THE IMPACT OF STRATEGIC HUMAN RESOURCE MANAGEMENT ON ORGANIZATIONAL SUCCESS: THE PUBLIC SECTOR AND MULTIPLE GOALS

Abstract

Strategic human resource management (SHRM) enhances productivity and the effectiveness of organizations. Research shows that when organizations employ such personnel practices as internal career ladders, formal training systems, results-oriented performance appraisal, employment security, employee voice/participation, broadly defined jobs, and performance-based compensation, they are more able to achieve their goals and objectives.

Using logistic regression analyses of data from a survey of North Carolina county social service professionals, this study examines the extent to which strategic human resource management is perceived to affect outcome assessments (or performance measurements) for welfare reform. While strategic human resource management practices are perceived to be present, they clearly are not a predominant feature in North Carolina counties. The results of the logistic regression analyses indicate an overall weak relationship between strategic human resource management and outcome assessments (accounting for fewer than 3 percent of the explained variance in each model).
The performance of organizations is the focus of intensive research efforts. How well an organization performs its mission and accomplishes its goals of program service delivery is of paramount concern. Administrative capacity is a major component in this performance. Administrative capacity, a resource based view of organizations, focuses on those factors that are actually within our power to affect. Improving administrative capacity and, especially, those aspects dealing with human capital offer the most promise for improving organizational effectiveness.

Strategic human resources management practices enhance employee productivity and the ability of agencies to achieve their mission. Integrating the use of personnel practices into the strategic planning process enables an organization to better achieve its goals and objectives. Productivity gains from the diffusion of technological innovations are now incorporated into both public and private sector organizations. Future productivity gains must focus on how people use these technologies.

Modern, knowledge based organizations are ideal settings for the application of strategic human resources management practices. Inasmuch as their competitive advantage is attributable to their people techniques which focus on people should prove to be directly linked to measures of organizational success. Civil service systems are designed to integrate the multiple values pursued by the public sector. While these rules can inhibit the adoption of progressive personnel practices, they are not the necessarily
rigid barriers to change. The public sector has been the venue of many experiments and
innovations in recent years. Social service agencies (such as those in studied here in
North Carolina) are indeed knowledge-based organizations. According to Theodore
Lowi's (1972) policy typology, social services represent an effort at redistribution. While
the agencies possess a professional, social science knowledge base, their redistributive
objective remains controversial. In addition, the beneficiaries of this redistributive
transfer from the haves to the have-nots are a politically marginalized segment of society
(Mosher, 1968; Meier, 1987).

Combining human resource practices, all with a focus on the achievement of
organizational goals and objectives, can have a substantial affect on the ultimate success
of the organization. Resource-based theory posits that competitive advantage and the
implementation of plans is highly dependent upon an organization's basic inputs,
resource management offers empirical support for this thesis (Fitz-Enz, 1994; Delery and
Doty, 1996; Ulrich, 1997).

This study examines the perception of strategic human resources practices (e.g.,
internal career ladders, formal training systems, results-oriented performance appraisal,
employment security, employee voice/participation, broadly defined jobs, and
performance-based compensation) held among North Carolina county social services
professionals. The study examines the relationships among these SHRM perceptions and
demographic characteristics (such as county population, change in unemployment, age, education, ethnic status, gender, and supervisory status) four measures of outcome assessments on how well welfare reform is achieving its goals.

STRATEGIC PLANNING AND PERSONNEL PRACTICES

For motivation and incentives to work they first must be tied to a goal. An organization must employ needs assessment and human resource development strategies in pursuit of its vision or mission. Needs assessment (of where an organization wants to go) and human resources development (of those who are to get it there) focus on the specific organizational and individual needs whose satisfaction will lead to enhanced productivity. The vision and path for fulfilling it derived from strategic planning is put into practical perspective through the use of macro-tools such as Total Quality Management (at the group-level) and Management by Objectives (at the individual-level).

Strategic planning is rational analysis (Nutt and Backoff, 1992; Klingner, 1993; Perry, 1993; Berry, 1994; Mintzberg, 1994; Ledvinka, 1995; Bryson, 1996). It takes "what is" and develops ideas of "what should be" along with plans for "how to get there." With a realistic organizational strategy focused on what the future should look like, strategic planning provides the "road map" for fulfilling that future. Strategic planning should also incorporate the human resources necessary for accomplishing its goals (Mesch, Perry, and Wise, 1995; Perry and Mesch, 1997).

The foremost advantage derived from strategic planning is that it helps improve organizational performance. Strategic planning focuses on the future -- what should be?
As such, it serves as a guiding star by which to steer the organization's development. Individual and team effort can be devoted to accomplishing the organization's goals (Keen, 1994).

Strategic planning also helps to concentrate individual efforts into a team effort. It can assist in developing total quality management and objective-based performance appraisal systems. Accountability for results can be assigned. The strategic planning process itself can serve as a team-building exercise. Finally, the process itself transforms perceptions away from separate and distinct projects and towards systemic viewpoints (Keen, 1994).

In addition to leadership support, those engaged in strategic planning need be aware of other potential problems. As occurs with all management techniques, individuals will need extensive training and refresher training (to answer unforeseen questions that arise in response to implementation). Conflict, confusion, and chaos will prevail initially and for some time thereafter. Only as individuals learn how to do it and see its value will the benefits of strategic planning be realized (Merjanian, 1997).

In the modern, knowledge-based organization strategic planning is quite clearly strategic human resources planning. In an empirical study noting the impact of strategic human resource management on organizational performance, John E. Delery and D. Harold Doty (1996) identify seven general employment practices:

(1). Internal career ladders

(2). Formal training systems
(3). Results-oriented performance appraisal
(4). Employment security
(5). Employee voice/Participation
(6). Broadly defined jobs
(7). Performance-based compensation

These personnel practices form the basis upon which the concept of strategic human resource management is constructed for this study. While other and similar personnel practices are left out, this enables the findings here to be compared with those of Delery and Doty (1996). While these specific personnel practices are discussed below, research has established linkages between SHRM and various measures of organizational effectiveness (Arthur, 1992, 1994; Delaney and Huselid 1996; Gerhart and Milkovich, 1990, Huselid, 1993, 1995; Schuler and Jackson, 1988; Terpstra and Rozell, 1993).

Whereas much of this research has concentrated on private sector organizations, this study focuses on the provision of public social services (Selden, Jacobson, Ammar, and Wright, 2000). The general hypothesis underlying this study is that each practice does indeed matter and individually (and collectively) contributes to organizational success.

STRATEGIC HUMAN RESOURCES PRACTICES

Internal Career Ladder

A career system is necessary to focus individual attention on the strategic issues facing an organization over the long term. Objectives and reward systems tied to the short-term lead to dysfunctional behavior and goal displacement. Government with its 2-
year, 4-year, and 6-year electoral cycles has always suffered from this myopia. A long-term perspective induces organizational commitment and loyalty. It enables individuals and organizations to invest in training and productivity improvements knowing that they will reap the benefits from that enhanced knowledge and technique.

County social service professionals generally perceive the existence of career ladder. However, this ladder is seen as rather narrow within their organizations. Hence, career or promotional opportunities may lead outside of the organization.

Formal Training Systems

It can no longer be taken for granted that employees will arrive at work with all the requisite skills. Too much of what goes on in today's organization requires specific adaptation. The most knowledgeable and skilled worker still requires training so as to fit into the organization and become a valuable contributor to the team (Quinn, Anderson, and Finkelstein, 1996).

The chief function of the supervisor is the development of the people in their unit. Managers who have often been promoted from a technical position must remember that they are now the coaches; others have the responsibility of caring out the plays on the field. The manager/coach can have the greatest effect only by assuring that the employee/player is truly prepared for action. While the importance of training and development is now recognized, it remains a neglected area. Beginning Employees like the buildings and equipment of government are allowed to depreciate through an under
investment in maintenance (Elmore, 1991; Gray, Hall, Miller, and Shasky, 1997).

North Carolina social service employees generally perceive that training is available. However, training is focused on current job skills and not on employee development for future advancement.

Results-Oriented Performance Appraisal

Performance appraisal is used as an aid in making judgment decisions pertaining to promotion, demotion, retention, transfer, and pay. It is also employed as a developmental guide for training needs assessment and employee feedback. Performance appraisal also aids with a number of more general organizational functions as a means for validating selection and hiring procedures, promoting employee-supervisor understanding, and supporting an organization's culture.

The environment in which welfare reform has occurred extensively involves measurable goals and objectives. Employees perceive that these have been transferred from the organization to individual performance appraisals.

Employment Security

Employee rights and the mechanism for enforcing them (i.e., the grievance process) serve as a safeguard for assuring that employees are accorded the basic dignity that every human being is entitled to. Like similar safety devices, we hope that we never will really need to use them. While most organizations would prefer to do without such legal and formal systems, reality requires them. If there were no past abuses, there would be no need for laws prohibiting such practices.
Job security remains a hallmark of public employment in the counties. This is actually an advantage in that it allows the professional employees to devote their attention to doing the job rather than worrying about having the job.

Employee Voice/Participation

In Exit, Voice, and Loyalty Albert O. Hirschman (1970) proposes a typology of responses to dissatisfaction. A theory of individual self-interest, which not only operates in terms of the economic market but with respect to socio-political values, is primarily an attempt to explain an organization's survival. Although Hirschman's theory focuses on decisions regarding the acceptance/rejection of an organization's products or services, it can also be interpreted with regard to similar decisions by an organization's own personnel vis-a-vis the organization itself.

Efforts to change a perceived negative situation give rise to voice. Voice is seen to represent a political dimension that can encompass a gamut of behaviors ranging from grumbling through participative management to full scale democracy. It represents a viable, non-market means for assuring organizational survival.

While voice focuses internally on the advocacy of reform, loyalty represents the employee's willingness to "stand up" for the organization. In this instance advocacy is in response to outside criticism and is an expression of confidence in the organization.

In a series of articles Farrell and Rusbult (Rusbult1980; Farrell and Rusbult 1981; Rusbult 1983; Rusbult and Farrell 1983; Farrell 1983; Rusbult, Farrell, Rogers, and Mainous 1988) explicitly extend Hirshman's concept to personnel matters. As a result of
a multidimensional scaling of job dissatisfaction, Farrell (1983) was able to demonstrate support for a modified version of Hirschman's typology. To the categories of exit, voice, and loyalty Farrell added one for neglect. Neglect indicates a condition in which employees' give-up but stay to draw a paycheck. Neglect may involve absenteeism and obstructionism or merely a passive "I don't care" attitude.

North Carolina county social services agencies appear as models of participation. The professional employees exercise a strong voice in the organization and are responsible for making many of the decisions.

Broadly Defined Jobs

The "triumph of technique over purpose" is also evident here. The rigidity invested in the use of pay scales (and the commitant job analyses upon which they are based) denies organizations the flexibility to adjust to and meet change. Individuals cannot readily be reassigned duties. This is especially a problem if those duties are from jobs officially designated as having lower grades. Even if pay remains constant, a lower grade assignment might be seen psychologically as a career setback. Reward for exceptional performance is thwarted by the formal attachment of pay ceilings or maximum salaries to specific job grades. Broadbanding has been introduced as a means to cut through the Gordian knot of classification. The employee is seen to benefit from both more challenging and meaningful work assignments and the possibility of pay increases (Risher and Schay, 1994).

While broadbanding may not be the case here, position descriptions for county
professionals are clearly state-of-the-art. It is evident that welfare reform's transformation of the job from eligibility determiner to job counselor may have witnessed a "triumph of purpose through technique."

Performance-Based Compensation

Strategic pay requires that all decisions relative to compensation and benefits are designed to attract, retain, or motivate employees. As such, the entire organization's reward structure is designed to fully serve its mission or purpose. In reality, most organizations limit incentive pay to only a portion of the compensation package. All employees who perform satisfactorily are guaranteed a set base pay and benefits package. Even so, this guarantee serves to calm fears with regard to financial security and, hence, helps attract and retain individuals.

A wide array of extrinsic pay-for-performance schemes exists. The modern pay-for-performance scheme builds upon a base-pay system. The salary or wage put "at risk" is such to encourage or motivate the worker without jeopardizing his or her basic financial security. One can address overall individual performance or specific instances; focus can be on group performance at the organizational or team level. Individual systems based on merit pay step increases; annuities, bonuses, and suggestion awards as well as skill- or competency-based approaches abound. In addition group or organization rewards are the focus of gain or goal sharing programs. Performance appraisal systems are the trigger instrument for operationalizing pay-for-performance. The individual performance rating is used to determine which employees are eligible for individual and group awards as well
as the amount of reward an individual is entitled to.

Pay for performance is not widely practiced in the public sector. Similar to most other public organizations, counties in North Carolina have not linked their missions to their compensation systems.

METHODS

This paper analyzes data from a survey of county Department of Social Services employees in North Carolina conducted in spring 2000. It was conducted under a contract from the North Carolina Department of Health and Human Services to assess the effectiveness of the support provided by the state of North Carolina to county departments.

Each county Social Service director, as well as each supervisor from adult services, work first, child welfare, and child services were asked to complete the survey. In addition, a proportional sample of staff in each county based on estimated county population for July 1, 1999, were asked to complete the survey. A total of 100 directors, 500 supervisors, and 800 staff were sent survey instruments. The response rate included a total of 672 persons (48 percent) responded from 77 of the 100 counties.

The survey adapted the twenty-one items (grouped into seven indices -- internal career ladders, formal training systems, results-oriented performance appraisal, employment security, employee voice/participation, broadly defined jobs, and performance-based compensation) employed by Delery and Doty (1996) that addressed the strategic human resource management practices. State DHHS executives and a focus
group of county professionals was used in selecting and adjusting items for this survey.

Taking the average response for each respondent in each of the categories created Index scores. Index scores use five-point Likert scales, ranging from 0 to 4 (with a 4 being the most favorable condition). Index averages were found by determining the mean response for all survey respondents in each of the seven indices. Missing responses were eliminated and averages were computed with remaining questions. These index scores are used as the measure for the specific strategic human resource practices.

Information on a series of demographic variables (gender, minority status, age, educational attainment, and supervisory status) was also requested of respondents. Women represent 80 percent of the respondents. Whites also compose 80 percent. In terms of education 50 percent held college degrees with another 25 percent having obtained graduate degrees. Those in supervisory positions composed 75 percent of the responses. These “usual suspects” represent human capital factors (or proxies) that have typically been found to exert a mediating or moderating affect upon relationships.

In addition measures of county population (for purposes of analysis measured in thousands) and the change in county unemployment rates between 1995 and 1999 were employed as external, environmental checks. Population measures both rural/urban differences and the influence of size on the tasks faced by the county social service offices. Official, annual average unemployment figures obtained from the NC Department of Commerce were used in making these calculations. As expected, unemployment declined in most counties between 1995 and 1999 (in 92 of the 100
Change in unemployment ranged from -6.20 to +.70. Although this is a very broad-gauged measure influenced by many, many factors (and, therefore, obviously somewhat unfair), the change in unemployment rates captures the general thrust of economic momentum in each county.

Finally, the study incorporates a series of outcome assessments or performance measurements relevant to welfare reform. County and state support efforts need to be examined in light of programmatic goals. While outcome assessments invariably incorporate more than any one or set of factors can explain, they do indeed reflect the ultimate goal (Gormley and Weimer, 1999; Barrett and Greene, 1999, 2000; Julnes and Holzer, 2001). Public sector measures are more complex and focused on social impacts than those used in the private sector are. Business measures have a decidedly organizational focus, as evidenced from such indicators as Return on Average Assets (ROA) or Return on Equity (ROE). The political arena makes public sector goals both broader in scope and more ambiguous in content. Just as the educational attainment of students is not solely the responsibility of schools teachers and principals, it is their ultimate goal. Even so, the efforts of schoolteachers and principals are expected to contribute to the achievement of this goal. Similarly, we can expect that Strategic Human Resource Management can make a contribution. Similar to schoolteachers and principals, county professionals and state administrators can be expected to enhance welfare reform's overall efforts.

The NC Department of Health and Human Services created a Work First Report
Card in 1999 (DHHS 1999). Each county was proportionately assessed in terms of its success at achieving four state-wide goals: (1) decreasing the number of people on welfare by 30 percent, (2) putting 23,359 welfare recipients to work, (3) having 85 percent of former Work First participants stay off welfare, and (4) collecting 10 percent more child support. For each of the four areas, "exceeding a goal by 110 percent or more earned an A, reaching 90 to 109 percent of goal earned a B, reaching 80 to 90 percent earned a C, [and] for performance less than 80 percent, a corrective action plan [was] required to help [meet] their goals in the future (DHHS 1999).

The welfare reform report card records the state's own perceptions of its success at achieving predetermined goals. The vast majority of counties earned As and Bs on all four goals. While this result is “good,” this success could contribute methodologically to a reduced range problem.

For purpose of analysis, the data in these four report cards were transformed into dichotomies; Grades of A (i.e., exceeding established goals by 110 percent) were contrasted with the combined B, C, and Corrective Action grades in logistic regressions. This latter combination may unfortunately include instances in which counties did indeed achieve or even exceed their established goal. The percentage of A grades for these four report cards indicates (1) 71 percent for the decrease in the number on welfare, (2) 46 percent for putting people to work, (3) 16 percent for staying off of welfare, and (4) 41 percent in collecting child support. This provides measures that insure that only those successfully having obtained their goals are included in the top category. It also provides
some insurance with regard to concerns that these initial county goals were set too low.

Hierarchical, logistic regression analysis is used. The four outcome assessments represented by the Work First Report Cards each serve as dependent variables. The demographic variables are enter first (and allotted all shared variance). The strategic human resource management practices are then entered. In terms of hypotheses, each of the seven strategic human resource management measures should be positively associated with the successful obtainment of the welfare reform goals addressed by the Work First report card grades. Although the expectation is that human resource practices will matter, they should not matter "a lot." The administrative capacity used to assist people in the performance of tasks is, after all, only a secondary or subsidiary factor.

FINDINGS

The responses to individual items were used to construct summary indices. These are presented here in Table 1. Using the metaphor of an academic grade point average (GPA), the indices exhibit "grades" from a high of B for participation to a low of D in pay for performance. The other indices earn C+ (results oriented appraisal, employment security, and job descriptions) and C (career ladders and training) grades. The cumulative GPA for these seven indices registers as 2.33 or a C+. While a respectable performance, it is less than is really desired given the purported importance of personnel practices for assisting in enhancing productivity and success. However, the choice of social service agencies more realistically reflects public sector organizations than a benchmark or high performance selection. The perceived introduction of strategic human
resource management practices while not extensive or pervasive does exist in some of the county social services offices.

**Table 1 About Here**

Various demographic control variables are used in the survey as proxy measures to test for a priori influences. They are introduced first in a hierarchical regression. In this process the common variance shared between these variables and the strategic human resource management variables is entirely assigned to the former. Conditions both in the external environment and internal to the organization's operation are examined. The county population along with individual's gender, ethnic status, age, and educational attainment are all factors that are both external to the organization and pre-exist the implementation of welfare reform. While internal factors, supervisory status and tenure as a supervisor are also organizational conditions that, for the most part, precede the introduction of welfare reform.

While dramatic relationships are not to be expected (much else other than administrative capacity is involved here), the whole concept of strategic human resources management does indeed posit a positive relationships between administrative capacity and the achievement of an organization's goals and objectives.

Logistic regressions were conducted with the four welfare report card measures (going to work, welfare decline, staying off of welfare, and collecting child support). A hierarchical process was used in determining the variation explained by the various factors. Demographic variables were entered first, then strategic human resource
practices. This allows for the common or shared variance among these two sets of measures to be allocated entirely to the a priori demographic variables.

Table 2 About Here

Each of the regression models account for only a small proportion of the variance: \( R^2 = .09 \) for going to work, \( R^2 = .13 \) for the declining welfare, \( R^2 = .31 \) for staying off of welfare, and \( R^2 = .12 \) for collecting child support. Roughly two-thirds to nine-tenths of the explained variance is due to the demographic control variables enter into the equations.

Larger counties are somewhat better at reducing unemployment (perhaps reflecting greater urban opportunities) and collecting child support (ability of parents to pay). However, they were more hard pressed to reduce the welfare roles and to keep people from returning to welfare. Ethnic minority employees are associated with lower performing counties in keeping people off of welfare (perhaps reflecting the greater poverty problems faced by minority communities). The gender and supervisory status (which overlap to a great extent -- women are nonsupervisors and males are supervisors) of the professional social services personnel appears to also matter. Women and nonsupervisors are better able to assist those on welfare in finding jobs (perhaps women are viewed as more sympathetic and understanding by a predominately female clientele). However, males and supervisors are better at collecting child support (more of an intimidation to deadbeat dads). These results specifically highlight the diverse nature of public sector goals. The same items may influence goal obtainment quite differently.
As indicated from Table 2, both welfare report card measures explain little variance. The variables in the going to work model account for only $R^2 = .03$, the welfare decline model $R^2 = .03$, the staying off welfare model $R^2 = .03$, and the collecting child support model $R^2 = .01$. The strategic human resource management practices explain only $R^2 = .03$ (adj $R^2 = .01$) in unemployment change and $R^2 = .03$ (adj $R^2 = .01$) in the welfare report card.

These results are three to four times smaller than those found by John Delery and Harold Doty (1996). Using the more narrowly focused outcome assessments of Return on Average Assets (ROA) and Return on Equity (ROE) (measures with data drawn from the banking industry), Delery and Doty found strategic human resource management contributions of $R^2 = .13$ (adj $R^2 = .11$) for ROA and $R^2 = .09$ (adj $R^2 = .07$) for ROE. In Delery and Doty (1996) relationships (standardized regression coefficients) with the outcome assessments were found between results-oriented appraisal (.14 ROA; .14 ROE), profit sharing (.31 ROA; .28 ROE), and employment security (.16 ROA).

However, these findings are somewhat in-line with Hitt, Bierman, Shimizu, and Kochhar (2001)'s human capital findings in law firms ($R^2 = .036$). The complex and somewhat less compatible goals entailed in public sector organizations may limit the effectiveness or enhance the difficulty of strategic human resource management applications.

Only three of the twenty-eight strategic human resource management-welfare reform outcome relationships proved to be statistically significant (in contrast with Delery and Doty's (1996) finding of three per outcome measure). In all three cases, however, the
odds of success are markedly improved. The revised job descriptions that redefined the tasks of the social service professional seem to aid in helping people find jobs. Similarly, the inclusion of the goal for declining welfare roles as part of the performance appraisal process appears to "succeed." Finally, employment security surprisingly appears to assist in collecting child support.

A more liberal interpretation of statistical significance would add three other incidents. Supervisory status and employment security would contribute to the ability to keep individuals off of welfare. The former may represent additional experience. The latter may reflect an ability to withstand the pressure for the short-term, McJobs approach that welfare reform has often engendered. Finally, training is seen as having a negative affect on obtaining child support. Perhaps this reflects not on training per se but on the nature of the training itself. Inappropriate training that takes professionals away from the doing their jobs is not going to make a positive contribution. Similar explanations may also underlie the failure of other practices (e.g., see Riccucci and Lurie, 2001 with regard to performance appraisal systems).

CONCLUSION

Since 1995, North Carolina counties have been engaged in the transformation of social welfare in America. The basic goals and objectives of our welfare system have been refocused. This process has also focused on the administrative capacity of the state and county agencies charged with these missions. As such, strategic human resources management should play an important role in the success of welfare reform. While
administrative techniques should not be expected to provide "miracle cures," they should make noticeable contributions. Just as school principals can't single-handedly improve the educational performance of students, they can be expected to assist in it.

Yet, the human resources practices found among North Carolina counties show only moderate use of strategic human resources concepts. While a high performance organization would entail a greater degree of strategic human resource practice use, it would not reflect the reality of everyday public sector organizations. In addition the methodological limitations of the outcome assessment measures employed here contribute, in part, to these findings. The public sector often employs more complex measures that go beyond simple efficiency goals. It also uses multiple measures that require optimizing assorted, not necessarily compatible, values. However, that is not a sufficient excuse. The strategic human resource management practices apparently have weak connections with organizational achievement. This is obviously a disappointment given both the findings evident from business research and our academic predilections as personnelists (we study personnel practices because we believe that they do indeed matter).

Perhaps the outcome assessments used here are too broad gauged to pick up the contributions from administrative techniques. Although strategic human resource management practices are hypothesized to have an impact, they are still a secondary, indirect factor in the organizational process. The coordination of work while designed to enhance work productivity is not itself the "work." We may also be witnessing another
case wherein public-private differences are evident. The public sector may be
demonstrating a lag on the introduction of private sector practices. On the other hand,
strategic human resource management practices may not be as applicable in the multi-
values public sector. Their benefit in enhancing productivity (even if it exists) may not
add sufficient value to merit their employment. As personally appealing as this concept is,
public sector personnelists need to approach SHRM cautiously.
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Table 1: Descriptive Statistics (scale from 0 to 4)

<table>
<thead>
<tr>
<th>Practices</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
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<tr>
<td>Career</td>
<td>663</td>
<td>2.20</td>
<td>.75</td>
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<tr>
<td>Training</td>
<td>667</td>
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<td>.89</td>
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<td>Results Oriented</td>
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<td>Employment Security</td>
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<td>Participation</td>
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<td>Job Descriptions</td>
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<tr>
<td>Pay for Performance</td>
<td>648</td>
<td>1.56</td>
<td>1.24</td>
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</table>
TABLE 2
Impact of Demographic and Administrative Capacity: Logistic Regressions: Coefficients (exp(B))

<table>
<thead>
<tr>
<th></th>
<th>Going to Work</th>
<th>Welfare Decline</th>
<th>Staying Off</th>
<th>Child Support</th>
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<tr>
<td>Constant</td>
<td>-1.459 (.233)</td>
<td>-1.962 (.141)</td>
<td>-1.149 (.317)</td>
<td>-.600 (.549)</td>
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<td>Population</td>
<td>.001 (1.001)*</td>
<td>-.003 (.997)**</td>
<td>-.019 (.981)**</td>
<td>.002 (1.002)**</td>
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<tr>
<td>Unemployment</td>
<td>-.214 (.808)*</td>
<td>.078 (1.081)</td>
<td>.029 (1.029)</td>
<td>-.139 (.870)</td>
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<td>Age</td>
<td>-.001 (.999)</td>
<td>.013 (1.013)</td>
<td>-.005 (.995)</td>
<td>-.006 (.994)</td>
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<td>Sex</td>
<td>.550 (1.734)*</td>
<td>.304 (1.356)</td>
<td>.110 (1.116)</td>
<td>-.603 (.547)*</td>
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<td>Minor</td>
<td>-.126 (.882)</td>
<td>-.379 (.684)</td>
<td>.014 (1.101)</td>
<td>-.327 (.721)</td>
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<td>Education</td>
<td>.007 (1.007)</td>
<td>.101 (1.106)</td>
<td>.130 (1.139)</td>
<td>.067 (1.070)</td>
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<td>Supervisor</td>
<td>-.891 (.410)**</td>
<td>.465 (1.592)</td>
<td>.711 (2.035)s</td>
<td>.850 (2.339)**</td>
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<td>Tenure</td>
<td>.025 (1.025)</td>
<td>.016 (1.016)</td>
<td>.014 (1.014)</td>
<td>-.022 (.979)</td>
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<td>Change R2</td>
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<td>.096</td>
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<td>.102</td>
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<td>Careers</td>
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<td>-.186 (.830)</td>
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<td>-.115 (.891)</td>
<td>-.178 (.837)</td>
<td>-.226 (.798)s</td>
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<td>Results Appraisal</td>
<td>-.044 (.957)</td>
<td>.334 (1.396)**</td>
<td>.247 (1.281)</td>
<td>-.030 (.971)</td>
</tr>
<tr>
<td>Employment Security</td>
<td>-.117 (.890)</td>
<td>.099 (1.104)</td>
<td>.328 (1.388)s</td>
<td>.302 (1.352)**</td>
</tr>
<tr>
<td>Participation</td>
<td>.192 (1.212)</td>
<td>.187 (1.206)</td>
<td>-.243 (.785)</td>
<td>-.176 (.839)</td>
</tr>
<tr>
<td>Job Descriptions</td>
<td>.271 (1.311)*</td>
<td>.114 (1.121)</td>
<td>-.187 (.829)</td>
<td>.020 (1.020)</td>
</tr>
<tr>
<td>Pay for Performance</td>
<td>-.065 (.937)</td>
<td>-.050 (.951)</td>
<td>-.071 (.931)</td>
<td>-.007 (.993)</td>
</tr>
<tr>
<td>Change R2</td>
<td>.032</td>
<td>.033</td>
<td>.025</td>
<td>.014</td>
</tr>
<tr>
<td>Total R2</td>
<td>.090</td>
<td>.129</td>
<td>.305</td>
<td>.116</td>
</tr>
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</table>

S  p < .1   * p < .05; ** p < .01; *** p < .001; N = 495