

Political Appointees and the Quality of Federal Program Management

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Study Description

Patronage has long been considered one of the spoils of political victory, but is effective management of federal programs sacrificed in favor of *quid pro quo*? Or are political appointees, with an outsider's perspective and "real world" experience, better able to manage governmental agencies than their Beltway counterparts?

Assistant professor David E. Lewis of Princeton University's Woodrow Wilson School of Public and International Affairs, and John B. Gilmour, associate professor in the Department of Government at the College of William & Mary, have issued a new study, "Political Appointees and the Quality of Federal Program Management," of the Bush Administration's government-wide performance measures to discover any relationship between political appointees and the quality of federal program management. Lewis and Gilmour examine the federal program assessment rating tool (PART) scores of 234 federal programs. These scores are used by the Bush Administration to assess government program efficacy for the purpose of conducting fiscal year 2004 merit-based budget increases.

In the study, Lewis and Gilmour initially observe that, based on a simple review of PART scores published by the U.S. government's Office of Management and Budget (OMB), senior executive-run federal programs get systematically higher grades than those run by political appointees. These initial findings fall in line with one conclusion of the 2003 Volcker Commission report recommending a reduction in the number of political appointees, as well as a 2002 Brookings Institution report recommending explicit limits on the number of political appointees for the creation of the Department of Homeland Security. The 2002 Brookings report was similar in nature to recommendations included in 1989 legislation creating the U.S. Department of Veterans Affairs. In fact, Lewis and Gilmour point out that the issue of limiting the number of political appointees was discussed in the last two sessions of Congress, both in hearing and as legislation introduced by Congressman Bill Luther (D-MN).

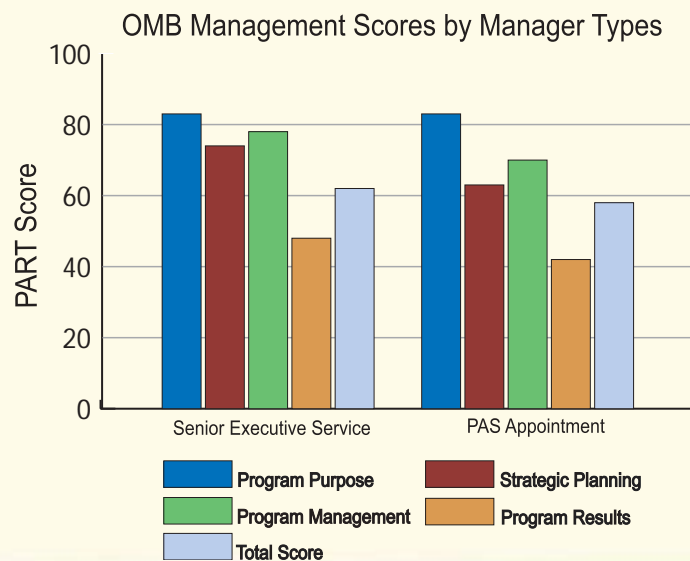
Lewis and Gilmour go on to estimate statistical models to evaluate the relationship. They take great care to address a number of statistical problems that could raise questions over their findings. Specifically, they address how grading errors or bias might lead to false conclusions about comparative management quality in appointee-run verses senior executive-run federal programs.

First, because the grading scheme was developed for and administered by the Bush administration, the paper says, the grading system could be skewed to produce results that favor programs based on ideology and partisanship rather than true management merit. Next, inaccuracies could result from the subjective opinion of graders rather than on true management quality. Lastly, due to the broad scope and range of programs graded, a lack of familiarity on the part of graders could sway results.

Ultimately, Lewis and Gilmour conclude that instances of error, bias, or favoritism would not likely affect the study's overall results and if they did, they would bias findings in favor of appointees. As such, the PART scores represent a unique opportunity to examine important questions that exist regarding the efficacy of public management.

Lewis and Gilmour argue that there seem to be certain inherent advantages to senior management-run programs and disadvantages with appointee-run programs that have a significant effect on management performance.

Programs administered by senior executives have advantages since senior executives often have a greater familiarity with both the organization of the program itself, and also of entities outside of the program that can influ-



ence its success. There seems to be greater cohesiveness between senior program managers and staff, resulting in greater consistency and efficiency. And because senior managers are more likely to remain within a program through many administrations, they are more likely to have developed the personal networks and skills that facilitate governance. Also, senior managers are often drawn from within the programs they are called to manage, giving them a deeper familiarity with both the goals and complexities of their programs. Finally, since senior managers are trained and steeped in public management, they are uniquely equipped to function in a public management environment.

Programs run by political appointees, on the other hand, are often at a disadvantage since turnover is frequent and the process of appointing managers leaves periodic leadership vacuums. Appointed managers may be selected for political reasons rather than for reasons applicable to the goals of their programs; they may know what the administration wants, but lack the ability to translate those goals into a clear plan for the program.

Lewis and Gilmour offer the caveat that, clearly, there are federal programs administered by political appointees of extraordinary ability who excel at their positions. There are fewer programs, however, that benefit from multiple political appointees successively of just this type.

Study Findings

The OMB surveyed 234 federal programs, 214 for which sufficient data was available to conduct a comparative study. Of that number 165 (77%) were managed by political appointees while 49 programs (23%) were managed by employees of the Senior Executive Service. Each program was given a score between 0-100 in four categories: program purposes and design, strategic planning, program management, and program results. These categorical scores were then weighted and used by OMB to create an overall management score from 0 to 100 and overall categorization as ineffective, results not demonstrated, adequate, moderately effective, and effective.

Lewis and Gilmour find a statistically significant difference between political appointee-run programs and senior executive-run programs on management scores even when accounting for differences in departments, program types, and political content of the programs. They estimate that political appointee-run programs get about 10-15 points lower in all categories except program pur-

pose and design where there is no significant difference between appointee and senior-executive-run programs. The total management grade is close to 10 points lower for the appointee-run programs. Programs run by political appointees are 35 % more likely to be graded as ineffective or as not having demonstrated results. They are 6 % less likely to be graded as effective.

Because of limitations in the data Lewis and Gilmour do not distinguish between career and non-career senior executive-run programs.

Policy Implications

The findings of Lewis and Gilmour bolster the claims of the Volcker Commission and others that governmental programs can suffer under appointee management, and offer support for a robust discussion of the proper role and number of political appointees in the federal government.

The research presented in the Lewis/Gilmour paper is also important in that it offers a benchmark for future research into federal program management. As the OMB expands its PART evaluations (results of 234 new program evaluations were scheduled for release in September 2003), these results can be similarly studied in order to test for trends and/or consistency.

From a policy perspective, the research of Lewis and Gilmour offers a new perspective on performance evaluation beyond simply budgetary fixes. Federal programs with questions of effectiveness can be examined as a management issue and not simply a resource issue. If the Federal Election Commission, for example, does not perform to expectations, rather than a cut in budget, which is not likely to improve program performance, a change in management may be considered.

Download the complete working paper at:

http://www.wws.princeton.edu/research/papers/10_03_dl.pdf

The website for the Woodrow Wilson School of Public and International Affairs:

<http://www.wws.princeton.edu>

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