

Politicians, Managers, and Street-Level Bureaucrats: Influences on Policy Implementation

Peter J. May

Center for American Politics and Public Policy
University of Washington
pmay@u.washington.edu

Søren C. Winter

The Danish National Centre for Social Research
scw@sfi.dk

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Abstract

This article addresses the influence of politicians, managers, and the dispositions of street-level bureaucrats in shaping actions at the frontlines of policy implementation. We investigate these for the implementation of employment policy reforms in Denmark. Our findings show a large percentage of caseworkers emphasizing actions that are consistent with the national employment reform goal of getting clients into jobs quickly. The influence of politicians and managers in bringing this about is relatively limited in comparison to the influences of caseworkers' understanding of policy goals, their professional knowledge, and their policy predispositions. Our main contribution is an unpacking of the political and managerial influences on caseworkers' policy emphases. We find direct effects and, more notably, indirect effects that operate on the influence of caseworkers' perceptions of policy goals and their knowledge. These findings provide a more nuanced and positive assessment than much of the implementation literature of the way that higher-level policies are translated into actions at the frontlines.

**Politicians, Managers, and Street-Level Bureaucrats:
Influences on Policy Implementation**

Since the seminal work of Lipsky (1980) suggesting that the actions of street-level bureaucrats diverge from stated policies, a number of scholars have attempted to identify the extent and sources of this divergence. It is now well accepted that the actions at the frontlines of policy do sometimes, if not often, differ from the intentions of higher ups. Beyond this broad generalization, the findings among the numerous studies of this topic in the past twenty-five years differ greatly with respect to the specifics of the extent, meaning, and sources of policy divergence between policy principals and the frontlines of policy implementation. Meyers and Vorsanger (2003, 254) suggest that the contradictions in findings have “more to do with limitations in theory, methods and the contextualizing of research than with more fundamental disagreements.”

A variety of studies have examined controls over street-level bureaucrats and the ability to influence the behaviors of the frontlines of service delivery. These include consideration of signals by political superiors (Keiser and Soss 1998; Langbein 2000), organizational arrangements (Hill 2006), administrative emphasis of policy goals (Ewalt and Jennings 2004; Hill 2006; Riccucci, Meyers, Lurie, and Han 2004), enhancements of staff capacity (Winter 2003), and managerial supervision (Brehm and Gates 1997; Brewer 2004; Riccucci 2005). As a whole, these studies reinforce the well known tenant of implementation studies that the translation of higher-level goals into street-level actions is subject to a variety of disjunctive influences. But, the accumulated research provides little understanding of the importance of political and managerial influences in the implementation equation.

The studies that directly assess the importance of these factors for actions of frontline workers mainly suggest muted influences. In summarizing the findings of a multi-state study of the implementation of welfare reform in the United States, Norma Riccucci (2005, 115) concludes that state welfare organization managers were critical to policy reforms but had “much

less of an impact” at the frontlines of service delivery. Similarly, Brehm and Gates (1997, 128) conclude that managers exert “a small effect” on actions of social workers for their study in North Carolina. In contrast, Brewer identifies a set of managerial influences on federal employee’s perceptions of their organizations’ performance and suggests among these that frontline supervisors “seem to play an important role” (2005, 518). However, he does not quantify the importance of these effects.

We argue that assessment of the importance of political attention and managerial actions in shaping the policy emphases of street-level bureaucrats requires attention to differences in the levels of these influences. This interplay relates to the “polycentric governance” model of Lynn, Heinrich, and Hill (2000a, 2000b) with particular attention to the link between policy and implementing agencies and the link between the managerial aspects of agency implementation and operations (also see Meier, O’Toole, and Nicholson-Crotty 2004). We draw from theorizing about implementation and about public management in formulating hierarchal models for assessing the influence of political attention and managerial actions on the behaviors of street-level bureaucrats.

The context for this research is the actions of caseworkers for the municipal implementation of employment policy in Denmark. The national “Putting More People into Work” reform initiated in 2002 shifts the emphasis of employment programs from providing longer-term skills acquisition and financial support to an emphasis on getting people into jobs more quickly. Many of these changes are being implemented by municipalities that share employment services responsibilities with the central government.

Conceptual Issues

The literature suggests four sets of influences on street-level bureaucratic actions in implementing policy (see Meyers and Vorsanger 2003 for an overview). One set is the signals from political and administrative superiors about the content and importance of the policy. The policy sets forth policy intentions (goals) that are signaled by the wording of the policy and by

various pronouncements by politicians and guidelines that are offered in support of the policy. A second set of influences is the organizational implementation machinery. As articulated by Lynn and colleagues (2000a, 2000b; also see Hill and Lynn 2004), implementing organizations provide organizational, managerial, and administrative imperatives that shape what happens at the operational level of service delivery.¹ One important aspect of this for street-level bureaucracy is the extent to which organizations delegate authority to make decisions to the frontlines or limit that discretion. A third set of considerations is the knowledge and attitudes of the street-level bureaucrats concerning relevant tasks, their work situation, and clients. A fourth set is the contextual factors concerning workloads, client mix, and other external pressures.

We consider the extent to which street-level bureaucrats emphasize actions that reflect higher-level policy goals. We focus on the role of political attention and managerial considerations in influencing these actions. We also consider the role of knowledge and policy perceptions of street-level bureaucrats along with contextual factors. The following hypotheses guide our empirical investigation.

H₁ Street-level factors dominate political and managerial factors in shaping implementation actions of street-level bureaucrats.

This hypothesis reiterates one of the basic findings of prior literature that street-level factors concerning the policy understanding, knowledge, attitudes, and values of street-level bureaucrats are key influences on their behaviors (see Meyers and Vorsanger 2003, 248–249). Lipsky (1980, 13-23) observed that the discretion granted street-level bureaucrats and their relative autonomy from higher authority creates a void in guiding choices made by street-level bureaucrats to be filled by street-level factors. This basic observation has been born out in studies of the role of street-level bureaucrats in implementing jobs programs (e.g., Sandfort 2000) and welfare reforms (e.g., Meyers, Glaser, and MacDonald 1998), as well as in a wide ranging ethnographic study by Maynard-Moody and Musheno (2000, 2003) of how “cops, teachers, and counselors” view their roles.

As noted above, the studies that directly assess the importance of political and managerial factors to the actions of frontline workers mainly find muted influences (see Brehm and Gates 1997; Langbein and Jorstad 2004; Riccucci, Meyers, Lurie, and Han 2004; Riccucci 2005). The exception to the finding of weak managerial influences is Brewer's (2005) study of frontline managers and federal employees' perceptions of organizational performance.

Although the relevance of both street-level and higher-level (political and managerial) considerations is well established, no studies that we are aware of directly compare their influence. Instead, the research typically tests the statistical significance and effects of individual political and management-related variables as part of single-level, multivariate models. One contribution of this research is the quantification of the relative influence of different levels on frontline actions.

H₂ Politicians and managers influence the actions of street-level bureaucrats both directly and in combination with other factors.

The findings of recent scholarship on public management reinforce the basic point that "management matters" in the performance of public organizations (see Boyne 2003; Brewer and Seldon 2000; Moynihan and Pandey 2005; Nicholson-Crotty and O'Toole 2004). This broader literature does not specifically address the behaviors of street-level bureaucrats or the channels through which that influence occurs. However, the conceptual models of public management by Hill and Lynn (2004) and by Meier and O'Toole (2002) tell us that managerial influence is often complicated because of the interactions among layers of influence. This necessitates modeling that includes direct and various combinations of effects.

Recent research findings about managerial influences comport with hypothesis 2. Brewer (2005) suggests that managerial actions operate upon the knowledge and motivations of employees and are not an independent force in shaping policy actions or outcomes. In studying educational performance of Latino students in Texas schools, Meier, O'Toole, and Nicholson-

Crotty (2004, 31) find that the managerial and political influence “cascade through the governance system” with both direct and indirect effects on performance.

Several managerial considerations are potentially relevant. One is supervision. This is the only consistent factor identified by Riccucci (2005) and separately by Brehm and Gates (1997) that influences actions of caseworkers, although each of these studies found that this influence was limited (more generally see Brewer 2005; Meier and O’Toole 2002). A second factor is the extent to which managers clearly communicate goals and expectations about how to handle different situations (see Riccucci, Meyers, Lurie, and Han 2004; Hill 2006). A third managerial factor is the extent to which decision-making authority is delegated to the frontlines. As discussed by Lipsky (1980), this raises both normative and empirical issues about the exercise of discretion that potentially undermines policy implementation (also see Maynard-Moody and Musheno 2000; Sandfort 2000).

H₃ The attention of elected officials who are closest to the frontlines has greater influence on the actions of street-level bureaucrats when signaling deviations from national policy goals than when signaling agreement with them.

Elected officials are clearly important in setting forth policy goals, which often are vague, and in reinforcing the importance of those goals. At issue is the strength and consistency of the signal that elected officials at all levels provide to implementers. A variety of studies indicate that politicians do influence policy outputs and outcomes at the local organizational level. This is evidenced by studies of Latino school board members’ influence on Latino educational achievement in Texas (Meier, O’Toole, and Nicholson-Crotty 2004); federal, state, and local politician’s partisan makeup in influencing regulatory enforcement actions of county-level occupational health and safety offices in New York (Scholz, Twombly, and Headrick 1991); and similar influences on the use of bureaucratic discretion in child support enforcement actions (Keiser and Soss 1998). Because these studies address aggregate outcomes rather than street-

level behaviors, Meyers and Vorsanger (2003) suggest they at best provide indirect evidence for political influences on street-level behaviors.

The research that specifically addresses the influence of political superiors on street-level actions presents a more nuanced set of findings that relate to the levels and specifics of the signals that are being sent. Political attention by local officials signals to street-level bureaucrats that their actions are being noticed and are important, but not all actions are noticed. Winter (2003) finds that the influence of municipal elected officials on caseworkers' decisions for implementing Danish integration policy and on inspectors' enforcement actions for Danish agro-environmental policies is disjunctive due to information asymmetries—visible aspects of street-level bureaucratic behavior are more readily influenced than less-visible aspects. At the same time, the nature of the signals also makes a difference. Langbein (2000) finds that the degree of agreement among policy principles is important in shaping the influence of these signals. Inconsistent political signals at different levels decrease frontline discretion, implying that actions are more in line with the desires of the more immediate elected officials.

We extend the reasoning from these studies in developing hypothesis 3 by considering the extent to which the more immediate policy signals are in accord with or differ from national policy goals. We suggest that street-level bureaucrats, who in the case we consider are somewhat predisposed to disagree with the national policy goals, seek confirmation for operating in accord with their predispositions. When local politicians signal their disagreement with national policy goals, the conflict between the predispositions of street-level bureaucrats and the national goals—the key element of Langbein's argument about uncertainty (also see Brehm and Gates 1997, 73)—is reduced. In contrast, local politicians' agreement with the national goals retains the conflict for street-level bureaucrats and thereby undermines political influence. Put differently, street-level bureaucrats have a greater license to diverge from national goals when those local politicians who are closest to the street-level bureaucrats disagree with the national goals. This consideration is appropriately modeled as a conditional effect.

The Setting

The context of this study is the actions of caseworkers in the municipal implementation of employment policy in Denmark. A visible national employment reform of 2002, “Putting More People into Work,” sets the policy context for this research. According to the general remarks of the bill introducing the reform: “The two main objectives of changing the employment policy are a better and worthier effort towards unemployed people taking departure from the situation of the individual person and an effort that is targeted towards the fastest and most direct way to normal jobs—and to achieve the objective of getting more people into employment.” A central aspect of this reform is changing the way that employment policy is implemented at the local level.

Danish municipalities are on the frontlines in the delivery of employment services. They deliver employment services to unemployed persons who are not entitled to unemployment insurance. The main municipal tasks are checking eligibility for and paying social assistance, giving advice on job search and career and vocational guidance, checking availability for work, and placing unemployed clients into employment promoting activation. Part of the municipal costs for employment services are reimbursed by the national government.

Municipal employment services are headed by elected municipal councilors while the daily work is typically performed within a department of social affairs and employment. The municipal councilors exert their political influence over employment services through their membership on a municipal committee of Social Affairs and Employment that often has direct supervision of employment services. A CEO of Social Affairs and Employment Services typically attend the meetings of the committee, supports its chairman and manages the administration. The relevant employment functions for our study are typically overseen by a middle-manager who is responsible for employment services for clients that municipalities have found ready for work. The organization of these services is fairly consistent across municipalities for which municipal caseworkers are at the frontlines of implementing the national policy reforms.²

Municipal caseworkers must conduct repeated contact-course conversations with clients who are searching for jobs. Given that these functions are delegated by most municipal employment service agencies to caseworkers, the actions that they take should in principle be based on decisions within municipal employment services agency about agency goals. The national policy reform places a strong focus on caseworkers urging clients to quickly find a job, invoking employment-training measures that promote employment prospects, and monitoring clients for their availability to work. Most caseworkers have professional training in social work.

Prior research about caseworkers in Denmark and about other street-level bureaucrats does not suggest a unique Danish cultural influence on their actions. Like caseworkers implementing welfare reforms in the United States, Danish caseworkers are not predisposed to implementing reforms put forth by the central government (see Winter 1986, 2003). Although Danish agro-environmental inspectors are less legalistic in regulatory enforcement than counterparts studied in the United States, May and Winter (1999) show that similar influences shape enforcement actions in both settings. In short, we have no basis for suggesting that studying Danish caseworkers would lead to substantially different findings than studying caseworkers in other settings.

Data, Measures, and Methodology

Data

Three primary data sources are used in the analyses that follow. One is a nation-wide survey of a sample of municipal caseworkers who are responsible for implementing the laws and intentions of the reform. Their responses form the basis for characterizing the actions they emphasize when working with clients along with various attitudinal considerations and background factors. The other primary data sources are surveys for all Danish municipalities of chief executive officers and municipal middle managers of employment functions. These provide the basis for characterizing political attention and managerial influences. Secondary data concerning employment task conditions and population size are employed to provide contextual information for additional controls.

The survey of municipal caseworkers yielded 389 respondents with an overall response rate of 88 percent of those who were sampled. These respondents were selected by the municipal middle managers according to specified selection criteria that require respondents to have at least three months experience with individual contact-course conversations with clients that are available for work. An internet-based survey was collected from early May until the end of June 2006. Two email reminders and a third telephone follow-up reminder were sent to increase participation. The caseworkers that responded are from 190 of the 269 Danish municipalities, thereby providing representation of 71 percent of the municipalities. Municipalities with less than 10,000 inhabitants and few employment services clients are slightly underrepresented among the survey respondents making up 42.3 percent of our sample compared to 47.4 percent of all municipalities. This under-representation of municipalities is counteracted by the fact that our selection criteria of caseworkers provided an over-representation of those from small municipalities.

The survey of CEOs of relevant municipal employment service organizations yielded 198 respondents (73 percent response rate), and the parallel survey of middle managers yielded 204 respondents (75 percent response rate). These separate internet-based surveys were conducted from mid December 2005 until the end of May 2006. Two follow-up reminders were sent by email and one through telephone contact. Relevant CEO and middle-manager respondents were identified by telephone calls to each municipality. The distribution of respondents mirrors that of Danish municipalities in terms of population size and difficulty of the employment task (calculated based on register information). Responses for middle managers from municipalities with less than 10,000 inhabitants are marginally underrepresented by 3.8 percentage points in comparison to census distribution, while those from municipalities with between 20,000 and 45,000 inhabitants are slightly overrepresented by 3 percentage points.

Concepts and Measures

Table 1 provides an overview of the concepts and measures that we employ. The latter are explained in more detail in the methodological appendix. The dependent variable, *policy priorities*, is what caseworkers emphasize when working with clients. The index is based on respondents' rating of the degree of emphasis they give to finding jobs, getting clients into jobs quickly, and making demands that clients seek work. Higher scores indicate policy emphases that are in line with the national employment reform goals. As such, the index indicates how caseworkers carry out policies they are being asked to implement. Although the index has a lower reliability than ideal (Cronbach alpha of .60), deletion of any one or combination of index items resulted in lower reliability. A Principal Component Analysis of these items shows that they fit one dimension.³

Given that the national policy goals are framed as policy emphases rather than precise objectives, it is inappropriate to assess the extent to which caseworkers diverge from national objectives. Instead, we opt for considering the extent to which caseworkers take actions that are in keeping with the national policy emphases while taking into account the degree to which relevant municipal-level political and management superiors endorse the national policy emphases. This choice of dependent variable is consistent with the broader shift in implementation research from studying outcomes to studying the behaviors of implementers (see Winter 2006).

We would ideally have measures of specific actions taken by caseworkers towards individual clients, but differences in client circumstances and the number of clients that individual caseworkers address make it impossible to capture these.⁴ We make no claims to be studying policy outcomes for which we did not have data to match individual clients, their caseworkers, and the caseworkers' managers and political superiors. Matching the last three was challenging in itself. Comparable job placement outcome data are not available for the timeframe and clientele that we consider. Moreover, actual placement is clearly affected by much more than the

Table 1. Key Concepts

Policy Implementation by Caseworkers

- *Policy Priority*—The extent to which caseworkers take actions that are consistent with national goals of emphasizing jobs, getting clients into jobs quickly, and making demands on clients.

Political Attention and Municipal Policy

- *Political Attention*—The chief executive officer's rating of the extent to which municipal politicians pay attention to employment services for municipal clientele.
- *Municipal Policy*—The extent to which middle managers perceive the municipal policy emphasis as getting clients into jobs quickly.
- *Municipal Job Emphasis*—The extent to which middle managers emphasize caseworkers take actions that are consistent with national goals.

Managerial Actions

- *Supervision*—the extent to which middle managers monitor caseworkers for seven specific items in their dealings with clients.
- *Delegation*—Whether or not caseworkers are delegated authority to decide each of seven actions concerning handling of different client circumstances.

Caseworkers' Knowledge and Attitudes

- *Municipal Policy Perception*—Caseworker perception of the extent to which the main goal of the municipal employment service is getting clients into jobs more quickly.
- *Policy Endorsement*—Caseworker ratings of the extent to which they positively evaluate the goals of the national employment reform act.
- *Knowledge*—Caseworker rating of their degree of knowledge of employment service rules and of their professional preparation.

Contextual Factors

- *Client Mix*—Caseworker-specific measure of the mix of difficult to place clients.
 - *Task Difficulty*—Municipal-level measure of labor market considerations that impede job placement of clients.
 - *Municipal Size*—Population size of 1 January 2005.
-

degree of emphasis that caseworkers put on getting clients into jobs. This is evidenced by the modest correlation between our measure of *policy priorities* and a separate measure of caseworkers' *perceptions of the effectiveness of employment services* as a whole in improving job-related client outcomes over the prior year (Pearson $r = .18, p < .01$).⁵

The remaining entries in table 1 fit the four categories of potential influences that prior research suggests are important to consider. These are summarized above in introducing the conceptual issues. These include the *political attention* of local politicians as reported by the CEO-respondents who are interacting most closely with local politicians; local policy objectives (*municipal policy* and *municipal job emphasis*); managerial actions (*supervision* and *delegation*) as reported by the middle manager respondents who are interacting directly with caseworkers; caseworkers' *policy perceptions, knowledge, and attitudes (policy endorsement)*; and contextual factors at the municipal level and caseworker level.

Methodology

The choice of estimation approach entails consideration of both theoretical and practical issues for estimating multivariate models involving data at different levels. Our conceptualization of the different sets of influences leads us to consider mixed, multivariate models involving variables at the municipal level (level two) and variables measuring attributes of street-level bureaucrats (level one). As discussed above, the organization of municipal functions is such that the municipal politicians, CEOs, and middle managers are expected to be the key higher-level influences on street-level behaviors.

The use of OLS regression models to examine these relationships does not adequately account for differences in the two levels and thereby incurs statistical problems. Use of hierarchical models makes the most conceptual sense, but our modeling is constrained by the fact that the number of caseworkers (334 after excluding missing values) per level-two, municipal observations (161 observations after excluding missing values) is limited. Nearly two-thirds of the municipalities have two or more respondents, but only one-third of them have three or more.

Kreft's (1996) summary of power studies for hierarchical models shows that the ability to detect cross-level interactions is limited if the number of cases per 150 higher-level units drops below five. However, he concludes that the primary issue when estimating second-level parameters and cross-level interactions involving them is to have a large number of groups, as we do.

Nonetheless, the constraints imposed by the number of cases limit the ability to estimate hierarchical models with many explanatory variables.

We argue that the use of hierarchical models is the most appropriate estimation approach for which we present models estimated using HLM version 6.02 statistical package employing maximum likelihood estimation. The hierarchical modeling has the advantage of allowing for specification of systematic and random components along with the modeling of separate intercepts and slopes. As we show below, we are able to statistically detect theoretically relevant cross-level interactions and main effects. This gives us confidence that we are at least depicting statistically meaningful higher-level effects. In short, hierarchical models are both conceptually and statistically superior for our purposes.⁶

As with any hierarchical modeling, we faced a number of conceptual and statistical decisions in deciding appropriate models to estimate. One decision is whether to allow for random variation in errors associated with effects ("random effects") versus the type of "fixed effects" found in OLS modeling. We choose random effects specification for explanatory variables except when statistical criteria suggest fixed effects are appropriate.⁷ A second decision is whether to employ the values of variables as we originally scaled them or to center scores by subtracting means from all values of a given variable. Centering is especially appropriate for higher-level variables that do not have meaningful zero points. We center relevant municipal-level variables.

A final set of considerations is the appropriate specification of the models. We use the theorizing reviewed earlier to guide our selection of appropriate explanatory variables in seeking relatively parsimonious models. The specification decision for municipal-level effects is whether

to model them as affecting only the intercept at the street-level (“intercepts as outcomes”), as affecting slopes of different street-level variables (“slopes as outcomes”), or a combination of the two. The intercept models imply constant differences in municipal effects across municipalities while the slopes models allow for variable differences in municipal effects. We employ both types of models. The details of the specification of the models are reported in the methodological appendix.

Findings

We present our findings by first describing municipal employment policy objectives and perceptions of those objectives by municipal caseworkers responsible for implementing the policies. We next describe the emphasis of caseworkers on getting people to work. This understanding provides the foundation for considering the role of political and managerial factors in shaping the policy emphases of caseworkers.

Municipalities and Employment Policy

As explained above, municipalities have important functions in implementing Danish national employment policy. Given that municipalities are not direct arms of central government and that each is subject to a variety of political, economic, and labor market pressures, they cannot be expected to readily endorse the national goals of getting people to work quickly. In addition, it would be surprising if caseworkers at the frontlines of delivering municipal employment policy fully understood the municipal policy emphasis.

Table 2 provides an overview of the extent to which municipalities emphasize the national policy objective and the perceptions of caseworkers of the policy emphasis for the municipality in which they work. The first column shows how managers of municipal employment services describe the degree to which they emphasize that caseworkers take actions aimed at getting clients into work quickly. The second column shows caseworker perceptions of the municipal policy emphasis. Scores greater than three indicate policy emphases that are consistent with the

national policy goals while scores less than three indicate an emphasis on helping clients prepare for jobs over their longer work life.

Table 2. Municipalities and Employment Policy

	Municipal Policy^a	SLB Perceived Municipal Policy^b
Summary Measures		
Mean (s.d.)	3.90 (1.11)	4.14 (.98)
Percent rating greater than score of 3	70	75
Coefficient of Variation	.28	.24
Number of observations	194	381
Notes:		
^a Manager rating on a scale of 1 to 5 of the extent to which the manager emphasizes getting clients into jobs quickly.		
^b Caseworker rating on a 1 to 5 scale of their perception of municipal employment services emphasis on getting clients into jobs quickly.		

Seventy percent of managers of municipal employment services emphasize the national policy objectives in providing policy direction to caseworkers. Nonetheless, there is considerable variation in municipal policy emphases. The results for the caseworkers show that as a group they perceive a strong municipal emphasis on getting people into jobs.⁸ Indeed, separate analyses show that 39 percent of the caseworkers perceive a stronger municipal emphasis on getting people into jobs than reported by their respective employment services manager. Twenty-eight percent of the managers report a stronger emphasis than that perceived by caseworkers in their jurisdiction.

Caseworkers and Employment Policy

Although large numbers of caseworkers perceive a strong municipal emphasis on getting clients into jobs, a gap between the municipal emphasis and the actions of street-level bureaucrats can be expected. Table 3 summarizes how caseworkers act and what they think about the

national policy reforms. The first column is the extent to which caseworkers take actions that are consistent with the national goal of getting people into jobs quickly. The second is the extent to which caseworkers endorse the national employment policy reforms.

Table 3. Caseworkers and Employment Policy

	Policy Priority ^a	National Policy Endorsement ^b
Summary Measures		
Mean (s.d.)	3.70 (.68)	3.53 (.92)
Percent rating greater than score of 3	79	60
Coefficient of Variation	.18	.26
Number of observations	388	375
Overall Variation		
Percent variation attributable to SLB level ^c	88	88

Notes:

^a Index on a scale of 1 to 5 of the extent to which caseworkers emphasize actions aimed at getting clients into jobs quickly for which higher scores indicate greater emphasis on that goal.

^b Index on a scale of 1 to 5 of the extent to which caseworkers endorse the goals of the national employment reform act where higher scores indicate stronger endorsement of the reform.

^c Partitioning of overall variance of multi-level model based on an one-way ANOVA “null” model.

A large percentage of caseworkers seem to be following the emphases of the national employment reforms, as shown by 79 percent rating their policy emphases for the reform goals as greater than three on a five-point scale. Yet, caseworkers are more evenly split in their endorsement of the national policy reforms. The Pearson correlations between caseworkers’ policy priority and their policy endorsement is .16 ($p < .01$), between their policy priority and perceived municipal policy is .28 ($p < .01$), and their policy endorsement and perceived municipal policy .04 ($p = .42$). These relatively low correlations suggest that the concepts are distinguishable.

We surmised (H_1) that street-level considerations would outweigh higher-level factors in accounting for variation in caseworkers' policy emphases. The last row in table 3 partitions the variation based on a "null" model that assesses the extent to which variation in each factor can be accounted for at the street-level versus municipal-level.⁹ As expected, some 88 percent in the variation for each measure can be attributed to differences at the street-level. This reinforces the notion that street-level bureaucrats exercise discretion in their actions for which variation in actions and situations within municipalities is much greater than between them.

Higher-Level Influences on Actions by Caseworkers

Our primary research interest is analyzing the political and managerial influences on the employment policy emphases of caseworkers. The relevant dependent variable is the extent to which caseworkers take actions that are consistent with the national goal of getting people into work. Our theorizing leads us to consider municipal-level considerations that include municipal policy goals, political attention, and managerial actions, along with consideration of attitudinal and contextual variables that relate to individual caseworkers.

Table 4 presents our hierarchical modeling of variation in policy priorities of caseworkers. Higher scores on the dependent variable indicate greater emphasis on actions in dealing with clients that are aimed at getting them into jobs quickly. A comparison of the deviance scores for each of these models with that of the null model shows that these models provide statistically meaningful fits (chi-square p -values $< .01$). The coefficients are unstandardized values with standard errors reported in parentheses and one-tailed t -values noted by asterisks. The statistical significance and signs of coefficients can be directly interpreted but interpretation of their magnitude needs to take into account the scale of the relevant variable and any specified cross-level interactions.

Table 4. Explaining Policy Priorities of Caseworkers

Explanatory Factors	HLM Models ^a		
	Model 1	Model 2	Model 3
Municipal Politics and Policy			
Political Attention	-- ^b	-.03* (.02)	-.04* (.02)
Municipal Job Emphasis	--	.09* (.05)	.10** (.05)
Effects on SLB Municipal Policy Perceptions ^c			
of Political Attention	--	--	.06*** (.02)
of Municipal Policy	--	--	.05** (.03)
Managerial Actions			
Supervision	--	.07 (.07)	.07 (.07)
Effects on SLB Knowledge ^c			
of Municipal Job Emphasis	--	--	-.12* (.08)
of Supervision	--	--	.12* (.09)
of Delegation	--	--	.01** (.003)
SLB Perceptions and Knowledge			
Municipal Policy Perception	.17*** (.04)	.19*** (.04)	.18*** (.04)
Policy Endorsement	.10*** (.04)	.11*** (.04)	.11*** (.04)
Knowledge	.12*** (.05)	.13*** (.05)	.12** (.05)
Contextual Factors			
Difficult Client Mix	.13 (.14)	.12 (.13)	.11 (.13)
Municipal Employment Task Difficulty (ln values)	--	-.21* (.14)	-.22* (.14)
Municipal Size (ln values)	--	-.14*** (.05)	-.14*** (.04)
Intercept	3.59 *** (.12)	5.51*** (.48)	5.50*** (.47)

Model Statistics			
Number of cases			
Level 1 (SLB)	334	334	334
Level 2 (Municipal)	--	161	161
Log likelihood (AIC) ^d	-328.10 (660.20)	-304.12 (650.24)	-297.97 (647.94)
P-value model improvement (comparison) ^e	<.01 (null)	<.01 (model 1)	<.05 (model 2)
Level 1 residual variance	.37	.32	.32
percent variation explained	12	25	24
Level 2 residual variance	--	.02	.01
percent variation explained		62	75

NOTES:

*** $p < .01$ ** $p < .05$ * $p < .1$ (based on one-tailed t-values with robust standard errors)

^a The dependent variable is an index of the extent to which caseworkers take actions that are consistent with the national goal of putting people to work. The cell entries are unstandardized estimates of coefficients for maximum likelihood estimates of hierarchical linear models using HLM version 6.02; standard errors in parentheses. Variables are grand-mean centered except for measures of client mix, municipal task difficulty, and municipal size, and municipal task difficulty for which zero points are meaningful. Level-one estimates are for random coefficients except for client mix.

^b Variable not included in this model.

^c Cell entries show the cross-level effects of level-two variables on the slope of the designated level-one variable.

^d Akaike Information Criterion (AIC) shown in parentheses for model fit taking number of parameters into account.

^e P-values for chi-square test of the deviance score (-2LL) relative to the model noted in parentheses.

Model 1 contains only variables that are specific to caseworkers (level one). Model 2 adds political, policy, and managerial factors at the municipal level (level two). Model 2 is specified as an “intercept as outcome” model without cross-level interactions. The goodness of fit for this model shows a statistical improvement over that for model 1 as indicated by the p -value for the chi-square test of change in the model the deviance score. Model 3 includes both

intercept-related and slope-related effects. The latter are the effects of the designated level-two variables on the effects (slopes) of level one, street-level variables. These are shown in table 4 as subsets of relevant street-level variables. Model 3 is a better overall model than model 2 for which the chi-square test of improvement in deviance score has a p -value $< .05$. This model explains 24 percent of the variation at level one and 75 percent of the variation at level two. Interpretation of the effects of municipal-level variables is complicated by the fact that some have both intercept and slope-related effects, which we return to below in our discussion of effects. Our discussion of findings focuses on the results for model 3.

Hypothesis 2 concerns the influences of municipal policy, managerial actions, and political attention on caseworkers' actions. Municipal job emphasis and political attention—both of which are forms of policy signaling—have direct and indirect effects. The direct effect of municipal job emphasis is consistent with findings by Hill (2006) that the degree of job emphasis by managers in welfare-to-work offices in the United States is a key determinant of successful client placements in jobs. We fail to detect direct effects for managerial supervision or for delegation on caseworkers' actions.¹⁰

The influences of policy and managerial factors on the effects (slopes) of level one, street-level variables are noteworthy. Several operate through their influence on the effects of caseworkers' knowledge on policy priorities. In particular, increased levels of supervision and delegation each act to reinforce the positive effects of caseworkers' knowledge on actions aimed at getting people into jobs. On the other hand, increased municipal job emphasis undermines the effect of caseworker knowledge (the slope effect on knowledge) as might be expected if that emphasis is perceived as contrary to caseworkers' assessment of what is best for some situations. We show below, however, that the net effect of these counteracting influences of job emphasis is positive even for high levels of caseworker knowledge.

Hypothesis 3 addresses the role of political attention. We find the political attention that municipal elected officials give to employment issues does make a difference in what

caseworkers emphasize. The direct effect of increased levels of political attention at the municipal level tends to lessen caseworker emphasis on getting clients into jobs. We think this reflects a positive political impact because the stronger signals are from municipal politicians who differ with the national policy goal of getting people into work quickly. As shown by the positive slope effect for caseworkers' perception of the municipal policy emphasis, increased political attention strengthens the effects of caseworkers' interpretation of municipal policy in emphasizing jobs thereby bringing their actions more into line. This finding reinforces the importance of political attention as a signaling device about policy goals. Consistent with hypothesis 3, we show below that the influence of political attention is strongest when municipal policy deviates from the national goals.

The findings for the remaining variables concerning caseworkers' knowledge and context generally fit what might be expected. Caseworkers' understanding of the municipal policy emphasis, their endorsement of national employment policy reform act, and their professional knowledge are positive influences on their behaviors in implementing the national policy reforms. Finally, the effects of the contextual variables are as expected. Caseworkers in settings for which it is more difficult to place clients and caseworkers in larger municipalities give less emphasis on getting clients into jobs quickly. The latter may be due to increased resistance to getting clients into jobs quickly because of stronger professional norms and more influential social-worker unions that are typically found in larger municipal employment service organizations.

Assessing Political, Policy, and Managerial Influences

The preceding analyses show that political attention, policy emphases, and managerial actions do affect policy emphases of caseworkers in dealing with clients. The findings also suggest that the managerial influences are not that strong and the influence of political attention is disjunctive—findings that are generally consistent with our research hypotheses. Given that it is difficult to assess the magnitude of these effects from the values of the hierarchical coefficients, we provide a more readily understood set of calculations of effects of municipal-level political,

policy, and managerial influences upon policy emphases of caseworkers. These calculations are based on predicted outcomes of our full explanatory model (model 3 of table 4) when changing relevant explanatory values from the 25th to the 75th percentile of all values and keeping other variables at their respective means. The relevant cross-level interaction terms are set so that the maximum impact of the change in the higher-level variable is evaluated.¹¹ Table 5 provides these results. The cell entries show the maximum average predicted percentage change in policy priorities associated with each higher-level variable.

The first entry is the influence of the attention of politicians in the municipality to employment-related issues. This influence is strongest for actions of caseworkers when municipalities diverge from the national goal by emphasizing longer-term employment prospects. This translates into a 10 percent reduction on average in emphasis by caseworkers of the national policy goal of getting people into work quickly. The effect is much weaker (about 1 percent increase in job emphasis) when municipalities endorse the national goals and politicians call attention to employment issues. Consistent with hypothesis 3, caseworkers are more willing to diverge from national goals when it is clear that their immediate political principals endorse that divergence.

The next set of entries address the influence of managerial actions. Consistent with hypothesis 1, these influences are relatively limited. Increased municipal emphasis on getting people into jobs has the strongest effects on policy actions when caseworker knowledge is weak. This makes sense since less knowledgeable caseworkers are more likely to respond to municipal policy emphases rather than what their professional knowledge suggests is the best action. However, this result on average in only a 4.7 percent increase in actions aimed at getting people into jobs quickly. The corresponding impact for caseworkers with strong knowledge is negligible (less than 0.1 percent).

Table 5. Higher-Level Influences over Caseworkers

	Percentage Change in Caseworker Policy Priority ^a
Political Attention	
Increased attention to employment issues by local elected officials	-10.1 (Muni not support national policy)
Policy and Managerial Actions	
Increased emphasis on getting clients into jobs	4.7 (weak SLB knowledge)
Increased supervision	2.8 (strong SLB knowledge)
Increased delegation of decisions	-3.6 (weak SLB knowledge)

Notes:

^a Cell entries are the maximum predicted percentage change in the priority that caseworkers give to getting clients into jobs quickly based on HLM Model 3 of Table 4, taking into account relevant effects on intercepts and slopes. Notations in parentheses indicate conditions for which the effects are strongest. For each cell entry, calculations are based on the direct and conditional changes in the factor in each row from the 25th percentile of all values to the 75th percentile. Relevant interaction terms are evaluated for the street-level value that gives the highest percentage change (5th or 95th percentile as indicated in parentheses) when the higher-level term is changed from the 25th to the 75th percentile. All other relevant factors are set to their respective mean value.

Increased supervision fosters a 2.8 percent increase on average in caseworkers' job emphasis when caseworkers are knowledgeable about the rules. The effect of supervision is a reduction in job emphasis on average of 1 percent when caseworkers' knowledge is low. Supervision may be expected to bolster the impact on job emphasis for less knowledgeable caseworkers than more knowledgeable ones. However, we find the opposite. We think this is because supervision in itself cannot make up for deficiency in knowledge of the rules. Instead, supervisors are more effective in calling attention to the specifics of rules or reminding caseworkers of the importance of particular provisions. These require a basic understanding of the rules.

Delegation of decision-making authority to caseworkers about client eligibility reduces caseworkers' job emphasis when they have weak knowledge. We attribute this to the fact that caseworkers who have less knowledge inevitably follow their policy preferences to emphasize longer-term job prospects.¹² Not shown in the table is the smaller positive effect of delegation on job emphasis, a 2.2 percent change, when caseworkers have strong knowledge.

The effect analyses shown in table 5 underscore the dual message of this research. On the one hand, higher-level political and managerial factors influence the policy emphases of frontline workers. On the other hand, the strength of the effects is relatively limited. In thinking about these findings, one needs to keep in mind that the effects are assessed as individual influences when in reality several factors are likely to change at once. Stated differently, a municipality is not likely to increase the degree of supervision without placing more emphasis on communicating the desire to get more clients into jobs quickly.

Conclusions

It is well established that street-level bureaucrats vary in the extent to which they carry out higher-level policy dictates. Our findings show that a large percentage of Danish caseworkers endorse the national employment policy reforms and seem to be implementing actions that are consistent with the reforms. Nonetheless, there is variation. With this research, we seek to understand the influence of political attention and managerial factors on caseworkers' policy emphases. This research focus adds to the understanding of higher-level influences upon policy decisions at the frontlines of implementation.

Three sets of findings stand out. One is that the policy emphases of caseworkers are influenced by their understanding of policy goals, professional knowledge, and policy evaluations. As a whole, these are not a remarkable set of findings as they are consistent with much of the research on implementation behaviors of street-level bureaucrats (see Meyers and Vorsanger 2003). As found by Riccucci (2005; also see Riccucci, Meyers, Lurie, and Han 2004),

allowing caseworkers to carry out their professional responsibilities has a large impact on the contours of policy implementation.

The more notable, second finding is that higher-level influences do shape the behaviors of caseworkers in implementing the national policy reforms. The political attention of relevant municipal politicians to employment issues has the largest impacts of any of the higher-level influences we consider on caseworkers' policy emphases. Caseworkers are more willing to diverge from national goals when it is clear that their immediate political principals endorse that divergence. This, we argue, says something about the nature of political signals and their influence on the use of discretion by street-level bureaucrats. The key insight here is the role of immediate policy principals in reducing uncertainty about appropriate behaviors at the frontlines given a divergence between political signals at different levels. We also show the positive influence of the extent of goal emphasis by superiors on getting people into jobs.

Various other managerial influences also come into play through complex paths. We show that the amount of supervision and the degree of delegation affect the policy emphases of caseworkers in differing degrees and directions. This set of findings concerning managerial effects underscores recent findings of the public management literature that "management matters" (see Boyne 2003; Brewer 2005; Meier and O'Toole 2002; Moynihan and Pandey 2005). The complex paths are evident by the effects of political and managerial factors on the influence of the knowledge and policy perceptions of street-level bureaucrats in shaping their policy emphases.

A cautionary third set of findings is that the policy, political, and managerial influences are relatively weak. Policy signals provided by political attention and by the municipal emphasis on getting people into jobs quickly have the strongest effects. But, these respectively lead to only 10 and 5 percent changes on average in caseworkers' job emphasis when also considering their conditioning effects on caseworkers' policy perceptions and their knowledge. The influences of managerial supervision and delegation of authority are weaker and operate only to condition the

influence of caseworkers' knowledge on their policy emphases. One explanation for the muted influences may be the lesser visibility to superiors of the priorities that caseworkers emphasize in their conversations with clients. As found by Winter (2003), the influences might be stronger had we studied more visible actions such as placement in specific employment enhancing programs or the use of sanctions.

Our examination of the various influences on caseworkers' actions is based on a unique dataset that draws from separate surveys of caseworkers, their managers, and relevant chief executive officers for Danish municipal employment services. The linking of responses among these actors is a positive aspect of the analyses that we present. But, it also involves limitations. One caveat is that the analyses are based on self-reports, rather than upon more objective outputs or outcomes. This may give a rosier sense of the implementation of the national reforms than is actually the case. However, our interest is the relative comparisons among caseworkers rather than assessing the reforms. A second caveat is that the limited number of respondents within each municipality complicates our use of hierarchical modeling. We argue that the conceptual strengths of the approach and the plausibility of our findings demonstrate that the statistical limitations do not invalidate our basic findings. A third caveat is that we only focus on a limited number of considerations for which our modeling of their influence is guided by broad hypotheses rather than hypotheses about individual variables. This suggests that alternative specifications of our models may be relevant and that it is better to consider the patterns in our findings rather than over-interpret individual coefficients.

An obvious question about our findings is the extent to which they can be generalized to other implementation contexts. Our findings are generally consistent with those of prior empirical studies concerning managerial influences on street-level actions that are from different settings than Denmark and concern different policy areas. In particular, our findings concerning managerial influences are similar to those of Riccucci (2005; Riccucci, Meyers, Lurie, and Han 2004) in studying implementation of welfare reform in the United States. Our findings

concerning political influence are similar to those of Langbein (2000) in studying political influences on the discretion of professionals in the United States. As such, we do not think that the case of Danish employment services invokes unique influences for street-level implementation.

Taken together, our findings provide a more nuanced and positive assessment than much of the implementation literature of the way that higher-level policies are translated into actions at the frontlines. A substantial divergence in the implementation of municipal employment policy reforms in Denmark might be expected. However, we show that most street-level bureaucrats generally carry out the reform goals. Why is this? The signaling of policy goals by municipal elected officials and managerial actions of employment services managers are relevant but these factors seem to have a limited influence. More important are the understanding of the national policy by street-level bureaucrats and their knowledge of the rules under the reform. These likely come from other sources than political signaling and managerial actions. As aptly put by Brehm and Gates (1997, 202), substantial numbers of caseworkers seem to be “principled agents” in fulfilling their professional roles in implementing the national reforms.

Methodological Appendix

Table A1 – Data Sources and Measurement of Variables

Category and Item (variable label)	Source Mean (s.d)	Measure
SLB Policy Implementation		
Policy Priority (POLPRI)	SLB Survey 3.70 (.68)	Mean of caseworker rating on scale 1 (full agreement with first item) to 5 (full agreement with second item) of priorities given to: (1) “Emphasizing gradual acquisition of skills” versus “Emphasizing actual jobs in the conversation with the client”; (2) “Improving the client’s chances for jobs over their work life” versus “Getting the client into any job quickly”; and (3) “Taking the client’s problems into consideration” versus “Making demands on clients”. Cronbach alpha = .60. This coding is reversed from the original.
Municipal Policy & Attention		
Municipal Policy (M18r)	Manager Survey 3.90 (1.11)	Manager rating on scale 1 (full agreement with first item) to 5 (full agreement with second item) of municipal priorities given to “Improving the client’s chances for jobs over their work life” versus “Getting the client into any job quickly.” This coding is reversed from the original.
Municipal Job Emphasis (MMJOBEMP2)	Manager Survey 3.98 (.67)	Mean of manager ratings on a scale of 1 (full agreement with the first item) to 5 (full agreement with the second item) of the extent to which middle managers emphasize caseworkers balance priorities as: (1) “Emphasizing gradually acquiring new skills” versus “Emphasizing actual jobs”; (2) “Improving the client’s chances for jobs over the course of their work” versus “Getting the client into a job more quickly,” and; (3) “Taking the client’s problems into consideration” versus “Making demands on the clients”. Cronbach alpha = .41; Index constructed to parallel the SLB policy priority variable. This coding is reversed from the original.

Political Attention (POLATT)	CEO Survey 3.68 (1.30)	CEO rating on a scale of 1 (not at all) to 5 (to a very great extent) of the extent to which “employment services for clients who are available for work attract attention of politicians in your municipality.” This coding is reversed from the original.
Managerial Actions		
Supervision (MMSUP)	Manager Survey 2.79 (.64)	Mean rating on the 1 to 4 scale of seven items concerning the extent to which middle managers monitor caseworkers regarding: frequency of client contacts, guidance regarding job searches, time for clients to enter into required programs, caseworker recommendations on employment promoting programs for clients, use of sanctions, client outcomes, and client perceptions of employment services. Each item is rated on a scale of 1 (no monitoring), 2 (informal monitoring), 3 (sampling of cases), and 4 (formal reporting). Cronbach alpha = .82.
Delegation (DELSLBSQ)	Manager Survey 5.13 (1.46)	Summated index of whether or not caseworkers are delegated authority to decide each of seven actions: categorization of social assistance clients as being ready or not ready for the labor market, referral of clients to wage subsidies in private firms, referral of clients to wage subsidies in the municipality, referral of clients to practice periods/employment-training in a municipal service institution, referral of clients to a short and cheap vocational training course (around DKK 9,500), referral of clients to a more expensive training course (DKK 30,000), cut off of social benefits due to client’s non-availability for work. Cronbach alpha = .68. Squared values used to meet linearity assumptions.
Caseworkers’ Policy Perceptions and Attitudes		
Municipal Policy Perception (POLMUNI)	SLB Survey 4.14 (.98)	SLB rating on scale 1 (full agreement with first item) to 5 (full agreement with second item) that <u>the municipal policy emphasis</u> is “Improving the client’s chances for jobs over their work life” versus “Getting the client into any job quickly.” This coding is reversed from the original.

Policy Endorsement (POLENDOR)	SLB Survey 3.53 (.92)	Mean SLB rating on scale 1 (full agreement with first item) to 5 (full agreement with second item) of two opposing statements about Employment Reform Act: (1) “A step in the wrong direction” versus “A step in the right direction,” and; (2) “Harmful to most clients” versus “Better for most clients.” Cronbach alpha = .89. This coding is reversed from the original.
Knowledge (KNOW)	SLB Survey 4.22 (.81)	Mean of SLB agreement on a scale of 1 (disagree completely) to 5 (agree completely) with two items: (1) “I feel I have good knowledge of the rules in the area of employment service” and (2) “I feel professionally well prepared to carry out my work with clients.” Cronbach alpha = .85.
Context / Controls		
Difficult Client Mix (CMIX1sq)	Derived from SLB Survey .86 (.17)	Share of the caseworker’s clients in the two groups with the poorest fit with the needs of the labor market among three groups that have found to be fit for work according to a national classification scheme. Derived from SLB’s reports of percentage of clients in different categories. Squared values are used to address skewed data.
Municipal Task Difficulty (PRE2006ln)	Secondary Data 11.84 (3.27)	An index of the expected mean duration in months of temporary municipal cash benefits for all adult citizens in each municipality in 2004 based on characteristics of the population and local labor market conditions. Higher scores indicate more problematic task environments. Ln values are employed to address skewed data.
Municipal Size (BEF_05ln)	Census Data 21,270 (42,751)	Census report of municipal population for 2005. Ln values are used to address skewed data.

Other Variables

Perceived Outcomes	SLB Survey -0.02 (1.00)	Caseworker's perceptions of the extent that employment service actions as a whole have improved client job-related outcomes based on a scale of 1 (not at all) to 10 (to a very great extent). Index is a principal component score based on three items concerning success for clients in: (a) actively searching for jobs, (b) availability for work, and (c) placement in ordinary jobs. Cronbach alpha for these is .86. Factor loadings on the index for the items are .90, .84, and .79 respectively.
Policy Preference	SLB Survey 3.06 (1.23)	Caseworker evaluation on a scale of 1 (full agreement with the first item) to 5 (full agreement with the second item) of what "you personally think should be the goal for the municipal employment service" in choosing a balance between "helping clients improve changes for jobs over the course of their work life" versus "getting clients into jobs more quickly."

Specification of HLM Models

The three HLM models reported in Table 4 are specified as follows. Bold italics indicates use of grand-mean centering, otherwise variables are in raw form (with some squared or ln values as indicated in the variable listing); ‘r’ and ‘u’ are first and second-level residual errors respectively. Variable labels are indicated in the preceding listing of variables.

HLM Model 1:

LEVEL 1 MODEL

$$\text{POLPRI} = \beta_0 + \beta_1(\text{POLENDOR}) + \beta_2(\text{KNOW}) + \beta_3(\text{POLMUNI}) + \beta_4(\text{CMIX1SQ}) + r$$

LEVEL 2 MODEL

$$\beta_0 = \gamma_{00} + u_0$$

$$\beta_1 = \gamma_{10} + u_1$$

$$\beta_2 = \gamma_{20} + u_2$$

$$\beta_3 = \gamma_{30} + u_3$$

$$\beta_4 = \gamma_{40}$$

HLM Model 2:

LEVEL 1 MODEL

$$\text{POLPRI} = \beta_0 + \beta_1(\text{POLENDOR}) + \beta_2(\text{KNOW}) + \beta_3(\text{POLMUNI}) + \beta_4(\text{CMIX1SQ}) + r$$

LEVEL 2 MODEL

$$\beta_0 = \gamma_{00} + \gamma_{01}(\text{MMSUF}) + \gamma_{02}(\text{BEF_05LN}) + \gamma_{03}(\text{PRE2006L}) + \gamma_{04}(\text{POLATT}) + \gamma_{05}(\text{MMJOBEM2}) + u_0$$

$$\beta_1 = \gamma_{10} + u_1$$

$$\beta_2 = \gamma_{20} + u_2$$

$$\beta_3 = \gamma_{30} + u_3$$

$$\beta_4 = \gamma_{40}$$

HLM Model 3:

LEVEL 1 MODEL

$$\text{POLPRI} = \beta_0 + \beta_1(\text{POLENDOR}) + \beta_2(\text{KNOW}) + \beta_3(\text{POLMUNI}) + \beta_4(\text{CMIX1SQ}) + r$$

LEVEL 2 MODEL

$$\beta_0 = \gamma_{00} + \gamma_{01}(\text{MMSUF}) + \gamma_{02}(\text{BEF_05LN}) + \gamma_{03}(\text{PRE2006L}) + \gamma_{04}(\text{POLATT}) + \gamma_{05}(\text{MMJOBEM2}) + u_0$$

$$\beta_1 = \gamma_{10} + u_1$$

$$\beta_2 = \gamma_{20} + \gamma_{21}(\text{MMSUF}) + \gamma_{22}(\text{DELSLBSQ}) + \gamma_{23}(\text{MMJOBEM2}) + u_2$$

$$\beta_3 = \gamma_{30} + \gamma_{31}(\text{M18R}) + \gamma_{32}(\text{POLATT}) + u_3$$

$$\beta_4 = \gamma_{40}$$

Notes

¹ Kenneth Meier and Laurence O'Toole provide a compatible perspective on the role of organizations in influencing implementation that emphasizes different dimensions of management (see Meier and O'Toole 2002; O'Toole and Meier 1999).

² Only two of the municipalities we study had district offices for these functions for which we asked the relevant CEO to identify the district office that was most representative of the municipality.

³ The eigenvalue for this dimension is 1.67, explaining 56 percent of the variation with factor loadings for each item of .76, .75, and .73 respectively. The drop off in eigenvalues for the second (.69) and third (.64) initial values is substantial, reinforcing the adequacy of a single solution.

⁴ To ensure consistency in referents, we asked respondents with diverse client mixes to rate their actions in relation to the middle category of clients who are available for work based on a national categorization system for assessing clients' availability for work.

⁵ The details of the perceived outcome measure are provided in the appendix. This correlation improves to .20 ($p < .01$) when controlling for the client mix served by each caseworker.

Ordinary regression models explaining variation in perceived outcomes while controlling for other contextual factors also show consistent statistically significant effects for the policy priority variable.

⁶ We also estimated parallel generalized linear models with robust standard errors and cluster robust standard errors using STATA version 9.0. These were based on combined municipal and street-level data for which we duplicated municipal observations for SLBs from a given municipality. The STATA results without any interactions are similar to the HLM two-level results although the statistical significance of the cross-level terms differ some for the models with interaction terms. In particular the HLM model involving interactions showed improvements in model fit when comparing deviance scores whereas the corresponding STATA

model did not show improvements in model fit. We prefer the HLM models on the basis of both theoretical and statistical grounds.

⁷ One rule of thumb is that fixed effects are appropriate for variables with reliability estimates of coefficients that are less than .05.

⁸ This is shown statistically when comparing paired scores for individual SLBs in each municipality with the score of the middle-manager respondent (paired t-test = 2.33, $p = .02$).

⁹ These values were calculated using HLM version 6.02 statistical software for models that are equivalent of a one-way analysis of variance.

¹⁰ Limitations on model estimation prevented inclusion of delegation as a direct effect in this model. When substituted for managerial supervision as a main effect in other models, the effect of delegation was not statistically significant at conventional levels.

¹¹ The effect calculation is complicated by the use of centering for many variables for which mean values are zero. In particular, substituting mean values of centered variables that are part of slope-effect interactive terms is problematic. Instead, we calculate the effects of interaction terms with the setting for the street-level value that gives the highest percentage change (5th or 95th percentile as indicated in parentheses in the table) when the higher-level term is changed from the 25th to the 75th percentile. All other relevant factors are set to their respective mean.

¹² The mean preferred policy emphasis of caseworkers is 3.06 (s.d. 1.23) for caseworkers' rating of their preference between emphasizing longer-term job prospects (value one) or getting clients into jobs quickly (value five). Only 34 percent rate their preferred emphasis with a value greater than 3.

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