm blessed to have a job."

Workers also reflected the tension between compassion and deterrence that surfaces in public opinion surveys of citizens more generally. Their professional and personal motivation to help clients was often tempered by pervasive beliefs that a fraction of clients abuse and defraud the system. When asked to discuss the greatest problems with the welfare system, workers complained that it was too easy to get on assistance if "you know the regs," that families had unreported income from employment or other household members, or worked the system to obtain maximum benefits. Workers were quick to acknowledge that some people "really needed help," and often could not get it, and that many clients simply could not get by on earnings alone.

But they expressed frustration with their own inability to differentiate treatment of more and less deserving clients, or to take action against applicants who they suspected were making false or exaggerated claims. The precariousness of their own financial security resonated, as well, in complaints that clients who successfully "gamed" the system might end up with more income and benefits than the welfare worker herself earned.

Structure, Inspiration, and Welfare Reform

If welfare workers did not communicate the goals of welfare reform, much less engage their clients in an active effort to increase self-sufficiency, it was not because they were opposed to the intent of these policies. On the contrary, when asked about welfare reform, workers frequently described the problems of the welfare system in terms of client dependency and barriers to self-sufficiency, and expressed support for initiatives directed at increasing work and independence. Workers who saw themselves principally as helping professionals endorsed services, such as training and child care, as necessary supports for deserving but disadvantaged clients. Those who took a less sympathetic view were positive about changes that created incentives for independence from the welfare system. These workers were more likely to promote the transitional role of AFDC; as one described it, "just get you by until you can do better" by going to school and work. When asked what changes they would recommend for the welfare system, workers catalogued many of the elements of welfare policies that have been adopted or proposed since 1988: education, job training, work tests, employment incentives, child care, etc. When commenting on these policies, workers were often quite clear in their personal and professional understanding of the implicit goal of welfare reform. As described by one, "The biggest problem is that the system doesn't expect responsibility. If there is no time limit for receiving AFDC, then there should be something to help clients get out and contribute to society. This might keep them on welfare longer, but less will be paid for their grant, they will have more money in the home, be able to contribute to the economy, increase their self-esteem and maybe be motivated to get off welfare."

Welfare workers rarely engage in *transformational* transactions with their clients because they can't, given the structure of their jobs and their understanding of the mission of the welfare system. Workers' responses to welfare reform in California were consistent not with their ideological beliefs about welfare, but with the instrumental structure of their work with clients and with their technical understanding of the goals of welfare reform.

The strongest distinctive for engaging in *transformational* activities with clients was the instrumental structure of workers' routine transactions with their clients. Workers emphasized repeatedly that processing claims was their main, and for some, their only, legitimate role with clients. The structure of formal and informal incentives reinforced this instrumental approach. Workers were rewarded, and were best able to manage their workload, when they maximized the number of claims they processed in the least amount of time with the fewest errors. The greatest penalties workers faced were not direct sanctions, but instead extra work resulting from errors or delays: claims to reprocess, errors to be corrected, and client complaints to be resolved.

Rewards for modifying the message or the quality of their transactions with clients were uncertain. There were no organizational mechanisms through which workers would be evaluated on their communication of the new message that welfare was transition or that "work pays." Workers were given no authority to impose work requirements or expectations about transitioning out of the welfare system; they had few mechanisms -- other than ongoing claims processing -- for tracking clients' progress toward self-sufficiency in work, school, or training programs. They could neither reward clients for making use of work-related information and referrals, nor sanction them for ignoring or even abusing this information by "gaming" the system for additional benefits. In their role as claims processors, their work actually became harder and more uncertain if clients reported income. Although the official message was "it pays to work," in most respects it <u>didn't</u> pay for welfare workers to engage their clients in planning for work and self-sufficiency.

The limited role that workers took advising and counseling clients was consistent also with a pervasive lack of resources for providing this type of assistance. The changes in California welfare policy were implemented without providing local welfare offices with new operational resources. Time was the most obvious limitation for workers implementing these changes. Workers carried caseloads in excess of 200 or 250 clients. Processing claims, associated paperwork, and routine client inquires left no time for individualized counseling with clients about work and self-sufficiency. One program manager described the problem this way: "Workers do what is mandatory, and 'Work Pays' is nice but it is at the bottom of the line in workers' priorities."

Workers also lacked information about services and resources available to help welfare recipients achieve self sufficiency. Workers had to rely on their own "homework" or what their peers could tell them in order to make referrals. A few had compiled extensive catalogues of community resources; many simply referred clients to the county hotline for assistance. With each change in welfare programs or expansion in transitional assistance, workers noted that the rules became more difficult for them to understand and to communicate to clients.

The second important constraint on implementing welfare reform at the street level was a narrow and technical understanding of the mission of the welfare system. Welfare workers and their supervisors consistently described their jobs in technical terms that severed the process of their work from its possible outcomes. The substitution of means for ends was prominent in workers' understanding of welfare reform. The "comprehensive" reform of the welfare system promoted by the Governor and state welfare officials was communicated to local welfare offices through a series of technical changes in benefit levels, eligibility rules, and program regulations. Workers learned about the <u>content</u> of changes in routine staff meetings, through written directives about changes in eligibility rules, and through updates to their voluminous procedure manuals. Workers were rarely informed about the <u>purpose</u> of the rule changes in any of these forums.

Left to their own devices to interpret the goals and probable effect of the California welfare reforms, workers were strikingly uninformed, misinformed or skeptical about the goals articulated by elected and bureaucratic officials. When asked to describe the specific changes that had been made in the AFDC program, all could relate in detail the dates and procedures used to modify benefits, inform clients of rule changes, update forms, and so on. When asked to consider why these changes had been instituted, workers gave vague and contradictory responses. *Almost none described the changes as work incentives or support for client self-sufficiency.* Many saw the changes as routine modifications to already complex and frequently changing rules governing welfare programs. When pressed to consider the purpose of the changes, the majority of workers responded that the state was trying to save money. Others frankly admitted that they did not know and hadn't "given any thought" to why the policies had been adopted. A few connected the changes to work and self-sufficiency, but were doubtful that they would have a meaningful impact. "I really have no idea about the purpose," was a typical response. "I don't see how less money is supposed to help anything."

The severing of the mechanics of welfare reform from its goals was carried over into workers' transactions with clients. Workers did not routinely communicate welfare reforms to their clients beyond mailing notifications of benefit reductions and rule changes. When clients asked directly, workers did their best to respond. But lacking a meaningful understanding of the goals of welfare reform, they were seriously limited in what they could tell their clients. Most said that the state "was running out of money" and had to reduce benefits. For some, responding to clients' concerns about benefit reductions was acutely painful. "The decreases in grants are awful," one worker commented. "I got lumps in my stomach when I heard about it." Others responded to clients' distress by disavowing the policies entirely. "It's the lawmakers' position", one told her clients; "We have no control over it."

PART V: STRUCTURE, MISSION AND POLICY POLITICS

Our study of welfare reform in California suggests that policy makers failed to realign the actions of street-level bureaucrats in local offices toward communication and encouragement of the desired behavioral outcomes in policy targets. Officials' stated policy goals were to materially transform the behavior of welfare clients, but in the front lines of service delivery, only a fraction of welfare workers engaged in transformational interactions that informed or encouraged their clients toward these behaviors. Workers persisted in their instrumental transactions with clients not because they disagreed with the policy intent, but because the structure of their jobs and their understanding of program mission created significant disincentives for cooperating with policy reforms. Hence the institutional paradox: as presently organized, the welfare bureaucracy makes it nearly impossible for workers to cooperate with the intent of welfare reform.

This paradox can be understood as failure on the part of policy makers to understand and manage the organizational preconditions for implementing welfare reform. Prescriptively, this would suggest that policy makers turn their attention to the structure of rules and incentives in the welfare system, or to the communication of the mission and goals of welfare reform. The source of the paradox may go deeper, however. If policy makers could not forge agreement on their welfare policy goals, their inattention to organizational constraints may be evidence of "successful" policy politics that shifted conflicts of interest from the political to the administrative arena. If the problem is largely one of political will and coherent policy formulation, organizational reforms will not solve the underlying dilemma.

Structural Failure and Leadership Failure

There is a long-standing debate among analysts about the relative importance of structure versus leadership, or incentives versus inspiration, in the achievement of policy goals (e.g. Sawhill, 1989). As this case suggests, an organizational analysis might suggest that it is more useful to look at both structure and leadership to understand the preconditions for successful policy implementation.

One interpretation of the gap between legislated and enacted welfare reform in California highlights the failure of policy making principals to modify the service delivery structure in order to direct bureaucratic agents toward their policy goals. In both rhetoric and legislation, the Governor, state legislature and state welfare bureaucracy shifted the emphasis of the AFDC program toward transitional assistance, self-sufficiency and work. In the local welfare offices, however, where these policies needed to be jointly produced during transactions between welfare workers and their clients, street-level bureaucrats exercised their substantial discretion and control over line operations to ignore and even undermine these policy goals. The majority of workers were observed to engage in instrumental transactions with clients that focussed on workers' needs to collect and verify information for eligibility determinations; most transactions did little or nothing to communicate new expectations about self-sufficiency or new rules and services that might assist clients in achieving independence from the welfare system. Workers structured their transactions to optimize on their own interests: to extract reliable information about largely unobservable client characteristics and to standardize encounters with a heterogenous and unpredictable client population. Workers "did their jobs" as defined by formal operating procedures and performance reviews; they also structured their jobs to cope with the informal system of incentives that penalized processing errors but rarely rewarded provision of information, assistance or encouragement to clients. Just "doing their jobs" in these terms, however, continued the displacement of efforts from transforming clients to processing claims. Workers can be seen to have engaged in widespread shirking because they did not pursue policymakers' interests in changing welfare programs.

Viewed through this lens, the lack of cooperation with policy goals on the street level can be traced to structural factors in the local implementing agencies. The job of the street-level bureaucrats in local welfare offices is constrained by pressures toward timely, accurate, and standardized processing of claims for financial assistance. Workers were observed to cope with the routinely difficult tasks of claims processing by engaging in highly routinized and instrumental transactions with their clients. Welfare reforms adopted by California policy makers added new complexity and uncertainty to the already difficult work of working with welfare clients, but did not provide additional resources to support implementation. Street-level bureaucrats coped with the reforms as they cope with other aspects of their jobs: they enforced the reforms as administrative rules, incorporated them into standardized determinations of clients' eligibility, and only selectively informed clients about opportunities or obligations to increase their self-sufficiency.

An alternate interpretation would suggest that the gap between stated and enacted policy in California was evidence that policy makers failed to exercise leadership in communicating the goals of welfare reform. Although elected and bureaucratic officials talked about comprehensive welfare reform, there was little evidence that workers and supervisors in local welfare offices understood the reforms in these terms. Workers understood the mission and goals of their organizations in proximate and technical terms that focussed on producing payments, controlling errors, and minimizing client complaints. This narrow and technical understanding of program mission substituted means for ends, and severed their work from larger, more controversial, and less certain program outcomes. Workers understood welfare reform in similarly narrow and proximate terms that incorporated the means, in the form of rule changes and benefit reductions, while ignoring the anticipated ends in clients' work and self-sufficiency behaviors. In fact, they may not have conceptualized the rule changes as policy change or "reform" at all.

Viewed through the lens of leadership theory, limited cooperation in the implementation of welfare reform can be seen as a failure by the Governor and state DSS officials to send clear and consistent signals about policy intent to implementing bureaucrats. Although they emphasized work and self-sufficiency repeatedly in public relations and campaign materials, they failed to incorporate this massage in much of the formal transmission of policy changes to the county welfare offices. Formal transmission of policy changes emphasized rule changes and legal notifications, but did not link these to anticipated client outcomes, suggest operational reforms, or create new performance standards for local programs. The failure to provide new resources for implementing welfare reforms reinforced the mixed signal from public officials. State policy makers did not engage implementing agents in promoting the policy goals they articulated; nor did they explicitly support them in their efforts to deliver them at the local level. Local welfare officials, managers, and street-level bureaucrats responded by implementing the letter but ignoring or distorting the spirit of the laws. Workers who either did not know, misunderstood, or were skeptical of officials' policy goals were poorly equipped and had little motivation to convey new expectations or new opportunities to their clients.

Successful Policy Politics?

An analysis of structural failure suggests policy makers in California knew what outcomes they desired but failed to create the organizational structures and incentives that would produce them. An analysis of leadership failure suggests that they failed to communicate the desired outcomes clearly and persuasively to their implementing agents.

There is evidence from the case that both types of failure occurred. But it is possible that the gap between stated and enacted policy reflects not failure to implement policy intent, but a failure at the political level. As Evelyn Brodkin (1990) has pointed out, in highly conflictual political environments, unresolved policy conflicts may be passed from the political to the administrative arena in the form of conflicting and ambiguous policy directives. Implementing agents become an alternate channel for policy formulation, and they both resolve and obscure the political conflicts. Administrators commonly respond to political conflict by breaking down new mandates into a series of apparently unrelated, discrete operational activities. Each individual policy component is then recast as a technical, rather than political, problem.

Americans and their elected officials are exceptionally ambivalent in their support for welfare programs. Ambivalence about the role of government in helping the poor has kept welfare salient in political debates, while producing apparently large swings in dominant opinion about how to "reform" what are widely perceived as failed welfare programs.

Given the difficulties of simultaneously helping the deserving and deterring the undeserving poor, and of solving problems of poverty and welfare use without substantial financial transfers, politicians may derive more political rewards for proposing than for implementing welfare reform (Heclo, 1994). They are particularly rewarded for proposing policies that promise the impossible: for example, to save taxpayers' money while bringing about dramatic changes in chronic poverty and associated social and economic dysfunctions. They can promise the impossible because they are often able to pass the contradictions from political to administrative arenas in the form of symbolic, vague, and often internally inconsistent welfare legislation.

In crafting welfare reform in the 1990s, political official in California followed the pattern that has characterized other welfare reforms. Welfare reform was debated in dramatic and highly partisan terms among the Governor, liberal and conservative state legislators. The debate was made more visible by the inclusion of a welfare reform initiative on the California ballot (Proposition 165, the Government Accountability and Taxpayer Protection Act) in 1992. The Governor's comprehensive welfare reforms, a good number of which were finally adopted by the state legislature, promised sweeping changes in the welfare system and dramatic changes in welfare clients. But the policies that were finally adopted reflected political compromise rather than consensus on the welfare "problem" and its solution, and made relatively minor changes to the AFDC program. In their lack of clear direction and of material or even symbolic support for the implementation of these policies, state officials reflected the political compromise and sent mixed signals to local welfare offices about commitment of political officials to their own reform goals.

The disjuncture between the promise and the delivery of welfare reform may reflect not only a failure to implement the will of the policy makers, but also a failure of will by policy makers who incorporated unresolved political conflicts in their policy directives. Political officials adopted welfare reforms that promised dramatic and politically popular outcomes --

including reductions in welfare use, and increases in self-sufficiency and work among the welfare poor -- by making minor changes in program rules and without new program investments. They left the resolution of the inherent contradiction to their implementing agents, who responded by implementing the letter of the reforms. Whether they implemented the spirit of the reforms is more difficult to asses, given evidence that elected officials themselves failed to make choices among competing priorities.

Implications for Welfare and Bureaucratic Reform

This study of the implementation of welfare reform in California must be considered exploratory. Welfare systems vary widely between states, and both the sample and the data collection methods limit generalization to other regions of the country. Our measure of the gap between policy intent and achievement may also be debated. The use of backwards mapping is useful to develop a counterfactual for what "would have" happened had front-line workers cooperated fully with the intent of welfare reform. However, it may not produce the only or even best measure of implementation success.

Despite these cautions, some lessons about the implementation of welfare reform may be usefully derived from this case. In a climate of continuing political concern about welfare and welfare reform, these insights seem particularly important for both policy and management analysts.

A careful study of the organization of the welfare offices suggests that neither the structure nor the mission of those programs, as presently organized in California, are designed to support the work of changing the characteristics and behaviors of welfare recipients. The prevailing political consensus at national and state levels suggests that welfare should be transitional assistance that encourages, facilitates, and, if necessary, imposes work on recipients. This implies substantial changes in policy delivery on the front lines. To change AFDC from a "people sustaining" program to a "people changing" or transforming program, the transactions between welfare workers and their clients will need to be both more complex -- in terms of information exchanged -- and more personalized to engage clients themselves in the achievement of these outcomes.

This case suggests that, no matter how much welfare workers in local offices support the intent of welfare reform, necessary changes in the operations and goals of local programs will not happen easily or automatically. The structure of rules, operating procedures, and monitoring systems create too many disincentives for welfare workers to take on the additional and highly uncertain work of transforming welfare clients' behaviors or motivation. The legacy of contradictory goals and impossible expectations has produced too strong a tendency to substitute means for ends in the understanding of program mission.

One lesson from this case may be that officials need to invest the resources necessary to undertake activities that are suggested by reforms implemented in other bureaucratic settings: for example, articulating a clear mission and measurable outcomes for the welfare system; linking goals to program operations; revising performance reviews to reward workers who help and encourage clients toward self-sufficiency; engaging workers in efforts to re-engineer their transactions with clients to incorporate more transformational activities; decreasing caseloads and increasing workers' discretion in processing individual claimants; and so on.

This course of action is warranted if policy makers are serious about changing the AFDC system from an open-ended entitlement to a program of transitional assistance and work support. However, if the apparent gap between policy intent and enactment results from policy politics, rather than failed implementation, efforts to secure the cooperation of implementing agents by better management of bureaucratic organizations may have unanticipated consequences. As Ferman (1990) cautions, the gap between policy intent and implementation outcomes may be the result of "policy makers and bureaucrats doing what they have to do to get things done in our political system.... If the true culprit is our political system, changes in one part (e.g. limiting bureaucratic discretion) will not alter that system and will probably create more difficulties in one little area" (50).

In the case of welfare reform, efforts to reform welfare bureaucracies toward unobtainable goals may create unanticipated difficulties. In the California welfare offices we observed, most workers continued in their instrumental transactions with clients. A fraction did show signs of more engaged and transformational interactions, but a larger fraction could be seen to cooperate only partially with the reform efforts. Some workers attempted to incorporate new information about work and self-sufficiency; faced with the ongoing pressure toward timely processing of claims, however, they coped by routinizing this information into their eligibility determination scripts. Others responded by particularizing their transactions: deviating from the script on an ad hoc basis, and using their considerable discretion in transactions with clients to pursue their own, idiosyncratic understanding of the goals of the program and the best interests of the clients.

Efforts to reform the welfare bureaucracy without first resolving the internal contradictions of welfare policy and loosening the structural constraints on implementing agents may produce coping behaviors in place of policy reform. For example, if officials demand that workers provide more and more complex information about work and self-sufficiency to clients, but fail to provide resources and to specify reasonable outcomes to be achieved through this information exchange, workers are likely to respond by even greater routinization of their transactions. If officials give workers more discretion and control over the content and quality of their transactions with clients, but fail to convey a clear and consistent vision of the behavioral and motivational outcomes they hope to produce, workers may respond with more particularistic application of program rules and inequitable allocation of program resources.

Brandl (1989) reflects the prevailing debate about policy implementation when he writes, "There appear to be two broad approaches to aligning the actions of employees or agents with the missions of their organization or principal: incentives and inspiration." This analysis of welfare reform in underscores the importance of both of these factors in achieving policy goals.

Incentives are unlikely to work in the absence of the inspiration that comes from an understanding of organizational mission; inspiration will be equally ineffective if it is inconsistent with organizational structures and incentives. This case also suggests an important caveat: neither incentives nor inspiration are likely to work if policy makers pass unresolved political conflicts to their implementing agents through policy directives that are too contradictory or ambiguous to achieve.

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Table 1: Model of worker-client transactions in enacting work-related welfare reforms

	High Information About Work, Self-Sufficiency	Low Information About Work, Self-Sufficiency
High Personalization	*Transformational* Conveys information and encourages clients toward self-sufficiency and work	*Particularistic* Selectively informs clients according to *ad hoc* interpretation of program goals and client needs
Low Personalization	*Routinized* Provides clients with work-related information through standardized recitation of program rules	*Instrumental* Limits work-related information and personalization to maximize efficient claims processing

Table 2: Information about work-related welfare reforms, client interviews in 4 California counties (n=66)

Topic	Fraction Interviews With Any Mention of Topic
GAIN employment training services	32%
Other employment resources	2%
Work-related income deductions	15%
Child care benefits	9%
"Fill the Gap Budgeting"	2%
Transitional child care	11%
Transitional Medi-Cal	15%
Elimination of work restrictions (100 hour rule)	0%
Work allowed while on welfare	5%
"It Pays to Work" or "Work Pays"	0%

Table 3: Fraction of worker-client interviews fitting each transactional model, observations in 4 California counties (n=66)

	High Information About Work, Self-Sufficiency	Low Information About Work, Self-Sufficiency
High Personalization	*Transformational* 18%	*Particularistic* 6%
Low Personalization	*Routinized* 21%	*Instrumental* 55%

Endnotes

1. The focus on the interaction between street-level bureaucrats and clients underscores the related point that social policies are jointly produced by the state and the recipient or citizen. Hasenfeld (1992) notes that a defining characteristic of social agencies is use of technologies designed to process, sustain, or change people who come under their jurisdiction. Individuals in their roles as clients become one of the "raw materials" in the production of social programs or enactment of social policies. But street-level bureaucrats can rarely produce social policy outcomes without the active cooperation of their human "raw materials." And individuals in their roles as clients are neither inert nor necessarily passive. They *react* to transformational process, and therefore affect their outcomes, and often actively *participate* in those processes, thereby engaging in a form of joint production with the worker.

2. Because these policies modified Federal law under the Social Security Act, most were adopted under Federal waivers as welfare demonstration projects (the Assistance Payment Demonstration Project and California Work Pays Demonstrating Project.) Although authorized as demonstration projects, however, the policy changes affected all but a small group of AFDC recipients "held harmless" as a control group.

3. Anderson continued: "Our rationale for incrementally reducing AFDC MAP [maximum aid payment] levels is to create a financial incentive for adults in AFDC households to work, and thus contribute to their own financial support and that of their children, and to reduce the financial incentive to enroll in AFDC in the first place. Coupling the MAP reductions with program policy changes, such as elimination of the 100-hour rule and removing the time limits for the $30 and one-third income disregards, provides California AFDC recipients with the financial incentives to seek employment and increase their earnings"(1995, 44).

Appendix 1: Methodology

This study uses data collected in 1993 and 1994 in four California counties: Alameda, San Joaquin, San Bernardino, and Los Angeles. These counties were part of the "Assistance Payment Demonstration Project" (later called the "California Work Pays Demonstration Project") conducted by the California Department of Social Services. Counties were selected for inclusion in the demonstration project on the basis of size (together they account for nearly half of all welfare cases in the state), and representativeness (including rural and urban, northern and southern counties). For the purpose of this study of implementation, this sample of counties also captured substantial variation in bureaucratic organization, from a very large dispersed bureaucracy in Los Angeles County to a small and highly centralized system in San Joaquin County.

Data Collection

The data presented in this paper describe the implementation of welfare reform by front-line workers in local welfare offices. The principal unit of analysis is the transaction between eligibility workers and their clients. Data were collected through observations of 66 intake or redetermination interviews between workers and welfare clients and through semi-structured interviews with 43 workers or direct supervisors. These two data collection methods were chosen to complement each other and provide a best approximation of the usual interactions in the welfare office.

Observations provided a direct source of information about the content and style of communication between clients and line staff. Interviews with workers and their supervisors were used to augment and verify the data obtained through observing the worker-client transactions, and to obtain systematic information about workers' perceptions of their transactions with clients and the characteristics of their jobs.

Formal in-person interviews between eligibility workers and clients of AFDC program were chosen as the unit of analysis for several reasons. These interviews are the only regularly scheduled verbal communication between workers and clients. They provide a consistent basis for evaluating the nature and content of street-level communication and concrete units of observations for the researchers. They also represent the only in-person contact that the majority for welfare clients have with the welfare system. A structured observation form was used to record the frequency with which topics were discussed by workers with their clients, to record the content of other discussions, and to collect systematic information about the type of AFDC case.

Interviews with eligibility workers and supervisors were conducted using a semi-structured format to increase comparability and focus the data collection efforts. Interviews lasted approximately one hour. Questions addressed workers' usual tasks and responsibilities, the structure of rules and incentives for their work, the content and form of performance standards and measurements, the extent and type of discretion they exercised in their work with clients, and their priorities and constraints when interviewing clients. Workers and supervisors were also asked to describe their understanding of and opinions about recent welfare reforms.

Sample Selection

Research was conducted in the four California counties participating in the state demonstration project. In order to tap variation within counties, researchers visited at least two different district offices in each of the three counties with more than one AFDC office. Administrative staff in each county were contacted to schedule interviews and observations.

The sample of observations was largely dependent on the preferences of local office managers and the availability of clients on the days researchers visited. Intake interviews were more readily available and provided a more varied sample of clients on any given day than redetermination interviews; they constituted 81 percent of the observed client interviews. Researchers directly observed at least six interviews in each office. All interviews were arranged in advance in order to allow workers to volunteer and to set aside time for the interview. The sample of workers and supervisors who were interviewed was thus dependent on the preferences of workers and their managers.

Data Coding

The observations of worker-client transactions were coded on two dimensions, content of information and individualization. The content of information dimension was measured by coding for any communication by the worker about programs or opportunities related to work or self-sufficiency. The coding criteria were generous in including any discussion of employment beyond the specific reforms of the 1990's, but were restricted in only including comments in which the content or purpose of the program or opportunity was discussed. The second dimension, individualization or personalization, was coded to indicate whether the eligibility worker showed evidence of selective or personalized treatment in her communications, assistance, or advice to clients. This dimension was coded for any provision of information or assistance beyond those required by formal protocols and forms for client eligibility determination, or the withholding of information or assistance that was routinely provided to other clients.

Appendix 2: The shift from open-ended entitlement to transitional, work-related assistance
A brief chronology of work-related welfare reforms in California, 1985-1994

California GAIN program	1985	Created county programs of education, training and job preparation services for AFDC recipients
Federal Family Support Act	1988	Imposed work or training requirements on most AFDC recipients Authorized matching federal funds for state welfare-to-work programs (JOBs program) and entitlement of matching federal funds for support and transitional child care and Medicaid services
Assistance Payment Demonstration Project	1991	Reduced AFDC maximum aid payment 4.4% ("fill the gap budgeting")
		Froze COLA for AFDC maximum aid payments
	1992	Reduced AFDC maximum aid payments additional 5.8%
		Eliminated hourly work limits for AFDC recipients
		Reduced AFDC maximum aid payment additional 2.7%
Work Pays Demonstration Project (SB 35 & SB 1078)	1993	Extended AFDC disregards that lower marginal tax on earnings
		Created "supplemental child care" program for employed recipients
		Created program of financial incentives, case management and support services for pregnant and parenting teens (Cal-Learn)

Appendix 3:
The shift from open-ended entitlement to transitional, work-related assistance
A brief summary of policy statements California Governor & Department of Social Services

Governor Pete Wilson (State of the State Address, January 8, 1992):

> A welfare system that punishes people for working is worse than irrational. It's cruel.
>
> The Taxpayer Protection Act provide incentives for the poor to find work. It rewards teen-age parents for finishing high school and penalizes those who drop out.
>
> Further, it makes welfare what it should be: transitional aid to the needy, not a permanent way of life.

Administration Testimony Regarding AFDC Grant Reduction Proposal, Assembly Human Services Committee (February, 1991)

> The administration's proposal to reduce expenditures in the AFDC program reflects a commitment to effect structural reform of the AFDC program in a manner that promotes employment over welfare dependency.
>
> The Administration's proposed modifications of grant structures, work rules, and employment programs encourage AFDC recipients to rejoin the workforce -- to convert welfare checks to paychecks, -- and achieve the economic independence that offers a better life for themselves and their children.

California Department of Social Services (internal "Welfare Reform" memo, 1993)

> As advocated by Governor Pet Wilson, the FY 1993-94 budget substantially changes the focus of the Aid to Families with Dependent Children (AFDC) program to promote work over welfare and self-sufficiency over welfare dependency.
>
> The budget contains major policy changes which provide *financial incentives* for AFDC recipients to go to work, even if they work part-time.

Eloise Anderson, Director, California Department of Social Services (memo to county welfare directors, October 1993)

> As you may know, the 1993-94 budget includes a series of changes to the AFDC system aimed at increasing the incentive for recipients to work, stay in school and save for the future.

These changes create an unprecedented work incentive -- but they will mean nothing if we don't make recipients aware of them.

Eloise Anderson, Director, California Department of Social Services (memo to county welfare staff, October 1993)

In June, Governor Wilson signed into law a series of reforms to overhaul the AFDC system. They include three changes that dramatically increase the incentive for welfare recipients to work.

These changes are complicated, and can make your job more difficult. Fortunately, one aspect of the program has become easier to understand: it always pays to work..

It's an important message, and it's one we hope you will help us deliver.... You are a vital link to the AFDC population and we can't hope to reach recipients without your support.

Eloise Anderson, Director, California Department of Social Services (Public Welfare, 1995)

The goal of [the reforms] is to materially influence the work behavior of AFDC recipients by establishing incentives to work and disincentives to remain on AFDC

Our rational for incrementally reducing AFDC MAP [maximum aid payment] levels is to create a financial incentive for adults in AFDC households to work, a and thus contribute to their own financial support and that of their children, and to reduce the financial incentive to enroll in AFDC in the first place.