INFORMATION TO USERS

The most advanced technology has been used to photograph and reproduce this manuscript from the microfilm master. UMI films the text directly from the original or copy submitted. Thus, some thesis and dissertation copies are in typewriter face, while others may be from any type of computer printer.

The quality of this reproduction is dependent upon the quality of the copy submitted. Broken or indistinct print, colored or poor quality illustrations and photographs, print bleedthrough, substandard margins, and improper alignment can adversely affect reproduction.

In the unlikely event that the author did not send UMI a complete manuscript and there are missing pages, these will be noted. Also, if unauthorized copyright material had to be removed, a note will indicate the deletion.

Oversize materials (e.g., maps, drawings, charts) are reproduced by sectioning the original, beginning at the upper left-hand corner and continuing from left to right in equal sections with small overlaps. Each original is also photographed in one exposure and is included in reduced form at the back of the book. These are also available as one exposure on a standard 35mm slide or as a 17" x 23" black and white photographic print for an additional charge.

Photographs included in the original manuscript have been reproduced xerographically in this copy. Higher quality 6" x 9" black and white photographic prints are available for any photographs or illustrations appearing in this copy for an additional charge. Contact UMI directly to order.

U·M·I

University Microfilms International
A Bell & Howell Information Company
300 North Zeeb Road, Ann Arbor, MI 48106-1346 USA
313/761-4700 800/521-0600

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Order Number 9009717

Playing the game of contracted services: Administrative, ethical, and political issues for the nonprofit agency manager

Bernstein, Susan Renee, D.S.W.

City University of New York, 1989

Copyright ©1989 by Bernstein, Susan Renee. All rights reserved.

U·M·I
300 N. Zeeb Rd.
Ann Arbor, MI 48106

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

PLAYING THE GAME OF CONTRACTED SERVICES: ADMINISTRATIVE, ETHICAL, AND POLITICAL ISSUES FOR THE NONPROFIT AGENCY MANAGER

by

SUSAN R. BERNSTEIN

A dissertation submitted to the Graduate Faculty in Social Welfare in partial fulfillment of the requirements for the degree of Doctor of Social Welfare, The City University of New York.

1989

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

c 1989

SUSAN R. BERNSTEIN

All Rights Reserved

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

This manuscript has been read and accepted for the Graduate Faculty in Social Welfare in satisfaction of the dissertation requirement for the degree of Doctor of Social Welfare.

6/19/89
Date

Irwin Epstein
Chair of Examining Committee

6/19/89
Date

Harold I. Kaplan
Executive Officer

Robert Salmon

Simon Slavin
Supervisory Committee

The City University of New York

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Abstract

PLAYING THE GAME OF CONTRACTED SERVICES:
ADMINISTRATIVE, ETHICAL, AND POLITICAL ISSUES
FOR THE NONPROFIT AGENCY MANAGER

by

Susan R. Bernstein

Adviser: Professor Irwin Epstein

This study used ethnographic research methodology to determine how administrators in nonprofit agencies manage the issues inherent in contracted services. Focused interviews were conducted with eighteen managers. Transcripts of the interviews were analyzed with the assistance of a computer software program, The Ethnograph. Data analytic procedures were thoroughly documented, and extensive verbatim quotes were used to report the findings.

The analytic framework for explaining and describing these managers' experience was their primary metaphor: contracted services as a game. The functions and dynamics of the game metaphor for managers were explained. To analyze managers' perceptions and corresponding decisions and actions in playing the game, the concept of cognitive maps was used.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The strategies managers employ to manage the administrative, ethical, and political issues of the contracted services game were analyzed and illustrated. The discussion of administrative issues focused on managers' efforts both to comply with and change contractual requirements. Their management of ethical issues was considered in terms of the philosophical and operational conflicts created by contracted services. In addition, their perspectives on the following political issues were explored: nonprofit agency accountability to government, the nonprofit agency role in government service delivery, and the prerequisites for managers of contracted services.

Implications of the study for administrative practice, education, policy, and research were discussed.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ACKNOWLEDGMENTS

In acknowledging the assistance of the monitor of her contracted service, one of the managers interviewed for this study said, "I don't know what I would have done really. The budget--my Lord, I didn't know what I would do. But somehow we got it together." Those who were with me in "getting this study together" were many, and my gratitude to them is profound.

The eighteen anonymous managers, who entrusted me with their experiences and perspectives, provided both the substance and soul of the study. Their voices were a continuing source of inspiration: their individuality, compassion, and commitment resonate in their words. I hope they feel that the findings do justice to their story, to the reality and complexity of their jobs.

Irwin Epstein, over the years of the study's gestation, was an extraordinary mentor. His contributions to the conceptualization, evolution, and completion of the research were pivotal. And, he added immeasurably to the work's intellectual stimulation and satisfaction.

Robert Salmon and Simon Slavin were key supporters of this effort. Their respective, special interests in the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

operational and philosophical/historical dimensions of contracting contributed to my own. Both were also helpful in identifying managers.

Although he never knew more than the study's purpose and its general progress, Fred Ephraim enabled me to begin, continue, and finish the work.

In addition to being an invaluable sounding board, Maryann Lienhard provided diverse assistance at each stage of the research.

The computer made the study's depth possible. In different, but indispensable ways, Carlos Dragovich, Thomas Givler, Anthony Ferrigno, and David Spencer provided technical direction and support. Janette Handley and Joseph Thom made the production of the manuscript pleasant.

Finally, my husband, Josh Pruzansky, was there for me through all the years, months, and days on which this kind of work rests. But for his encouragement and sustenance, this study would not have happened.

To these people, especially, and to the many others whose interest in this work was so heartening, I convey my appreciation and acknowledge my indebtedness. Without them, "I don't know what I would have done really."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

TABLE OF CONTENTS

Chapter

I. INTRODUCTION 1

Purpose of the Study 1
Significance of the Study 1

II. REVIEW OF THE LITERATURE 6

Introduction 6
Findings and Methodology: Administrators' Managing Issues 6
Political and Operational Issues of Contracted Services 20
Managing the Issues of Contracted Services 31
Summary 43

III. METHODOLOGY 45

Introduction 45
Character of the Central Study Question . 46
The "Truth" of the Answer 51
Sampling Procedure 55
Interview Procedure 63
Data Analytic Procedure 71
Summary 92

IV. MANAGEMENT OF CONTRACTED SERVICES AS A GAME . 96

Introduction 96
Game Metaphor 97
Descriptions of the Game Being Played . . 101
Dynamics of the Game 119
Summary 130

V. MANAGERS' COGNITIVE MAPS 131

Introduction 131
Roles: NPAs versus GFOs 132
GFOs as Chaotic Organizations 135
GFOs' Perceptions of NPAs 162
Individual Cognitive Maps 171
Summary 179

VI. THE ISSUES: AN INTRODUCTION 181

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

VII. ADMINISTRATIVE ISSUES: COMPLIANCE 183

Introduction 183
The Experience of Being Audited 184
Perception of Auditors' Grasp of the NPAs' Reality 190
Strategies to Effect Compliance: Within the NPA 199
Strategies to Effect Compliance: With the GFO 240
Summary 257

VIII. ADMINISTRATIVE ISSUES: CHANGE 260

Introduction 260
Strategies to Effect Change: Process-Oriented 262
Strategies to Effect Change: Goal-Oriented 278
Summary 313

IX. ETHICAL ISSUES 315

Introduction 315
Perspective on Commitments 317
Management of Philosophical Conflicts . . 327
Management of Operational Conflicts . . . 343
Summary 364

X. POLITICAL ISSUES: NPA ACCOUNTABILITY TO THE GFO 366

Introduction 366
GFO Perspective on NPA Accountability in the Game 367
NPA Perspective on NPA Accountability in the Game 370
Impact of GFO Accountability Systems on the NPA 376
Influence of the NPA on GFO Accountability Systems 404
Summary 410

XI. POLITICAL ISSUES: NPA ROLE IN GFO SERVICE DELIVERY 413

Introduction 413
Which Characteristics of the NPA Are Significant? 414
Does the GFO or the NPA "Own" the Client? 422
What is the Function of the NPA Board of Directors? 429

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

What are Implications of NPA Subsidy of Contracted Services? 436
Should GFO Treatment of NPAs and FPOs Be the Same? 445
Summary 453

XII. POLITICAL ISSUES: PREREQUISITES FOR MANAGERS OF CONTRACTED SERVICES 457

Introduction 457
Prerequisites: What the Job Demands from Managers 459
Prerequisites: How the NPA Enables Managers to Do the Job 467
Summary 476

XIII. SUMMARY AND CONCLUSIONS 479

Introduction 479
The Findings 479
Study Implications 497

Appendix
A. INTERVIEW SCHEDULE 504
B. CODING CHART 509

BIBLIOGRAPHY. 512

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER I

INTRODUCTION

Purpose of the Study

The purpose of this study was to discover how administrators in nonprofit agencies manage the inherent issues of contracted services.[1] Having been such a manager, the author was driven to try to "unravel the mysteries" of how other like administrators "deal with ambiguity, anxiety, and paradoxes," in the negotiation, implementation, and maintenance of such services. (Jones, Moore, Snyder 1988, 28) Because the objective was to portray the reality, intensity, and complexity of the work lives of managers of contracted services, the research methodology of choice was ethnography.

Significance of the Study

Contracting is a primary method for the financing and delivery of social welfare services in the United States. The most comprehensive data on the extent of contracting in this country has been extrapolated and analyzed by the Urban

[1]The terms "administrator" and "manager" are used interchangeably in the text.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Institute's Nonprofit Sector Project, which was supported by over forty grant-makers and involved a study of 3400 nonprofit organizations in sixteen communities across the United States. The Project determined that

> . . . more than a third of all federal state, and local government spending on social welfare services exclusive of income assistance in 1982 went to support service provision by nonprofit organizations. Another 20 percent went to support service provision by for-profit firms. This means that government actually carries out less than one-half of the social welfare services it funds. In fact, in about a third of the sites examined, nonprofit organizations delivered more publicly funded services than government itself. (Musselwhite, Jr. and Salamon 1986, 9, authors' emphasis)

Kramer (1984, 40-41) cites 1980 United Way statistics that estimate that nationwide 40 percent of the income of United Way voluntary agencies is from government. However, he notes that in the fields of aging, child welfare, community and neighborhood development, drug abuse, and mental health, income from government averaged 70 percent.

In New York City, where most of the research for this dissertation was done, "government funding is the largest single source of support for New York nonprofit human service organizations." (Grossman, Salamon, and Altschuler 1986, xxiv)

A government agency contracts with a vendor (another public agency, nonprofit agency, or for-profit organization) to provide a service of a specified quantity, quality, and cost. The government agency, as the purchaser using tax

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

funds, is responsible to elected officials for insuring that the vendor complies with the terms of the contract.

Being accountable to a government agency creates profound administrative, ethical, and political dilemmas for the administrator responsible for delivering a service. However, despite the prevalence of contracting, there has been little empirical research to determine how administrators conceptualize and manage these.

The theoretical literature stresses the manager's responsibility for successfully managing such issues (e.g., trade-offs, contingencies, exchanges, tensions). In practice, social service managers face them daily. However, while there is some empirical research on this aspect of management in business, there are only a handful of relevant studies published in the social work administration literature. As a result, few guidelines or theoretical frameworks have been developed to inform, explain, or teach this crucial administrative behavior.

There have also been rudimentary efforts to distinguish management of the human services from the management of other enterprises. The primacy of the clients' interest is hypothesized as a unique driving principle in the work life of the social work administrator. (Slavin 1980, 16-18) However, evidence of whether and/or how this principle guides administrators' issue management behavior is rarely cited.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The issues created for the social work administrator by contracting are inherently linked to the process of making the clients' interest primary and, concomitantly, to effecting quality service. Therefore, this study of how administrators manage these contract-related issues contributes to understanding of both the essence and the "how-to" of social work administration. The description and analysis also add to the limited empirical knowledge of the dynamics and impact of contracting in the nonprofit agency. Finally, if the value of this ethnographic research approach to management studies in the human services is demonstrated, this dissertation may stimulate similar studies of social work administrators.

Structure of the Dissertation

In Chapter II, "Review of the Literature," the three "streams" of empirical research which influenced this study are summarized. First, the literature on administrators' managing issues and on methodology for studying administrators' managing issues is reviewed. Second, research on the political and operational issues of contracted services is examined. Third, the literature on administrators' managing these issues of contracted services is discussed.

In Chapter III, "Methodology," the theoretical and conceptual underpinnings for the ethnographic approach are explained by defining the character of the study question

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

and the "truth" of the answer. Then, the sampling, interview, and data analytic research procedures used are described. In the description of data analytic procedures, as part of the discussion of conclusion drawing and verification, the evolution of the theme of the findings - managing contracted services as a game - is explained. The organization of the findings is then delineated, with editorial notes on the presentation.

Chapters IV - XII constitute the findings chapters of this research effort. Chapter XIII, "Summary and Conclusions," is a recapitulation of the findings and a discussion of the implications of the findings for administrative practice, education, policy, and research.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER II

REVIEW OF THE LITERATURE

Introduction

This study of how nonprofit agency administrators manage the inherent issues of contracted services evolved from a synthesis of three "streams" of research. Little is known about how, or how to study how, administrators manage issues, about the political and operational issues of contracted services, or about the management of those issues. In this chapter, each of these limited sources of theory and research is reviewed.

Findings and Methodology: Administrators' Managing Issues

In the voluminous literature on management, there is a great deal of lofty language about what managers should do.

> Good managers plan ahead, select qualified subordinates, and reward the best performers; they maintain open communications and encourage feedback, and so on. It seems easy. (Sayles 1979, 2)

But easier said than done. Successful management is extraordinarily difficult because of the complexity and reality of organizational life. For the researcher, this complexity and reality present profound methodological problems: how do you study what managers do, in all its complexity and reali-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ty? How do you frame the questions? How do you get the answers? How do you organize, analyze, and communicate these answers?

Empirical studies of management reflect an evolution in researchers' grappling with these methodological problems. Therefore, the discussion of existing research knowledge which follows is merged with the discussion of methods.

In 1951, the first significant empirical research on managers was reported by Carlson. (Mintzberg 1973, 202-204) From then to the present, studies can be classified in four general categories, each increasingly sophisticated in the degree to which it merges, in methodology and findings, managers' work with organizational complexity and reality.[1]

Each of these types of studies asks, in a different way, a question about what managers do. First, how do managers spend their time, what do they do with whom? Second, in what they do with others, what roles do managers assume? Third, how do managers decide what to do? Fourth, how do the ways managers think about what they're doing affect what they do? In this section, the current state of research knowledge and the methodology used to address each of these questions are reviewed, followed by a brief discussion of

---

[1]The emphasis in this discussion is the evolutionary aspect of these methodological approaches. The development of methodology in studying managerial behavior could also be examined as discrete approaches, each with its own evolution.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the empirical research on managers in social work.

What Do Managers Do: How Do They Spend Their Time?

Most of the first studies on management sought to find out, and then describe, how managers spend their time. The methods used were managers' diaries of daily activity, activity sampling, interviews and questionnaires, critical incident analysis, and structured and unstructured observation. (Mintzberg 1973, 199-229)

A review of over a hundred studies of managerial behavior yielded ten empirically supported generalizations about what managers actually do.

> . . . managers work long hours; they are busy doing a lot of things; their work is fragmented and episodes are brief; the job contains a lot of variety; managers spend the bulk of their time within their own parts of the organization; the work is predominantly oral; managers have contact with a variety of people (by no means all in the direct chain of command); managers are not reflective planners; information is the core of the job; and finally, managers really don't have an accurate picture of how they spend their time. (McCall, Jr., Morrison, and Hannan 1978, 36)

From these studies describing what managers do, six major research issues emerged. These research issues capture the difficulty of answering even the simplest level of the question about what managers do. Thus, none of the following are clear: whether managers control their work; whether effective and ineffective managers do things differently; what the content of managerial work is or whether it can be categorized; the relationship of organizational

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

variables to the nature of managerial work; whether variability in managers' behavior can be explained by cycles in managerial work; and what the role of stress is in managers' patterns of work. (McCall, Jr., Morrison, and Hannan 1978, 19-25)

What Do Managers Do: What Roles Do They Assume?

Although even the basic question about how managers spend their time is complex and raises multiple research questions, it still does not deal with the more essential issue of content and with why managers do what they do. Using the same methods, but applying factor analysis to the results, other researchers went beyond how managers spend their time to investigate their purposes. They sought to answer the following question: what roles do mangers assume?

Mintzberg (1973) summarizes some of the early research in managerial roles and then reports on his structured observation, for one week each, of five managers. He concludes that all managerial work is the same and involves three groups of interrelated roles - interpersonal, informational, and decisional. Interpersonal roles are figurehead, leader, and liaison. Informational roles are monitor, disseminator, and spokesperson. Decisional roles are entrepreneur, disturbance handler, resource allocator, and negotiator.

Mintzberg (1973, 189-193) reasons that an implication

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

of these roles is that managers need "eight basic sets of managerial skills that might be taught": peer skills, leadership skills, conflict-resolution skills, information processing skills, skills in decision-making under ambiguity, resource-allocation skills, entrepreneurial skills, and skills of introspection.

Six of the roles (leader, liaison, monitor, spokesperson, entrepreneur, and resource allocator) mentioned above were operationalized in the Managerial Work Survey developed by McCall and Segrist (1980). From over 2600 surveys completed by managers in manufacturing, sales, government contracts, personnel, purchasing, engineering, finance and public relations, they reported

> The ranked importance of the roles was generally consistent across levels and functions, supporting Mintzberg's notion that managerial jobs are basically alike. Beneath that consistency, variance in perceived role importance was differentially related to level and function. Mintzberg's hypothesis that different managerial jobs would emphasize different roles was generally supported. (McCall and Segrist 1980, 11)

Patti (1985) interviewed ninety social welfare managers at several levels in public, quasi-public, and voluntary agencies to try to reconstruct their previous week's work activities. While McCall and Segrist (1980, 10) concluded that the entrepreneurial role, creating and managing change, was the most significant for the non-social welfare managers they surveyed, Patti's research suggests the conclusion, which he says is generally supported by the other studies he

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

cites,

> . . . that activities associated with supervising, controlling, planning, and coordinating are the most important management tasks as judged by both the amount of time they consume in a representative work week and the significance that managers attach to them. (Patti 1983, 42)

This difference may reflect the different methods (survey and interview) used in the foregoing two studies, rather than a real difference in social service versus other kinds of managers. (McCall, Jr., Morrison, and Hannan 1978, 26)

What Do Managers Do: How Do Managers Decide What to Do?

Dissatisfied with the seeming incongruity between abstract managerial roles and the complexity and reality of managers' work, some researchers began to look for other ways to find out what managers do. In his review of the empirical research, Mintzberg (1973, 218) describes Sayles' 1964 book, Managerial Behavior, as a study which "stands apart from all the others" because "it is clear from his book that Sayles is one of the few researchers whose writings demonstrate that he appreciates the complexities inherent in managerial work." Presaging some of his later studies, Sayles appears to be the first researcher to use "anthropological" methods. He observed and interviewed managers and then tried to develop a "minimum number of concepts which would 'explain' what was happening." (Sayles 1964, viii)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

In his later work, Sayles concludes that, "There is a theory of management that squares with the reality of managerial action." In Sayles' "undocumented" theory, the manager has only two roles, two "key constructs,": "operating on a contingency basis and learning what it takes to reduce uncertainty." Within these roles, however, Sayles says "behavior is the key." Integrating his own anthropological research with that of others, he "sought to describe leadership in terms of behavioral skills - what you do with whom and how you know when and how to do it." (Sayles 1979, 26-29, 210)

Subsequently, McCall and Kaplan (1985, xi) attempted to review the literature on decision making in order to understand what managers do. They found that there were thousands of studies, from many disciplines using a variety of approaches, as well as a "formidable collection of advice." However, they describe how limited all these studies were in explaining what managers really do and how they went about trying to go beyond the simplistic explanations.

> In all this bewildering array we were struck by the absence of research confronting head-on the messiness and complexity of decision making as it unfolds in organizations. Further, some aspects of the process were virtually untouched. Little could be found on how managers identify problems in the first place, or why they choose to work on some problems rather than others, or how decisions get made in the discontinuous, fragmented, chaotic world of a manager handling many problems at the same time.
>
> Almost in desperation, then, we latched onto a dozen or so studies that had been done in the field with actual decision makers making decisions that counted for something. We used this core to frame the managerial

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> decision process and then tried to add in the vast array of other research and historical accounts where they seemed to clarify or elaborate on something managers did. As the framework took shape, we asked a number of executives and managers to review it for us and tell us if it made any sense. We also took advantage of several workshops to test out concepts with managers and to collect firsthand accounts of managerial problem-solving situations. Most important of all, we contacted a dozen or so mangers and executives we had reason to believe were particularly effective decision makers. We interviewed them intensively about the problems they face, how they identify them, and what they do about them.
>
> What resulted was not the comprehensive review of the literature we had originally contemplated, but rather a focused and sometimes speculative discussion of what managers seem to be doing in their day-to-day involvement with decisions. (McCall and Kaplan 1985, xi-xii, emphasis added)

The framework McCall and Kaplan (1985) use to report their findings can be translated into the following questions: how does a problem become defined as such by the manager? What determines whether the manager acts on the problem? How does the manager decide what to do? After doing something about the problem, how does the manager cope with the outcome? The answers to these questions, which in practice are not necessarily asked or dealt with sequentially, are discussed by McCall and Kaplan in concrete, behavioral terms. For example, they offer "some words of advice" to managers for setting priorities among problems. Their advice is categorized as follows: do it now, do it later, do it earlier, do two things at once, do it anyway, do it your way. (McCall and Kaplan 1985, 50-55)

They conclude their report with three suggestions for future research:

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

1. Don't attempt to separate problem solving from decision making. In the managerial world, these activities are so entangled that distinctions among them are only of semantic interest. . . .
2. Keep all the pieces in. To understand what managers face, it is critical to preserve the context of decisions. . . .
3. Look at problems rather than at individual managers or work groups. . . . Focusing on individuals or defined groups leaves out all the others who coalesce around the decision streams. It also causes the observer to lose sight of what happens to the problem when it is away from the targeted individual(s). (McCall and Kaplan 1985, 116-117)

What Do Mangers Do: How Does Thinking Influence Action?

In answering their own questions about whether and how a manager confronts a particular administrative issue, McCall and Kaplan discuss the concept of cognitive maps.[2]

> Individuals depend on their intricate web of 'personal constructs' to channel their perceptions and actions (Kelly, 1955), and managers similarly employ maps of their world to help them see what is relevant to their work. . . .
>
> Thus, cognitive maps serve a useful purpose in problem recognition, but they also pose a hazard when they are not revised or replaced in light of fresh experience. (McCall and Kaplan 1985, 24, 27)

Although they may not use the term cognitive maps explicitly, other researchers use the concept in their efforts to extend the study of how managers decide what to

---

[2]For a comprehensive discussion of the original concept of cognitive map, see Ulrich Neisser, Cognition and Reality: Principles and Implications of Cognitive Psychology (New York: W. H. Freeman and Company, 1976), 108-127. As will be seen, cognitive map is also a key construct in ethnomethodology. (Fetterman 1989, 16; Miles and Huberman 1984, 249; Spradley 1979, 7)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

do to the related, but more encompassing, issue of how managers' thinking influences their actions. These researchers seek the linkages between what managers do and how they think about organizations and about themselves as managers. Although these researchers and their research methodologies differ in important ways and do not constitute a distinct school of management theory or research, the direction and flow of their work is similar. This emerging literature, which significantly informed this study, is reviewed next, with emphasis given to various researchers' points of view, research objectives, and choice of research methods.

In perhaps the most comprehensive analysis of the issue of how managers' thinking influences their actions, Morgan (1989, 1986) calls for the recognition and exploitation of the various metaphors for organizations and for "imaginization" by managers.

> I believe that some of the most fundamental problems that we face stem from the fact that the complexity and sophistication of our thinking do not match the complexity and sophistication of the realities with which we have to deal. . . .
>
> My overall approach has been to foster a kind of critical thinking that encourages us to understand and grasp the multiple meanings of situations and to confront and manage contradiction and paradox, rather than to pretend that they do not exist. I have chosen to do this through metaphor, which I believe is central to the way we organize and understand our world. . . . I have used metaphors to show how we can frame and reframe our understanding of the same situation, in the belief that new kinds of understanding can emerge from the process. . . . The way of seeing itself transforms our understanding of the nature of the phenomenon. (Morgan 1986,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

339-340)

Morgan (1986) discusses the strengths and limitations of eight metaphors of organization: organizations as machines, organisms, brains, cultures, political systems, psychic prisons, flux and transformation, and instruments of domination. He (345-346) summarizes the extensive literature on "the impact of metaphor on the way we think, on our language, and on systems of scientific and everyday knowledge."

Rather than focusing on what managers do, what roles they assume, or how they decide what to do, Morgan's (1989, 8) objective is to have managers "become skilled in the art of 'reading' the situations that they are attempting to organize or manage--to understand the many and often paradoxical aspects of situations, and to forge appropriate actions." For Morgan, how managers think about what they are doing affects, if not effects, their behavior.

Kanter (1983, 1977), Toffler (1986), and Young (1985, 1983) also have done research which addresses the relationship between what managers think, their attitudes and perceptions, and what they do. Although Kanter is the only one identifying her research as such, all three have used ethnographic methods. Kanter studied organizational life and organizational change in corporations; Toffler, the ethical choices corporate managers make; Young, entrepreneurial behavior by nonprofit managers. Their respective objectives

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

and methods are summarized below.

For two of her books, Kanter did multiple, and multi-method studies. For Men and Women of the Corporation, her "ethnography of a corporation" (1973, vi), she explained her purpose and approach as follows:

> This study represents primarily a search for explanation and theory rather than just a report of empirical research. I was interested in understanding a complex social reality and its impact on the people who experienced it. I wanted to develop concepts that would make sense out of the actions of people located in different parts of organizational worlds. . . .
>
> . . . I wanted to explain dysfunctional behavior in organizations . . . I was interested in offering practical insight and suggestions that would both be useful to individuals in making sense out of their situations, . . ., and that would help decision-makers and program planners think more innovatively about new policies and procedures in organizations. . .
>
> . . . I am a firm believer in the necessary interplay between theory and empirical observation. . . . This book is thus empirically grounded in a case study of a single organization, composed of multiple projects . . .
>
> . . . Since my interest extended to the system as a whole rather than small units within it, I often found that the best way to wander over such a large territory was to ask people to tell me all that they knew rather than try to discover it for myself by personal observation. (Kanter 1977, 291-298)

In The Change Masters, for which Kanter (1983) did more extensive research on many companies, she concludes with a note about her criteria in selecting data for the book.

> . . ., in making choices about what material to use to express and illuminate my ideas, I leaned toward rendering those dramas of life in the corporation which would make my conclusions come alive, which would cause readers to believe me not because of my numbers but because of the echoes of my ideas in their own experience. (Kanter 1983, 385)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

For Toffler (1985, 3), the "critical point of inquiry was to learn what managers say that ethics in business is for them." She did in-depth interviews with managers to get "first-hand reports." She summarizes the value of these reports:

> These practicing managers do not describe systematically every ethical problem that can occur in a business situation, but their situations represent the kinds of events and the circumstances surrounding them that raise ethical red flags. Further, these experiences exhibit common characteristics of both individuals and organizations, which suggest basic conditions that must be met to allow ethical managerial performance. (Toffler 1985, 3)

From his research of entrepreneurship and organizational change, Young conducted a rarity, case studies in nonprofit, human services administration. For these unique studies, Young (1985, 4) interviewed key actors and some outside observers and reviewed relevant documents. The studies conducted by Young are an effort to connect what managers think to what they do in the following ways:

> Learning the lessons embedded in these cases should help aspiring managers and even those with some managerial experience to embark on their own ventures with some confidence and awareness of the principles they should apply, the factors they should be aware of, and the pitfalls and opportunities that may lie ahead. (Young 1985, 3, emphasis added)

Empirical Research on Managers in Social Work

Patti (1983, 235) notes that while an estimated 50 percent of trained social workers are administrators, "very little is known about the nature of their practice" and "the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

dearth of empirical work on administration is a major obstacle to the advancement of this practice." He spells out the research that is needed:

> Systematic investigation is sorely needed in at least two areas. The first has to do with the nature and characteristics of management practice in social welfare: what managers do and how they do it. Some descriptive research is available . . .[3], but it is far from adequate. . . . In short, what social welfare managers do, how they solve problems, and the like, remains largely a black box. This kind of information is needed to ground theory in practice reality and to inform the development of educational programs. It will also help retrieve the practice wisdom that has been acquired and begin the process of systematically testing its efficacy.
>
> The assessment of managerial effectiveness in social welfare is a second critical area of inquiry. . . . With the exception of a few scattered studies, scant attention has been given to the relationship between managerial behavior and indices of program performance and worker satisfaction. . . . Without this empirical base, the profession will have little basis for justifying its practice prescriptions or for asserting its claim to management leadership in social welfare. (Patti, 1983, 235-236, emphasis added)

In her review of current research in nonprofit management, Middleton (1986, 4) cites "one of the first empirical studies [the only one she identifies] to examine the be-

---

[3]Patti (1983, 48) cites Mintzberg (1973) for the review of research in business and governmental sectors. In social work administration, he cites four studies: Rino J. Patti, "Patterns of Management Activity in Social Welfare Agencies," Administration in Social Work, 1 (Spring 1977): 5-18; Linda Kaeser and Gerald Frey, Educating for Management (mimeo), School of Social Work, Portland State University (June 1975): 22-29; James Cashman, "Training Social Welfare Administrators: The Activity Dilemma," Administration in Social Work, 2 (Fall 1978): 347-58; Jean Kruzich, Working Paper No. 4: Analysis of Social Welfare Administrator Questionnaire (mimeo), Social Welfare Administration Project, School of Social Work, University of Minnesota (March 1976): 4-5.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

haviors of nonprofit, as opposed to for-profit, managers." This study, which is "just beginning at the University of Missouri," "will attempt to identify general competencies associated with successful and less successful nonprofit managers."

This first section of the review of the literature addressed the questions of how administrators manage issues and how to study how administrators manage issues. The foci of this study are how administrators manage the issues of contracted services and how to study how administrators manage these issues. In the following two sections, the literature on the political and operational issues of contracted services and on the management of those issues is discussed.

Political and Operational Issues of Contracted Services

Contracting is a mechanism which separates the financing from the delivery of services. As the Urban Institute's Nonprofit Sector Project notes, "few areas of public policy have been so poorly documented or understood as the private, nonprofit sector and its relations with government." However, "understanding this relationship is fundamental to informed debate and decisionmaking on the future course of the welfare state." (Musselwhite, Jr. and Salamon 1986, 17, 11) In this section, the meager literature on the political significance and impact of contracting is discussed first.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Then, the also limited empirical research on the operational consequences of that separation for managers is reviewed.

Political Issues

The issues of contracted services are inherently political because contracting represents an imperfect reconciliation between opposing sets of values in the United States. Wilensky and Lebeaux (1965, xvii) characterize this country as a "reluctant welfare state" because of a historical and recurring value conflict.

> At one pole is a cluster of ideas associated with Social Darwinism, laissez-faire, individualism, free enterprise, and a distrust of government. At the other is the American creed of humanistic liberalism and a belief in progress and in governmental intervention to achieve security and equality. Related ideological dualisms in the United States are those between self-reliance and dependency, charity and justice, philanthropy and taxation, and volunteerism and bureaucracy and professionalism. (Kramer 1981, 72)

To reconcile these value conflicts, legislators have made increasing use of contracting because they have found that "the public more readily accepts government funding and standard setting if nongovernmental organizations deliver the public goods and services." (Kramer 1981, 73) However, this reconciliation strategy creates a "philosophical and administrative mess." (Orlans 1980, 122) This "mess" is characterized by inefficiency, lack of accountability, and irrationality. (Kramer 1981, 285) Moreover, the "mess" is unlikely to be cleaned up. As Kramer (1981, 286) puts it,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> Despite the perennial calls for service integration, there are few incentives for more planning or a more formal division of responsibility between the sectors. Because of the multiplicity of funding and provider interests served by this pragmatic partnership and the absence of sufficient forces to alter the equilibrium between the sectors in either direction, this policy is likely to continue.

Two major political manifestations of the "mess" that Kramer describes are subsumed under the issue of accountability and are aggravated by inefficiency and irrationality. Accountability for contracting is a multi-tiered, multi-dimensional issue. It is unclear what accountability means. Can autonomous institutions be coordinated into a service delivery system? Is it possible to develop regulations which are valid, but realistic, and which can also be monitored efficiently? In essence, the issues of accountability in contracting involve implementing often incoherent social policy and controlling service quality. These issues are discussed below.

Issues of Accountability: Incoherent Social Policy

The United States does not have a coherent and explicit social policy. There are no national social policy goals; there is no plan that relates to such goals. (Baumheier and Schorr 1977, 1457) Contracting in the absence of coherent social policy, whether federal, state, or local, is, by definition, problematic. The Urban Institute's Nonprofit Sector Project concluded,

> In point of fact, the country is a many-colored

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> puzzle where very different government social welfare policies are found as one moves from community to community. The differences include very different amounts of public resources used for these programs, different state and local roles and expectations, and very different views about public-private partnerships. (Salamon, Musselwhite, Jr., and De Vita 1986, 13-14)

Specifically with regard to contracting, Kahn (1979, 17) suggests,

> Contracting can only make sense when it is tied to a public baseline system of services that has clarity about its role, function, and priorities . . . Without that context, contracting is an upside down problem that offers no clues about how to set things right.

There is empirical research on two manifestations of this "upside down problem." First, service providers may, in reality, control the government purchasers. Second, despite government purchasers' claims to the contrary, segregation and inequitable distribution of services are heightened. (Judge 1982, 18-20) Each of these manifestations is considered below.

In a study entitled Purchase of Service: Can State Government Gain Control?, based on interviews of eighty key actors by the Massachusetts Taxpayers Foundation (1980), the researchers concluded that

> "Massachusetts has a provider dominated purchase-of-service system in which state agencies lack adequate control over fiscal and program issues." Furthermore, it added that the situation is "self-perpetuating because providers have become such an important part of the service system that [state] agencies cannot run their programs without them. Thus, they fear losing them." (Benton, Rivera, Healy 1981, pp.47-48)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

In the New York City child welfare system, similar concerns regarding provider control over services have been raised.[4]

Benton (1979, 86-87), Gibelman (1980, 13), and Rein (1980, 87-90) offer empirical support for the thesis that contracting results in the poorest being served the least. They document relatively greater funds going to purchased rather than direct services and the "creaming" of both clients and resources by voluntary agencies. There is also evidence to suggest that as government funding is reduced, the poor have been served less because agencies serving the poor cannot recoup funding losses with fees for service or private philanthropy. (Musselwhite, Jr. and Salamon 1986, 15; Grossman, Salamon, and Altschuler 1986, 57)

---

[4]See Joyce Purnick, "Archdiocese Sees Foster Care Peril," New York Times, 4 December 1986, sec. A, p. 1, sec. B, p. 13; Joyce Purnick, "Pact to Curb Foster Care Upsets Koch," New York Times, 5 December 1986, sec. B, pp. 1, 3; Joyce Purnick, "O'Connor Says He'll Drop Some Foster Care Pacts with City," New York Times, 24 January 1987, pp. 29-30; and Joyce Purnick, "Koch Sees Diocese Foster-Care Curb," New York Times, 3 February 1987, sec. B, p. 3; Ari L. Goldman, "Cardinal Eases Threat to Curb Foster Services," New York Times, 30 March 1987, sec. A, p. 1, sec. B, p.3; Ari L. Goldman with Michael Oreskes, "New York Foster Care: A Public-Private Battleground, New York Times, 9 April 1987, sec. B, p.1-2; Josh Barbanel, "New York Foster-Care Rules Upheld," New York Times, 9 June 1988, sec. B, p. 3; Suzanne Daley, "Archdiocese to Continue Foster-Care Services," New York Times, 3 September 1988, sec. B, p. 25.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Issues of Accountability: Controlling for Quality

Regardless of funding sources, because of their elusive goals, limited resources, and inexact technologies, quality control in human service organizations is inherently problematic. (Hasenfeld 1983, 9-11; Hasenfeld and English 1974, 8-23) When the funding source is a government contract, quality control problems are significantly exacerbated, both for the funding source and vendor. Even when contracting occurs among different governmental levels, the political influences and constraints characteristic of the policy formation, implementation and evaluation environments are complex. (Nakamura and Smallwood 1980; Wright 1978) Thus, the Urban Institute Project concludes,

> . . . that state and local governments administer about 60 percent of all government spending for social welfare programs. Half of this represents spending that originates with state and local government, and the other half spending that originates at the federal level but is administered by state and local authorities. (Musselwhite, Jr. and Salamon 1986, 8)

When contracting occurs with government (federal, state, and local), nonprofit, and/or for-profit organizations, this complexity has staggering implications for accountability. (Smith 1975; Smith and Hague 1971)

The core of the effort by any contractor to hold a vendor accountable is the contract. Developed by the funding organization, the contract incorporates regulations designed to guide the government agency purchasing the service in its development and monitoring of contracts and

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the vendor in its service delivery. However, developing regulations that are sufficient to achieve accountability, but not so burdensome as to result in more compliance activity than service is extraordinarily difficult, further intensifying the complexity of contracted services. (Poertner and Rapp 1985; Haskett 1984)

The difficulties in developing effective regulations reflect the complexity of human service organizations and the interorganizational contracting system. First, there are "prohibitive problems involved in defining valid, reliable, and monitorable service outcome standards and measures." Further, there is an extremely limited ability to isolate "effective service processes and inputs using scientific techniques." (HSRI 1980, 137)

Second, regulations often reflect "political compromise among vested interests" rather than being "rationally predictable, equitable, operationally feasible." (HSRI 1980, 137) For example, in a study of social service regulation in New York City, the authors conclude that,

> The form and content of regulatory requirements develop not only from Federal and State mandates, but from the actions of local program professionals and from their struggle with political generalists in the oversight agencies [Comptroller's Office, City Council President's Office, Mayor's Office of Operations, and the Office of Management and Budget]. This is not to say that Federal and State mandates are insignificant, but rather that their impact depends upon the interaction of local organizations representing political, administrative, and professional interests.
>
> So viewed, the overall accountability system is extremely complex and this is both difficult to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

understand and to change . . . (Gritzer 1980, 3-4)

In this foundation-funded, professionally-staffed study for the Community Service Society, the researchers "experienced difficulties in determining where requirements originate and how they are passed between levels of government." (Gritzer 1980, 28)

Third, "service quality often gives way to efficiency and accountability considerations in the actual administration and enforcement of the regulation." (HSRI 1980, 138) So, for example, in an empirical study of the impact of government funding on nonprofit agencies, the authors conclude,

> Considering the proliferation of accountability requirements, it is of serious concern that an ever-growing imbalance exists between program and administrative costs, leaving program increasingly in a secondary position despite the fact that the entire operation exists in order to provide services. As a matter of fact, given expanding fiscal requirements and contracting [shrinking] budgets, the only expendable entity left in the service fields is the program component and the people it serves. (Hartogs and Weber 1978, 17)

Finally, it is generally believed that bureaucratic regulations tend "to institutionalize current practice and stifle innovation." (HSRI 1980, 138)

Operational Issues

From the political dynamics of contracted services and the bureaucratic constraints of governmental regulations emerge several concrete operational issues for the nonprofit

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

agency manager.[5] The most frequently cited contracting problems are financial issues, voluminous and conflicting regulations, and the contracting process itself. The scant literature describing these issues is reviewed next. Much of the literature on the management of these issues comes from the same sources. For analytic clarity, however, the research on the management of these issues is reviewed in the section that follows this.[6]

The financial problems created by contracting are consistently cited as the most significant. In a United Way study of contracting problems between government agencies and nonprofit organizations in California in which 331 member agencies were surveyed, the problem most frequently specified was delay in reimbursement. Insufficient reimbursement and restrictions on changes in line items in the budget were other financial problems mentioned among the top ten. (Jimenez 1981, 10-12) A similar study of 148 agencies

---

[5]There are also problems of contracted services for human services administrators in the funding agencies. See, for example, Kettner and Martin 1987; Haskett 1984; Kramer and Terrell 1984; and Waller, et. al, 1976.

[6]With the exception of Conrad (1985), the literature on contracting issues does not conceptualize the issues at the level of abstraction of, for example, goal displacement, boundary-spanning roles or ethical dilemmas. Therefore, this literature review summarizes the issues and their management at the conceptual level they have been described. Roberts (1981) used the political economy framework of Benson (1973) to examine the relationships between public and private child welfare agencies. However, her focus and conclusions do not illuminate the behavior of nonprofit agency managers.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

by the Greater New York Fund cited the same problems, including the "startling finding that for each $100 of government funds received and spent, the actual cost to the voluntary agency, as an average, is $16.40 more than the $100 received." (Hartogs and Weber 1978, iv)

Based on information solicited from twenty funding agency officials and twenty project managers, Lefferts (1983, 79) identifies financial issues as the most frequent area about which a funding agency, "host" agency (agency sponsoring the funded project/contract), and project disagree. Lefferts (1983, 79-80) cites eight "typical" financial issues over which funding agency and "host" agency "often disagree":

> Since project budgets originally submitted in a proposal are often revised during the process of negotiating the grant, there are later differences as to what is the actual approved line-by-line operating budget for the project.
>
> Whether the project is staying within the total approved budget amount and/or will continue to do so over the life of the project.
>
> The extent to which cost-sharing arrangements and in-kind contribution agreements are being adhered to by the project and by the host agency.
>
> Whether financial reports are submitted on time and are properly completed so as to conform to the funder's or host agency's prescribed reporting forms.
>
> Whether changes in the budget such as transferring funds between different line items (e.g., using travel money for salaries), increasing salaries, or modifying items have to be approved ahead of time, and whether such approval has been properly obtained.
>
> Whether there is overspending or underspending in specific line items in the budget for salaries, supplies,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

transportation, equipment, and the like.

Whether accepted accounting and bookkeeping principles and methods are being employed by the project or host agency for the control of expenditures and the maintenance of proper financial records.

The justification for various expenditures and procedures that come to light during the course of an audit.

Contracting requirements are typically voluminous and are often conflicting, a phenomenon that is magnified when an agency has more than one contract. The impacts of such requirements on the nonprofit agency and manager are financial, political, and personal. (Hartogs and Weber 1978, 53; Jimenez 1981, 11; Lefferts 1983, 84-85)

The contracting process involves applying for, negotiating, and implementing contracts and then having performance be monitored and evaluated. This process typically occurs on an annual cycle, often with multiple agencies with myriad purposes, people, and regulations. For managers, the complexity of the process is highly problematic and, on rare occasion, humorous.[7]

In a satiric analysis of a university's applying for a training grant to be implemented in a social agency, Miransky (1982, 305) cites "Infallible Laws Governing the Negotiating Process among Funding, Contractor and Client Agen-

[7]The problematic nature of the contracting process for the nonprofit agency administrator appears analogous to Lipsky's (1982, xv) analysis of the individual in public services: "I locate the problem of street-level bureaucrats in the structure of their work."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

cies"; the eleventh "Law" is, "The contractor will lose money and the contractor staff will lose their minds." "However," the corollary, Miransky explains, is that, "wisdom and common sense to the contrary, the contractor will continue to apply for funding."

Despite their satiric origins, there is some empirical support for Miransky's Laws. Thus, while a contracted service needs legitimation and approval from the funding source, the funding source also needs the contracted service for its own legitimation and approval. Therein lies a reciprocal power relationship yielding significant differences of opinion:

> Differences over the extent to which the project's activities are consistent with the objectives of the funding agency and/or host agency in terms of who is being served, the kinds of services being offered, and the amount of service being provided; . . . (Lefferts 1983, 82-84)

The United Way Study in California reports that short submission time for contract proposals, inadequately trained government staff and their frequent turnover, time gaps in contract renewal, and contract award and approval delays are among the top ten contracting problems for agencies. (Jimenez 1981, 11-12)

Managing the Issues of Contracted Services

In the sparse relevant research and practice literature, managerial actions are described, implied, or recom-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

mended for the complex political and operational issues created by contracted services. These managerial actions, designed to resolve or relieve contracting problems, are discussed in this section.

Managing the Political Issues

The few studies on the management of contracted services conclude, in part and in effect, that many of the issues are not amenable to an individual administrator's or nonprofit agency's control. Changes in the contracting system, by joint effort of nonprofit agencies and government, are recommended. (Young and Finch 1977, 234-238) The literature addresses neither how such joint effort might be initiated or sustained nor what would be required for success. Given the political dynamics which create and perpetuate the contracting system, the failure to address these dynamics makes the exhortation to change the system seem rather hollow.[8]

---

[8]When the problems are unbearable for vendors and their coalitions are powerful, however, these discussions and system changes appear to be forced, as documented in this recent report in Arneberg, Marianne, Alvin Bessent, Kathleen Kerr, and Rex Smith. 1989. Help for Community Groups. Newsday. 15 May, 21.

> The [New York] state provides more than $1 billion a year to nonprofit community groups to provide such services as alcoholism and drug counseling, child care and aid to the elderly. But the groups have long complained that the state isn't a great business partner.
>
> State agencies often take six months or more to execute contracts. Frequently, annual contracts aren't renewed promptly. Some groups have been forced to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

From their survey of New York City nonprofit agencies, Hartogs and Weber (1978, 24-25) note that both government and agencies need to improve their management practices and conclude the following:

> Based on the findings of this Study, a program of discussions between the voluntary sector and government at all levels must be initiated. The focus of such discussions would be to resolve with government the levels at which regulations become excessive; differences among government departments in funding procedures; existence of conflicting guidelines and policies - all of which impact negatively on voluntary agencies in their delivery of government funded services. (Weber 1978, v)

A similar survey in California concludes,

> The [contracting] problems being discussed require immediate attention and mutually agreed upon solutions. A fundamental shift in the relationship between government agencies and the voluntary sector should be forged and this new arrangement should include the concept of shared responsibilities and equal status. A true partnership is needed in order

---

borrow to cover their payroll until the promised state funding came through. Just before Thanksgiving last year, for example, the statewide Hunter Action Network complained that the state was more than $8 million short of what it had promised to provide community groups to pay for food baskets for the needy.

The complaints prompted Gov. Mario Cuomo and Comptroller Edward Regan to set up a task force to look into the problem. Some results have begun to appear.

Some agencies have agreed to enter into multiyear contracts. The state budget approved last month included $1 million for an interest-free loan fund to provide advances to groups whose formal contract approvals have been delayed. And last week, Senate Finance Committee Chairman Tarky Lombardi (R-Syracuse) introduced a bill to encourage quicker start-up of new programs and to set time limits for the renewal of existing contracts. The bill also would pay interest charges if nonprofit groups provide services for the state while negotiating a contract renewal.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> to confront the challenges ahead and the recognition of the unique role and contributions of each sector is a fundamental step in this direction. (Jimenez 1981, 15)

All of the preliminary recommendations made to solve the operational problems cited by the California study require legislative, policy, or governmental procedural changes. (Jimenez 1981, 16-18)

Managing the Operational Issues

Despite the recognition that the issues presented by contracting are systemic, the literature does suggest four ways that individual administrators in nonprofit agencies should manage some of the issues. First, they should try to anticipate and prevent problems. Second, they should use political strategies to try to change a funding agency's position on a problem. Third, they should create a staff function to handle contract compliance. Fourth, they should strategically manipulate budgets and service statistics. These prescriptions are discussed below.

Anticipate and Prevent Problems

As a follow-on to their survey, the Greater New York Fund published a handbook, Managing Government Funded Programs in Voluntary Agencies. (Hartogs and Weber, 1979) The handbook offers advice for each phase of the contracting process, from obtaining and negotiating contracts to ad-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ministering the program.

Much of this advice is general, suggesting basic management practices. It is urged, for example, that agencies know what they are getting into and how much the program will really cost before they initiate a contracted program. Agencies are urged to do only what they have contracted to do and to record it using a functional accounting system. Specific hints are given to avoid underpayment and reimbursement delays. The handbook ends with a recommendation "that agencies develop and maintain a positive relationship with appropriate representatives of government on a year round basis." (Hartogs and Weber 1979, 23)

In The Basic Handbook of Grants Management, Lefferts (1983, 76-79) concludes that relationship problems are "specific, identifiable, and usually follow a definite pattern." After citing specific strategies for managing these problems, he urges that a "Project-Funder Relationship Worksheet" be maintained to record problem areas, actions taken, and outcomes. This Worksheet, he suggests, can then be used to predict problems and develop a strategy for preventing them.

From his case studies of new program development and the management of organizational change, Young (1985, 18) concludes that one of the principles of managing change is to "beware the dilemmas of funding."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> One of the trickiest problems the entrepreneurs in these cases seem to encounter is balancing the programmatic and organizational implications of accepting various sources of funds against the benefits of that support. Often, the implications are subtle and even deceiving. In other instances, the implications are fully understood and anticipated, and either funds are rejected or accepted with awareness of the consequences. (Young 1985, 18)

Young (1985, 19) cites diversifying funding sources, writing ambiguous funding proposals, and building up endowments as strategies used to cope with the problems of funding. However, he concludes

> No easy answers appear to exist. The lesson for management then is to be aware enough to look gift horses in the mouth and to anticipate and be prepared for it when they buck. (Young 1985, 21)

Use Political Strategies to Change Funding Agency's Position

Lefferts (1983, 85-92) asserts that there are four political strategies to handle relationship problem areas: compliance, cooperation/cooptation, negotiation/bargaining, and mediation/appeal.

A compliance strategy is essentially to put in place policies and procedures to insure that what is done is what is supposed to be done under the contract. However, if an attempt is made to change the position of the funder or host agency, "the problem of relationships has now become redefined as having a political component." That is, "there are conflicting interests among the parties involved that must be resolved." (Lefferts 1983, 85)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

To insure that disagreements are handled in the context of an amicable relationship, Lefferts (1983, 86-88) suggests the following cooperation/cooptation techniques to maximize communication among project, funder, and host agency:

> Provide unsolicited information to the funder;
>
> Maintain personal contact with the funder and host agency to keep funder apprised, using graphic examples, of changes, problems, and progress;
>
> Solicit the advice of the funder; develop a strategy to continuously market the project to the funder and host agency.
>
> Get additional funding for the project, thereby demonstrating to the funder that the project is viable enough to attract other funds.

Should the interests of project, funder, and/or host agency conflict, Lefferts (1983, 88-92) explains there are two possible strategies: bargaining and negotiating or mediation and appeal. For both strategies, he provides a lengthy list of "do's and don't's."

Create a Staff Function to Handle Contract Compliance

In the last few years, some child welfare and mental health agencies in New York City have created a compliance coordinator position or assigned this function to staff with other responsibilities. This staff member is charged with insuring that the agency meets all regulatory requirements. An article by one of these coordinators identifies some specific suggestions for conceptualizing and managing the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

inherent problems of contracting. (Conrad, 1985) She asserts that "the compliance coordinator's task is to promote the link between compliance and the provision of quality care." (Conrad 1985, 641)

To promote this link, Conrad (1985, 647) suggests that the compliance coordinator act as "a kind of conscience to the organization" to prevent the displacement of the goal of quality care with the goal of compliance. She suggests that tools be created to facilitate both goals; that the legitimacy of the accountability system not be defended to staff, but dealt with as a reality; and that internal audits be done in a way that encourages and supports attention to quality care when compliance appears to subvert it. (Conrad 1985, 647)

Conrad then endorses the supportive value of being involved in a group of compliance coordinators from other agencies and of working to change problematic aspects of the accountability systems. Finally, she urges that,

> . . . the compliance director must ignore the uncertainties upon which the accountability systems rest and assure that they are implemented with the least damage to children in care. (Conrad 1985, 648)

Strategically Manipulate Budgets and Service Statistics

Although nowhere explicitly recommended as a management approach nor acknowledged directly as a contract management strategy, it is not uncommon for agency administra-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

tors strategically to manipulate budgets and service statistics to meet the requirements of a funding source or to meet the needs of clients, to get done what has to be done in the agency, or to effect an acceptable financial statement. That managers would manipulate budgets and service statistics for the contract and/or client and/or agency is consistent with research on organizational role orientations. (Pruger, 1979; Finch, 1978; Brenner and Molander, 1977; Epstein 1970; Billingsley 1964)

Curiously, in the Greater New York Fund Study (Hartogs and Weber, 1978), there is no explanation of how administrators have been able to manage budgets and programs, despite all the identified problems and the identified need for systemic solutions. It is only in one of the conclusions of the study that the authors allude, with no documentation elsewhere in the report, to what might be the explanation:

> All funding sources should agree on one uniform percentage to be applied for indirect costs, since this is an important area for contract negotiations and the major item which obscures the true dimensions of cost for both sides. In the long run, this might be cheaper as a measure and mitigate the need to "manipulate" budget lines in order to make ends meet. (Hartogs and Weber 1978, 25, emphasis added)

One kind of budget manipulation is documented in a 1980 Community Service Society study in its discussion of programs funded by the New York City Department of Employment in nonprofit agencies.

> . . . instances where staff from programs are used to perform general tasks for the agency . . . appears to be a frequent practice and can vary from

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> occasional assignment of tasks unrelated to the program to the full-time re-assignment of program staff. In the former instance, funding agencies appear rather tolerant of this practice, and there is little they can do in any case. The latter situation can be more problematic, however. For example, one program was requested by agency administration to write in a maintenance line which was to be used by the agency rather than the program. As related by the program director, this places him in the difficult situation of having to obscure the situation to the funding agency. (Gritzer 1980, 22-23, emphasis added)

A second kind of manipulation practiced by administrators is related to reporting of services rendered. This manipulation can take a number of forms:

> reporting visits or services rendered, as required by the contract, when less occurred than are recorded;
>
> reporting services (or clients) as new which (or who) were actually being provided (or served) before the current funding;
>
> reporting services as provided under one source of funding when actually they were provided through another source;
>
> reporting as eligible for services clients who are only so by the most imaginative interpretation of eligibility criteria;
>
> creative writing about activities which actually occurred so that they seem to match the provisions of the contract; however; what actually was done has little to do with the intent of the funding agency.

Graphic examples of these kinds of manipulation are described in the Community Service Society study in its account of the relationship between a Youth Center [YC] and its primary funding source, the State Division of Substance Abuse Services [DSAS].

> One assumption that we sought to test was that eligibility requirements of different funding sour-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ces might make it difficult to provide comprehensive services, as youths eligible for one program might not be eligible for another. Rather than an integrated package of services tailored for individual needs, the result might be fractionated services unresponsive to individual needs. Our findings, however, tend to support the opposite conclusion. Because it comprises their major source of funds, virtually all youth are enrolled in the DSAS drug counseling program irrespective of the needs of the individual. In fact, this is a current area of negotiation as DSAS contends that YC is well below the acceptable quota of primary problem drug users in their population.

Thus, YC is attempting to utilize funds targeted for drug abusers to support its general counseling program. Although well below the required quota of primary drug users for more than one year, they have thus far been able to continue this practice. For the client, the result is that many are labeled drug abusers who are in actuality only minimal users. This may or may not have an impact on the youths so defined and treated. (Gritzer 1980, 17, emphasis added)

Further, in another kind of manipulation,

. . . the perceived legitimacy of the paperwork appears to have been compromised owing to tacit agreements that appear to exist between DSAS and YC. For example, DSAS requires that each client receive a minimum of three hours counseling a week and that this be documented in case records. YC appears to have agreed to construct case records in line with these requirements, although probably not a valid reflection of what is being done. Both parties are probably aware of this but live with this compromise: DSAS has its supporting documentation and YC can continue to offer its services. If the issue were pushed by DSAS, it might well prove that funding would have to be reduced or terminated.

In this instance, a seemingly inflexible requirement for three hours of counseling per week has been handled through a tacit agreement between funding source and provider. The additional paperwork, while relatively minimal in its own right, is perceived as invalid and a meaningless exercise by the providers. Whether the impact is even greater, resulting in actual changes in the service modality, is unknown at this point. (Gritzer 1980, 19-20, emphasis added)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Blumenthal (1987, 1), reporting on the federal Job Training Partnership Act, explains what "insiders" say happens because the "program emphasizes low-cost, short-term results at the expense of long-term solutions," and "placement is JTPA's primary goal." Job training centers are paid, and penalized, on the basis of placement.

> That kind of pressure, insiders say, leads programs to ignore people who are considered difficult to place. Some programs also fudge results by, for instance, not counting those who drop out of training classes. And some of the money is used to subsidize corporate training programs that companies might otherwise finance themselves, prompting JTPA's harshest critics to label it "welfare for corporations." . . .
>
> To make their results look even better, some JTPA programs take advantage of lax government guidelines in defining a "placement," creating a mishmash of results that makes national statistics almost meaningless. (Blumenthal 1987, 1, 15)

The final example of strategic manipulation suggests the dimensions of what occurs and why and the possible consequences. Nina Bernstein (1988) reported on the fraud investigation of a major New York City nonprofit agency by the Medicaid fraud control unit of the State Attorney General's office.

> Alleged practices under investigation include billing as group psychotherapy such after-school recreational activities as trips to the circus, and billing for "mental health assessments" when poor families picked up free turkey dinners at Christmas and were interviewed about their need for other services. . . .
>
> The agency's assistant executive director commented, "No one has been arrested here or specifically accused. We've done an extensive internal review and there is absolutely no personal gain in this for anybody."
>
> But he said that the society's mental health services have regularly operated at a deficit, and employ-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ees might have been overzealous about trying to increase billings to cover costs.

Summary

A foundation for this dissertation was the sparse literature on administrators' managing issues, both the findings and methodology; on the political and operational issues of contracted services; and on managing those issues. In this chapter, each of these limited sources of literature was reviewed.

In so doing, the evolution in the research question, "What do managers do?", was described. In their continuing effort to capture the complexity and reality of managers' work, researchers' questions have shifted from "How do managers spend their time?" to "What roles do they assume?" to "How do managers decide what to do?" to "How does managers' thinking influence their action?" Researchers addressing this last question suggest the importance of managers' cognitive maps, metaphorical understanding of their organizational and interorganizational situations, and the value of ethnographic methods.

The problems of contracted services are inherently political because contracting, as a mechanism to separate the financing from the delivery of services, signifies an imperfect reconciliation between value conflicts in the United States. This separation, involving multiple levels

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

of government and nonprofit and for-profit organizations, results in extraordinary and seemingly intractable problems of accountability. There is additional evidence that the negative consequences of the lack of a coherent social policy are exacerbated by contracting. Controlling for quality is a multi-faceted problem which, though intrinsic to the human services, is also intensified by contracting.

Empirical research indicates that the significant operational issues of contracting are financial, voluminous and conflicting requirements, and the demands of the contracting process.

The literature on how nonprofit administrators manage and should manage the political and the operational issues of contracted services emphasizes the importance of their working to change the contracting system, with little indication of how this can happen. Specific management strategies mentioned for handling operational issues are to anticipate and prevent problems, use political strategies to change the funding agency's position, create a staff function to handle contract compliance, and strategically manipulate budgets and service statistics.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER III

METHODOLOGY

Introduction

The review of the literature provided a frame of reference for the central question of this study and also suggested a possible research methodology for answering it. To discover how administrators in nonprofit agencies manage the issues of contracted services, it was necessary to select a methodology which not only was consistent with the limited state of knowledge, but which offered the potential for capturing the complexity and reality of social service administrators' experience. Based on the literature and the study's purpose, the methodology of choice was ethnography, "the art and science of describing a group or culture." (Fetterman 1989, 11) The dual objectives of this chapter are to explain the relevant theoretical and conceptual underpinnings for this research methodology and to describe the procedures that were followed in applying ethnography to the study of contract management.

To describe the conceptual and theoretical underpinnings of this study, two questions are addressed. First, what is the character of the study question? Second, what

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

determines the "truth" of the answer? The discussion of underpinnings goes on to describe the research methods chosen and decisions made, with the corresponding rationales.

Data for this study came from interviews, conducted by the author, with eighteen nonprofit agency managers. Interviews were taped and transcribed. The transcriptions were then analyzed with the mechanical assistance of a computer software program, The Ethnograph.

In the description of procedures, the sampling procedure is explained, followed by a profile of the interviewees, their agencies, and their contracted services. Next, the interview structure and process are detailed. Finally, data analytic procedures are delineated.

Character of the Central Study Question

To ask "how" administrators manage the issues of contracted services is to ask "in what manner or way," "with what meaning: to what effect," and "for what reason" they manage these issues. (Webster's 1988, 585) The character of this question and its epistemological orientation are the basis for the selection of ethnographic methodology for this research. In this section, the relationship between the question, epistemology, and method are discussed first. Then, a related issue is considered: the nature of the answer being sought.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The Study Question and Its Epistemological Orientation

The central question being asked in this study concerns the "perceptions, meanings, and social realities" of social service managers. Therefore, it is by definition a qualitative research inquiry. (Jones 1988, 42)

> Qualitative methods are not simply a few techniques to gather data; they encompass a whole host of assumptions, concepts, questions, and hypotheses as well as an orientation--a way of looking at the world, ascertaining what is significant, seeking meaning, and creating understanding. (Jones 1988, 47)

Qualitative research has many "donor disciplines," many "tribes"; it has roots in many theories, traditions, schools of thought, and perspectives. (McCracken 1988, 65, 13-14) There is no universal agreement on the language and methodology of qualitative research; indeed, "It is often difficult to understand how these perspectives differ from one another, if at all." (Taylor and Bogdan 1984, 12) Epistemologically, qualitative research is associated primarily with phenomenology, which seeks to understand "social phenomena from the actor's own perspective."[1] (Taylor and Bogdan 1984, 2)

---

[1]The phenomenological perspective is related to the disciplines of anthropology, sociology, psychology, and linguistics. This perspective is associated with ideational theory in anthropology, including culture and personality theory, sociolinguistics, symbolic interactionism, and ethnomethodology. (Fetterman 1989, 16) Phenomenology is also a basis of the dramaturgical model, the sociology of knowledge, labeling theory, existential sociology, formal sociology, and a sociology of the absurd. (Taylor and Bogdan 1984, 12)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Because of the diverse yet similar approaches to qualitative research and because no specific ethnographic procedure was implemented in its entirety, assertively labelling the research method selected for this study as "ethnography" was perhaps inappropriate. Nonetheless, there were three bases for the selection of this label. First, recent descriptions of ethnography appeared to coincide most closely with the purpose of this study. (Fetterman 1989; Jones, Moore, and Snyder 1988; Watts 1985; Spradley 1979) Second, there was a correspondence between the study question and related inquiries which used ethnographic methods, as described in Chapter II. Third, the computer program, The Ethnograph, used for the data manipulation, was developed specifically for ethnographic studies.

Fetterman (1989, 30-31) describes the core of ethnography, within the phenomenological perspective.

> The emic perspective--the insider's or native's perspective of reality--is at the heart of most ethnographic research. The insider's perception of reality is instrumental to understanding and accurately describing situations and behaviors. Native perceptions may not conform to an "objective" reality, but they help the fieldworker understand why members of the social group do what they do. In contrast to a priori assumptions about how systems work from a simple, linear, logical perspective--which might be completely off target--ethnography typically takes a phenomenologically oriented research approach.
>
> An emic perspective compels the recognition and acceptance of multiple realities. Documenting multiple perspectives of reality in a given study is crucial to an understanding of why people think and act in the different ways they do.

This study sought to find out the "perspective of

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

reality" of managers of contracted services, to find out what they as a group know, what they do, and why. The question is rooted in qualitative research and ethnography. However, to truly understand the question, it was necessary to clarify the nature of the answer being sought. That clarification is described below.

The Nature of the Answer Being Sought

Some authors distinguish ethnography from other qualitative research by defining it as providing answers which are exclusively descriptive, as well as qualitative. (Taylor 1984, 124) However, pure description is not the purpose of recent ethnographic research, and it was not the purpose of this study. In this section, the nature of the answer being sought to the central research question is discussed.

In their seminal book, Glaser and Strauss (1967, viii) argue "for grounding theory in social research itself--for generating it from the data." They describe strategies for letting "concepts" and then "theory" emerge from the data. In the same way, ethnographers talk about letting "categories" (McCracken 1988, 16), "patterns" (Fetterman 1989, 92; Mintzberg 1983, 115), "themes" (Spradley 1979, 185; Taylor and Bogdan 1984, 131), or "meaning" (Miles and Huberman 1984, 211) emanate from collected data. Both the data and the meaning are crucial to the character of the answer sought.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The "answer," the cumulated findings of an ethnographic study, must be replete with description in order to document the "creative leap" to category, pattern, theme, meaning, concept or theory. (Mintzberg 1983, 113)

> Theory building seems to require rich description, the richness that comes from anecdote. We uncover all kinds of relationships in our "hard" data, but it is only through the use of this "soft" data that we are able to "explain" them, and explanation is, of course, the purpose of research. (Mintzberg 1983, 113)

The "answer" is comprised of "verbatim quotations" and their theoretical interpretations.

> Verbatim quotations are also a sine qua non of ethnography. They are a permanent record of a person's thoughts and feelings. Verbatim quotations convey the fear, anger, frustration, exhilaration, and joy of a human being, . . .
>
> Long verbatim quotations help convey a sense of immediacy to the reader. In addition, judicious use of such raw data in reports and ethnographies can provide the reader with sufficient data to determine whether the ethnographer's interpretations and conclusions are warranted. (Fetterman 1989, 115)

In the "Analytic Procedures" section of this chapter, the "leap to meaning" in this study is explained. However, because the significance of this study is related to its applicability to administrative practice in social work, the answer being sought required applicability in addition to "meaning." Although the "meaning" generated by this study does not fall within Glaser and Strauss' (1967, 237) definition of theory, their "highly interrelated properties" for "the practical application of grounded sociological theory" were standards for the answer being sought.

The first requisite property is that the theory must

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> closely fit the substantive area in which it will be used. Second, it must be readily understandable by laymen concerned with this area. Third, it must be sufficiently general to be applicable to a multitude of diverse daily situations within the substantive area, not to just a specific type of situation. Fourth, it must allow the user partial control over the structure and process of daily situations as they change through time. (Glaser and Strauss 1967, 237, authors' emphasis)

In summary, by discovering how nonprofit agency administrators manage the issues of contracted services, the author's goal was to provide an answer which would, according to Glaser and Strauss (1967, 249, authors' emphasis), be "applicable in situations as well as to them."

> Thus people in situations for which a grounded theory has been generated can apply it in the natural course of daily events. (Glaser and Strauss 1967, 249)

The "Truth" of the Answer

In addition to the character of the question, conceptualizations of the "truth" of the answer in qualitative research informed the methodology in this study. According to Miles and Huberman (1984, 16), the "deepest, darkest question about qualitative studies," is

> How can we be sure that an "earthy," "undeniable," "serendipitous" finding is not, in fact, wrong? (Miles 1979, author's emphasis)

Qualitative research has no "shared ground rules for drawing conclusions and verifying their sturdiness," so researchers have diverse conceptualizations of the "truth" of the answer. (Miles and Huberman 1984, 16) In this section, some of these conceptualizations are summarized.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Then, the relationship of the "truth" of the answer and documentation of procedure is discussed.

Conceptualizations of "Truth" in Qualitative Research

To discuss conceptualizations of "truth" in qualitative research corresponds to discussions of validity and reliability in quantitative research. However, there is considerable difference of opinion about whether and/or how these two concepts apply in qualitative research. The discussion in this section, therefore, is about "truth."

For some researchers, the methods of qualitative data collection, which are "designed to ensure a close fit between the data and what people actually say and do," appear to be sufficient to insure enough truth, enough validity of the findings. (Taylor and Bogdan 1984, 7)

> . . . the issue of "truth" in qualitative research is a complicated one. What the qualitative researcher is interested in is not truth per se, but rather perspectives. (Taylor and Bogdan 1984, 98)

> The success or failure of either report or full-blown ethnography depends on the degree to which it rings true to natives and colleagues in the field. These readers may disagree with the researcher's interpretations and conclusions, but they should recognize the details of the description as accurate. (Fetterman 1989, 21)

Other researchers believe validity and reliability are inappropriate concepts for qualitative research, and they have proposed alternatives. Instead of internal validity, external validity, reliability, and objectivity, Lincoln and Guba (1985, 290-296) propose the following constructs for

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

establishing the "truth value," applicability, consistency, and neutrality of a study: credibility, transferability, dependability, confirmability. McCracken (1988, 49-50) believes that the "standards of interpretation and quality control" in the humanities should be used for qualitative research. Using Bunge's (1961) concept of the "symptoms of truth," McCracken proposes the following seven conditions: exactness, economy, mutual consistency, external consistency, unity, power, and fertility.

Kirk and Miller (1986) take a different position in their book Reliability and Validity in Qualitative Research. Their view is that reliability and validity are quite relevant concepts for qualitative research and that reliability is the significant problem. In their view,

> The main thrust of methodological development in qualitative research during the last century has been toward greater validity. In contrast to the concerns of many nonqualitative traditions, issues of reliability have received little attention. (Kirk and Miller 1986, 42)

> While the forte of field research will always lie in its capability to sort out the validity of propositions, its results will (reasonably) go ignored minus attention to reliability. For reliability to be calculated, it is incumbent on the scientific investigator to document his or her procedure. (Kirk and Miller 1986, 72)

Documentation of Procedure

Though recent, the injunction to document procedure in qualitative research is ardent. Miles and Huberman (1984) have made the most notable effort to delineate the methods

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

for qualitative analysis. This effort is essential, since the delineation of methods is a prerequisite for their documentation. They go beyond Kirk and Miller in explaining why documentation of procedure is so important and point out the irony that researchers who excel at description of their findings have been unable to develop a method for describing their own procedures.

> Qualitative studies are rich in descriptions of settings, people, events, and processes, but they usually say little about <u>how</u> the researcher got the information, and almost nothing about <u>how</u> conclusions were drawn.
>
> The problem, of course, is that we can't verify or do secondary analysis of a study in which procedures are so opaque. We are left with vague criteria: the "plausibility," the "coherence," or the "compellingness" of the study--all evocative but ultimately hollow terms. The researcher can <u>always</u> provide a plausible account and, with a careful editing, may assure its coherence. If the writing is good, we will be won over by the undeniability and vividness of the report. But, . . . plausible and coherent accounts can be terribly biased, and vividness lands us in the "availability" heuristic, whereby we overweight concrete or dramatic data. (Miles and Huberman 1984, 243-244, authors' emphasis)

Miles and Huberman (1984, 215-248) suggest multiple strategies for drawing conclusions and testing and confirming findings. They propose ways of setting up an "audit trail" (Guba 1981) for methodological decisions. They note that

> Computerized methods . . . show special promise, since the analytic steps and procedures used can be easily recorded, displayed, and shared with other researchers. (Miles and Huberman 1984, 248)

In the next three sections of this chapter, the procedures and methodological decisions in this study, which

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

included computerized methods, are described. Included in that description are the theoretical, "truth-testing" rationales, and practical reasons for the decisions made. First, the sampling procedure is discussed, followed by the interview procedure, and finally, the data analytic procedure.

Sampling Procedure

In order to discover how nonprofit agency administrators manage the problems of contracted services, it was necessary to select a sample of these managers to interview. In this section, the sampling procedure is discussed in four sections. First, the criteria used for selecting the sample are explained. Second, the procedures followed in the selection are described. Third, the profile of the study sample is reported. Fourth, the limitations of the selected sample are identified.

Criteria for Selection of Sample

Two interrelated criteria were used for selection of the sample. First, the size of the sample was selected to be consistent with the purpose of the study. Second, the characteristics of the sample population were selected to be consistent with the scope of the central study question. These criteria are discussed below.

The purpose of the study was to understand the unique

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

culture of nonprofit agency managers of contracted services. Unlike a quantitative study, the purpose was not to be able to test hypotheses or to generalize from the sample of managers selected to all (or a portion of all) managers. (Epstein 1985)

> In the qualitative case, . . ., the issue is not one of generalizability. It is that of access. The purpose of the qualitative interview is not to discover how many, and what kinds of, people share a certain characteristic. It is to gain access to the cultural categories and assumptions according to which one culture construes the world. . . . In other words, qualitative research does not survey the terrain, it mines it. (McCracken 1988, 17)

Therefore, the objective was to select a sample size large enough to "mine" the culture, but small enough to make "mining" possible.

To make decisions about the size and characteristics of the sample, a decision had to be made about the boundaries of the culture to be studied.[2] It was important to recognize that not only people, "but also settings, events, and processes" were being sampled. (Miles and Huberman 1984, 41) Consistent with Glaser and Strauss' (1967) strategies of theoretical sampling and a constant comparative method for developing grounded theory, the objective was to select a sample "necessary for the categories' fullest possible development."

> Such a range, . . ., is achieved by comparing <u>any</u> groups, irrespective of differences or similarities, as

---

[2]Miles and Huberman (1984, 27-48) refer to this process as "focusing and bounding the collection of data."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> long as the data apply to a similar category or property. (Glaser and Strauss 1967, 51)

From the review of the literature and the researcher's experience, it was assumed that administrators' experiences managing the issues of contracted services have generic elements, unrelated to agency position, field of service, type and size of agency, funding source, or type of contract. Therefore, since the focus of the study was issues management, the sample was selected for diversity on each of these dimensions, but each manager has substantial contract management responsibilities.

In accordance with these criteria, three categories of social work administrators were identified to focus the sample selection: program directors of contracted services in multi-service agencies, executive directors of primarily smaller, single-service agencies, and compliance coordinators in child welfare and mental health agencies. The sample size was eighteen, a number which was arbitrarily selected because it seemed large enough to provide diverse, sufficient data for the study question and small enough to make the data management feasible. This sample selection also achieved a kind of interobserver reliability. That is, similar reports by a range of different social work administrators about the management of the problems of contracted services were significant for analysis because the similarities, despite all the differences, indicated that the same

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

phenomenon was being described.

Procedures for Sample Selection

Since issues management often requires negotiation of strategic and ethical dilemmas, it was recognized that the quality of the data would be dependent on the interviewees' willingness to share as honestly as possible their experiences. To increase the likelihood of interviewees' being candid with the researcher, three steps were taken.

First, interviewees were solicited on the basis of the relationship someone known to the researcher had with the administrator, rather than through official auspices. Of the eighteen interviewees, eleven were referred by other interviewees, five through a member of the dissertation committee, and two through former colleagues of the researcher. None of those interviewed were known by the researcher prior to the study.

Second, all interviews were initiated by a phone contact by the researcher in which the referral source, the nature of the study, and the researchers' experience as a manager of contracted services were explained.[3] Interview-

[3]In only two cases did the interview source call the interviewee in advance to ask if he or she was willing to be interviewed. Several potential interviewees were reached and suggested other administrators in their agencies as better informants. Those original potential interviewees were then cited when these administrators were reached. A number of potential interviewees could not be reached or were unavailable for a variety of reasons. All those who were reached agreed to be interviewed. Only one of the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ees were asked for an hour and a half of interview time, in their office and at their convenience.

Third, interviewees were assured anonymity for themselves and their agency. Anonymity was clearly important; a number of managers asked for confirmation of anonymity prior to sharing specific information during the interview. The assurance of anonymity was also significant in obtaining managers' permission to tape the interviews. In most cases, permission was requested in the initial phone contact. In only one case, in which permission was not requested in advance, did the interviewee refuse permission to be taped. In that case, the researcher took notes during the interview and dictated a recollection immediately afterwards.[4]

---

eighteen required approval beyond himself to grant the interview and, in that case, the approval was given immediately, during the researcher's phone call, with the suggestion that the request had been misunderstood and approval beyond the interviewee was unnecessary.

[4]It was thought that some managers would be more likely to grant permission for taping at the time of the interview than on the phone. To test this assumption, a few managers were not asked about taping in advance. However, after the one manager refused permission, in the seventh of the eighteen interviews conducted, permission for taping was always requested in the initial phone contact. No manager, asked in advance, refused permission to tape. Perhaps that was related to the researcher's conviction at that point, though it was not stated explicitly, that taping was essential and that the interview was not worth conducting if it were not taped. Because of the researcher's difficulty in simultaneously recording what was said and following up on what was being said, the quality of the data obtained from the one interview which was not taped was significantly lower than from the taped interviews. Anecdotal and reflective comments, which were among the most valuable, were exceedingly difficult to record manually.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Profile of the Sample

In this section, the managers interviewed, their agencies, and their contracted services are profiled.

The Managers

Of the eighteen administrators interviewed, seven are executive directors[5], seven are program directors, and four are responsible primarily for compliance coordination. Twelve are women; six, men. Seventeen are white; one, black. Of the eighteen, ten have their Master's in Social Work; one of the ten has a doctorate in social work. Of the eight non-MSW's, five have Master's degrees in other fields (Counseling, Education, Urban Affairs, Public Affairs, Business). Of the eight non-MSW's, four are executive directors, two are program directors, and two are compliance coordinators. Of the eighteen interviewees, eight have been in their current agency in some position twelve to seventeen years; four have been in the agency six to eight years, and six have been there under five years.

The Agencies

The eighteen interviewees were from seventeen agencies

---

[5]One Assistant Executive Director, with overall programmatic responsibility for a multi-service agency, is categorized as an Executive Director; another Assistant Executive Director, with primary responsibility for one area of program in another multi-service agency, is categorized as a Program Director.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

in the New York metropolitan area (two of the administrators were directors in different divisions of a large agency). Of the seventeen agencies, nine primarily provide services to family and children; three, mental health and/or mental retardation services; two are multi-service agencies; one provides services to the elderly; one, to the homeless; and one is a hospital.

Referring to six primary service areas to characterize these agencies obscures the diversity of services they offer. In the seventeen agencies, there are at least fourteen different major service areas: camp, child welfare (preventive services, foster care and adoption), community centers, day care, education, elderly, family, Head Start, homeless, mental health, mental retardation, social services, vocational rehabilitation, youth. Among the seventeen agencies, at the very least, thirty-nine discrete services are provided.[6]

The annual budgets of the agencies (with the exception of the hospital-based program) ranged from $500,000 and under to well over $10 million. Government funds comprised

---

[6]"At least" is used to qualify the number and diversity of services. Although internal public relations documents were reviewed for some of the agencies, these were neither generally available nor comparable. Further, neither these documents nor the spontaneous listing of services by interviewees are likely complete. The same service is also called different things and categorized differently in different agencies. For the purpose of this study, in which agencies are anonymous and not the research focus, the researcher did not seek more exact data.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

from about 9% to greater than 99% of the budgets.

Of the seventeen agencies represented, six are over one hundred years old; five, from forty to one hundred years old; five, ten to twenty years old, and one is under ten years old.

The Contracts

Based on the administrators' spontaneous accounting during the interviews, these seventeen agencies have a total of ninety-five contracts with thirty-three government agencies. The seventeen agencies have forty-eight contracts for a range of programs with six New York City agencies (including, for example, contracts with approximately nine bureaus in one of those agencies). Four agencies have a total of seventeen contracts to provide foster care and/or residential treatment with from one to nine New York State counties. Fourteen agencies have twenty-five contracts for a range of programs with fourteen state agencies. Two agencies have five direct contracts for programs for the homeless and home health care with four federal agencies. Some agencies receive federal monies administered through New York State and/or City contracts.

Limitations of the Sample

The criteria for selection of the sample have been specified. However, there were some inherent limitations

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

and potential for bias in this selection. Since the focus of the study was nonprofit agency managers of contracted services, only these managers were interviewed. The study addresses only their experience as it is perceived by them. Therefore, no funding agency managers were interviewed.

The sample was relatively homogeneous in other ways as well. All of the agencies represented are in the New York Metropolitan area. Seventeen of the eighteen administrators are white; two-thirds are women.

In addition, a manager was identified as a potential interviewee because the referral source recognized her or him as someone who understood and would be willing to discuss contracting problems. As a result, the sample probably exemplifies managers who are highly competent and articulate. While this likely enriched the content and quality of data, it raises questions about representativeness. Also, not all of the social work administrators were trained social workers. Finally, the requirement of anonymity for both interviewees and agencies was a constraint in fully describing the agency context of some interviewees' comments.

Interview Procedure

To obtain data to answer the central study question, the author selected the interview method. In this section, the rationale for this method is first explained. Then, the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

procedure followed in conducting the interviews is recounted.

Rationale for Interview Procedure

Three major decisions were made regarding the data collection. First, the focused interview was selected as the method of data collection. (Gochros 1985, 306-342; Epstein and Tripodi 1977, 20-28) Second, the researcher was selected as the interviewer. Third, an interview schedule was developed to focus the data collection. Each of these decisions is discussed below.

Focused Interview as Method of Data Collection

Given the nature of the study question, the focused interview method was selected as most suited to discovering how nonprofit agency administrators manage the issues of contracted services. The objective was to collect data that would reveal these managers' perspectives and issues management behavior, in all its complexity and reality.

> The long interview is one of the most powerful methods in the qualitative armory. For certain descriptive and analytic purposes, no instrument of inquiry is more revealing. The method can take us into the mental world of the individual, to glimpse the categories and logic by which he or she sees the world. It can also take us into the lifeworld of the individual, to see the content and pattern of daily experience. The long interview gives us the opportunity to step into the mind of another person, to see and experience the world as they do themselves. (McCracken 1988, 9)

In addition to being methodologically consistent with

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the study purpose, the focused interview, unlike various observational methods, "gives us access to individuals without violating their privacy or testing their patience." (McCracken 1988, 11) Consistent with the criteria for selection of the study sample, the selection of the interview method enabled access to a diverse group of managers, all busy people in responsible positions.

Researcher as Interviewer

In qualitative research, the interviewer is not merely a data collector, and an interview schedule is not the research instrument. The interviewer is the critical research instrument. (Jones 1988, 34; McCracken 1988, 18; Glaser and Strauss 1967, 252)

> Far from being a robotlike data collector, the interviewer, not an interview schedule or protocol, is the research tool. The role entails not merely obtaining answers, but learning what questions to ask and how to ask them. (Taylor and Bogdan 1984, 77, authors' emphasis)

Because of the importance of the interviewer as a research tool, the complexity of managers' jobs and contracted services, the lack of knowledge about either these jobs or services, and the need to elicit candor from interviewees, it seemed important that the interviewer be someone who had experience in these managers' culture. The dual objectives were first, to "exploit" this "familiarity" in order to "design better questions, listen more skillfully,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

and analyze data with greater sensitivity"; and second, to "transcend this familiarity so that it does not blunt . . . critical skills." (McCracken 1988, 65)

This researcher, a former nonprofit agency manager of contracted services, conducted all the interviews. Decisions described in the remainder of this section on "Interview Procedure" and in the last section on "Data Analytic Procedure" were influenced by the objectives to "exploit" and "transcend" this experience.

Interview Schedule to Focus Data Collection

Inductive as this type of research is, it is also focused because it aims to answer a specific question. Because the question is also complex, it was essential for the researcher to define "the thing you really want to know."

> . . . a solution to research question proliferation is the use of major questions, each with a series of sub-questions, for clarity and specificity. (Miles and Huberman 1984, 36)

Toward this end, a structured interview schedule, based on the literature and the researcher's experience, was developed.[7] (see Appendix A) There are six major areas of

[7]Discussions with a former colleague during the development of the interview schedule also yielded some valuable suggestions about how to frame questions. In retrospect, it might have been helpful during this phase to convene a group of managers concerned with contracting issues to solicit their ideas about how to get at these issues and about the kinds of questions which would elicit the very real problems and dilemmas they face. An interesting follow-on to this

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

inquiry in the interview schedule: description of agency, agency contracts, interviewee's job, agency contracting process, relationships with funding agency, and contracting problems. For each of these areas, sub-questions and probes for following up on responses are specified. The questions were designed to elicit examples, critical incidents, and the managers' perspective.

Focused as this type of interview is, it is also unstructured, conducted more as a conversation than a question-and-answer exchange. (Fetterman 1989, 48-49; Marshall and Rossman 1989, 82; Taylor and Bogdan 1984, 77, 93; Spradley 1979, 58) Therefore, in addition to defining the research questions for focus, the interviewer must consider how to elicit, in the course of "conversation," answers to the questions. "To assist informants to respond as informants," Spradley (1979, 58, 223) has done a "taxonomy of [more than thirty] ethnographic questions." Having elicited a general response to any study question, the reviewer must then "probe."

> Throughout the interviews, the researcher follows up on topics that have been raised by asking specific questions, encourages the informant to describe experiences in detail, and constantly presses for clarification of the informant's words. (Taylor and Bogdan 1984, 96)

---

study would be a series of group meetings with administrators regarding the management of contracting issues. This was the research strategy used in a study of federal executives. The results are recorded in Marvin H. Bernstein, The Job of the Federal Executive (Westport: Greenwood Press/The Brookings Institution, 1958).

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

In the interviews conducted for this study, the type of probes used included the following: What do you mean by _____? What did it look like? How did that become clear to you? What happened? How did you make that happen? How do you account for that happening? For example? Are there other examples of that? What was the response, the reaction? How did you know? Because? How did you figure out that way to do it? Who did this before you? How do you do it? How do you mean? How do you deal with _____? How did you express that? How did you learn how to do that? Do you ever have anybody who has any problem with that? Has that changed what you do? What's the hardest thing in that process to deal with? Where did the impetus for that come from? Could you talk more about _____? Who was involved in that? How would you describe the evolution in your thinking about this?

Procedure Followed in Conducting Interviews

In this section the procedures followed for testing and conducting the interviews are explained and assessed. Then, the conduct of the interviews, their timing, length, and location, is related.

The Pilot Interviews

The interview schedule was tested with three managers (an executive director and two program directors, one with

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

responsibility for compliance coordination). These pilot interviews were intended to assess the clarity of the questions and their usefulness in eliciting issues' management attitudes and behavior. These interviewees were asked, after the interviews, for their reactions to the questions, the order in which they were asked, and their suggestions for other questions to get at the material. The interviews were also used to assess the value of taping.

The pilot interviewees felt the questions were comprehensive in covering management of the problems of contracted services. They had no suggestions about the interview format and had no criticism, with the exception of recommending a few clarifications to reflect current government funding terminology. Because these three interviews did not result in substantive changes in the content of the interview schedule, they were included in the data analysis.

While these first three managers offered no direct input into the process, the researcher considerably modified the way in which the interviews were conducted as a result of these pilot interviews. In these interviews, the schedule was followed sequentially. Adherence to the schedule, despite its relatively open-ended structure, resulted in some rather stilted, out-of-the-policy-manual-or-textbook responses. These administrators were clearly passionate about contracting and the associated problems; the aim was to elicit the nature of that passion in order to obtain

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

quality data.

Therefore, after these interviews, the schedule was modified to include the prefatory statement regarding the essential two-part scope of the interview: first, the overview of the agency, its contracts, and the interviewee's job; second, the contracting process in the agency, relationships with funding agencies, and contracting problems. Then, in conducting the interviews, rather than follow the schedule in order, particularly the questions within each part, the interview was allowed to proceed organically, with probes and questions, related to the schedule, flowing from what was said by the manager. As a result, the content of the interviews appeared to be much richer, with more detailed explanations and examples. The disadvantage of this procedure was that it might have reduced the volume of responses by interviewees in some areas.

Several managers asked to see a copy of the schedule at the end of the interview. This was provided, and each time additional thoughts were elicited. It might have been useful to share with each interviewee the interview schedule in advance or at the end of the interview.

Conduct of the Interviews

The interviews were conducted from March through July, 1987. Sixteen of the eighteen interviews lasted at least one and a half hours; many ran two hours because of the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

interviewees' desire to continue. Two of the interviews were less than an hour because of a misunderstanding about the time required. In neither of these cases did a follow-on interview, which both administrators offered, seem necessary. Most of the interviews took place in the administrator's office with minimal interruption. With the administrator in one of the smaller agencies, where space was at a premium, the interview took place in an unoccupied kitchen; another was done over lunch in a restaurant.

Data Analytic Procedure

In this section, the procedures the researcher followed to get from eighteen tapes to the findings presented in this dissertation are described. Data analysis in qualitative research has been conceptualized as "three concurrent flows of activity: data reduction, data display, and conclusion drawing/verification." (Miles and Huberman 1984, 21) Because the analysis was conducted with the assistance of a computer software program, The Ethnograph, the data reduction and data display activities were conducted in tandem and are discussed together first. Then, the conclusion-drawing/verification activities are described.

Data Reduction and Display

In this part of the data analytic effort, the task was to transform the interview tapes into an organized set of

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

information, from which conclusions could be drawn. This task involves ongoing analysis.

> Data reduction is not something separate from analysis. It is part of analysis. The researcher's choices of which data chunks to code, which to pull out, which patterns summarize a number of chunks, what the evolving story is, are all analytic choices. Data reduction is a form of analysis that sharpens, sorts, focuses, discards, and organizes data in such a way that "final" conclusions can be drawn and verified. (Miles and Huberman 1984, 21, authors' emphasis)

In this section, the following sequential data reduction and display procedures followed are described: transcription and computer-assisted data reduction and display (preparing files for coding, coding data files, sorting data files).

Transcription

Using WordPerfect 5.0 on an IBM Personal Computer PC, the researcher transcribed each of the interviews.[8] Consideration was originally given to purchasing transcription services, but there would have been substantial expense involved. More significantly, after transcribing the three pilot interviews, the researcher recognized that considerable time, with a return to the tapes, would be required to

---

[8]An IBM Personal Computer, with two disk drives, was used for the numbering, coding, and sorting of files with The Ethnograph. This was cumbersome, but manageable. Later, during the conclusion drawing process, when quotes were extracted from The Ethnograph for use in the manuscript, an IBM Personal Computer XT was used. This process, as well as the writing of a document such as this, which typically required working in two computer files simultaneously, would have been impossible without a computer with a hard drive.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

edit transcripts prepared elsewhere. Although the recording equipment used was state-of-the-art, understanding the tapes was frequently difficult and clarification was primarily possible because the researcher/transcriber conducted the interviews.

There were other substantial reasons for the researcher to do the transcriptions. There is, of course, no punctuation in taped interviews, and punctuation is critical for accurately conveying meaning, especially when managers are describing interactions involving what a number of people say to each other. Punctuating text to reflect and reinforce meaning is difficult under any circumstances. It is questionable whether anyone other than a highly skilled transcriber could have done the initial punctuation in a way that also would not have required substantial editing by the researcher.[9] Also, acronyms for programs, services, government agencies, and contracts were routinely used, and these would have been difficult to differentiate for the uniniti-

---

[9]Not only do interviewees talk without punctuation, they tend to talk in very long, run-on sentences with many pauses. Before beginning transcription, it was essential to establish a protocol for handling interviewee's pauses and unintelligible sections. The researcher used ellipsis points for the former; brackets, for the latter. Using ellipsis points for pauses was a mistake; they could not be used in the manuscript because instead of pauses, they convey deleted information. The em-dash ("two hyphens without space between or on either side of them") should have been used. See Kate L. Turabian, A Manual for Writers of Term Papers, Theses, and Dissertations, Fifth Edition. Revised and expanded by Bonnie Birtwistle Honigsblum. (Chicago: University of Chicago Press, 1987), 55.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ated.

Finally, despite McCracken's claim to the contrary, in retrospect, the researcher's doing the transcription, which required approximately eight hours per interview, likely contributed to the successful analysis of the findings because it immersed the researcher in the content and, particularly, the tone of the data.[10]

Computer-Assisted Data Reduction and Display

After all the transcripts were done, every procedure followed for data reduction and display was conducted with the assistance of The Ethnograph. Each of these procedures is described below.

Preparing data files for coding

The transcribed text on the computer disks was reformatted for use with The Ethnograph. "Contextual comments" (Seidel, Kjolseth, and Seymour 1988, 4-6 - 4-7) were selected and inserted throughout the text of each interview. These comments identified which of the major areas of inquiry each portion of text addressed. Although these contextual comments are not used in the data search procedure,

[10]McCracken (1988, 41-42) takes the opposite position. He says, without further explanation, "Investigators who transcribe their own interviews invite not only frustration but also a familiarity with the data that does not serve the later process of analysis.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

they were helpful in guiding initial conceptualizations of codes for the data. Because they are included on each segment printed during the search procedure, these comments were sometimes helpful when there was an immediate question about the context of the quote.

The Ethnograph was then used to number consecutively each line of data in each transcript. These numbered transcripts were then printed.

Coding data files

The researcher "code mapped" the printed copy of each numbered transcript. (Seidel, Kjolseth, and Seymour 1988, 7-1 - 7-14) The Ethnograph enables coding any one segment of text with up to twelve code words. A segment can be of any size, from one line up to the entire size of a data file. Any one line of text can belong to up to seven segments of text.

Following the suggestion of the developers of The Ethnograph to code the data based on what one notices from it, rather than from a preconceived analytical or theoretical framework (Seidel, Kjolseth, and Seymour 1988, 7-7 - 7-10), the researcher used as a framework for the initial coding chart only the six areas of inquiry for the study. Then, as each interview was read, re-read, and coding began, code words which seemed appropriate to the data were recorded on the text and on the coding chart, under an area of

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

inquiry, if applicable.

As the coding proceeded, and additional possibilities for coding were seen or the code words themselves were modified, those transcripts already coded were updated to reflect the changes. The data coding process was another approximation of interobserver reliability. Inconsistencies in coding were identified because in each of the seventy-two codes, every segment of text from all eighteen interviews was reviewed many times during the data analysis. Because each coded segment of text is marked with all other codes used for the same segment, another ongoing check of coding consistency was possible.

Because of the capability of The Ethnograph for multiple coding of each segment of text, the researcher always coded every conceptualization that came to mind for any one piece of data. In the process of coding, as potential analytical ideas occurred, they were noted on the coding sheet.

Significantly, during the coding process a category which was not specified as an area of inquiry on the interview schedule emerged. The researcher called this category, "Reaction to Problems," and included the following seven code words: crazy, balancing act, game, dilemma, problems effect (effect of problems on agency), problems attitude (agency's attitude toward problems), and why nonprofit (why work in nonprofit agency). As will be seen, the data in

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

this category had a pivotal impact on the "drawing conclusions" procedure.

By the end of this process, seventy-two code words were used. The final coding chart is Appendix B. For any one transcript, the number of code words used ranged from twenty-five to forty-eight; the average number was thirty-seven. After mapping the code on the printed, numbered text of all of the transcripts, the codes for each segment of data in each transcript were entered into the computer. A summary, by transcript, of all code words used in each transcript was then generated and printed.

Sorting data files

In the last data analytic procedure using The Ethnograph, each transcript was "searched for segments" by each code word used in that transcript. (Seidel, Kjolseth, and Seymour 1988, 9-1 -9-2) Then, all segments coded with a particular code word were printed as a group until the segments for each code word for all eighteen transcripts were printed. These print-outs were then filed by the seventy-two code words, generating seventy-two sets of data for analysis.

Conclusion Drawing/Verification

With these seventy-two files, a "mountain of information," the researcher's task was then to determine, "Which

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

bits go together?", and ultimately to rediscover the mountain. (Miles and Huberman 1984, 224) This was a long, iterative process. However, conclusion verification requires, as has been discussed, the documentation of procedure.

Therefore, in this section, the researcher provides that documentation, to the extent it is possible to capture such a complex, creative process of decision making and conceptualization. The seven sequential processes the researcher followed are characterized as categorizing and summarizing descriptive data, rejecting the initial outline, generating a framework for analysis, developing a more refined preliminary outline, creating the detailed outline, writing the findings, and presenting the findings.

Categorizing and Summarizing Descriptive Data

The descriptive data, profiled in this chapter, was easily handled. For each category, a matrix was developed with the relevant variables in that category on the X-axis and each interviewee (by number) on the Y-axis. Categories were then summarized.

Rejecting the Initial Outline

The seventy-two files were read many times. Quotes that seemed significant were highlighted. Then, there were many unproductive attempts to get a handle on the analysis.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

It seemed clear that the initial objective was to develop an outline of the findings; the problem was how to let the outline emerge from the data without being overwhelmed by its volume.

During this period, the researcher thought that perhaps she should have coded more finely, that perhaps seventy-two codes, which had seemed both many and sufficient, were really not enough to get control of the data. An early outline, "grounded" only in the structure of the interview schedule, was rejected, primarily because it did not reflect the researcher's sense of the richness of the data, and it did not seem that the search for patterns, within the schedule categories, would capture that richness.

Generating a Framework for Analysis

Finally, two successive thinking processes helped generate a framework for analysis and a promising, though sketchy, outline. The first process had to do with focusing on the managers' issues and their strategies for dealing with them. The second, with thinking metaphorically about the data. These thinking processes are described below.

From a focus on problems to a focus on issues

Originally, the researcher had considered structuring the search for patterns around contracting problems (e.g., financial, voluminous and conflicting requirements, con-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

tracting process) and how administrators manage them. However, this study sought to discover the "perspective of reality" of managers, to find out what they as a group know, what they do, and why. It seemed that a focus on problems would divert attention from the managers, their perceptions, decisions, and strategies to resolve problems.

At the same time, it became apparent that a focus on problems muted the highly interactive quality of contracting problems; that is, these problems involve both the nonprofit agency and the funding agency. Since an "issue" is a "matter that is in dispute between two or more parties," it became clearer that the concept of issues, rather than contracting problems, would be a more suggestive, cogent organizing framework for thinking about the data. (Webster's 1988, 642) Thus, the focus on issues helped the researcher "move up a notch, to a slightly more inferential or analytical level." (Miles and Huberman 1984, 221) The issues were originally conceptualized as management (compliance, evaluation, and change), ethical, and policy.

From "reaction to problems" to the game metaphor

After the author began struggling with this emerging issues framework, she began concentrating on the codes related to "reaction to problems." She focused on trying to understand the experience, the world, the culture of these managers. The most striking imagery in their descriptions

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

was of game playing. And, the concept of cognitive maps seemed to capture the managers' perspectives on playing the game of contracted services. As a result, the game metaphor became the primary vehicle for analyzing the data.

During the process of deciding whether the game metaphor would "work" for the analysis, the author was reviewing the literature of qualitative research methodology. The value of using metaphor for analysis was reinforced by Miles and Huberman (1984, 221. authors' emphasis), who suggest that qualitative researchers should "write metaphorically" because the language of metaphor is more "riveting" and "illuminating" in "communicating complex social reality." More significantly, Miles and Huberman (1984, 221, authors' emphasis) say researchers should "think" metaphorically.

> For one thing, the metaphor is richer, more complete. . . . They are data-reducing devices, taking several particulars and making a single generality of them. . . . Metaphors are also pattern-making devices. . . . Metaphors are also excellent decentering devices. You have to step back from the welter of observations and conversations . . . and say, "What's going on here?" Since metaphors won't let you simply describe or denote a phenomenon, you have to move up a notch, to a slightly more inferential or analytical level. . . . Finally, metaphors or analogies are ways of connecting findings to theory. . . . The metaphor is halfway from the empirical facts to the conceptual significance of those facts.

Developing a More Refined Preliminary Outline

In this study, the primary metaphor identified by the author was grounded in the managers' own words, in their

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

metaphor. Therefore, the researcher made use of the dimensions of game playing in assessing, analyzing, and writing about the data. In this process, described next, a more refined outline, to be tested with the data, emerged.

Grounding the game metaphor in the data

Another re-reading of the "reaction to problems" data files confirmed that these eighteen managers, while describing experiences of enormous variety and complexity and despite differences in their agencies, positions, and backgrounds, shared remarkably similar verbal pictures of what it was like for them to be managing these services. In explaining diverse issues and their efforts to deal with them, they used many of the same words and evoked multiple images and metaphors with the same meaning.

The unifying metaphor was verified to be contracted services as a "game" and management of them as "game playing." Fourteen of the eighteen managers made specific reference to the game aspect of their work. All used the language of games in their descriptions when, for example, they referred to rules and strategies, to what they found challenging and fun about their jobs.

During this period of verification of the game metaphor, the author reviewed the literature on metaphors and the work of a number of authors' using the game metaphor. Percolating from this alternating immersion in the data and

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the related literature, were considerations of the function and dynamics of the game metaphor and the importance of describing the game being played. It was becoming much clearer how to think about the data and begin to organize it.

Clarifying the significance and types of cognitive maps

While they spoke of contracted services being a game, all managers, using an array of synonyms, talked of the "craziness" of the game. Since the word game implies a semblance of order and predictability if skill is exercised in playing it, this talk of craziness and of things being ridiculous and a catch-22 and making no sense and being amazing, absurd and mind-boggling was a seeming paradox. This paradoxical quality also pervaded managers' descriptions of issues and how they felt about and reacted to them. After discussions of this reverberating paradox in the discussion of each issue, the author, in Chapter XIII, "Summary and Conclusions," more explicitly characterizes what it is that makes the game of contracted services "crazy" and how the game metaphor keeps managers from succumbing to "craziness."

At this point in the data analytic process, however, the author noted that despite the game-like quality, craziness, and paradoxical nature of managers' experience of contracted services, there was a clarity of purpose in their

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

descriptions of how they managed professionally and personally in their jobs. To understand this clarity and its significance as these managers struggle with administrative, ethical, and political issues, it became apparent that it was necessary to analyze their perceptions of government funding organizations, nonprofit agencies, and their jobs. The author recognized these perceptions to be cognitive maps, the maps that enable managers to cope with the complexity of contracted services. With the focus on issues, the game metaphor, and the concept of cognitive maps, a more refined, but still preliminary, outline evolved, with possible subheadings developed from the researcher's general familiarity with the data.

Creating the Detailed Outline

The next step in the procedure was especially painstaking and time-consuming, but it was essential for the emergence of the findings. For each major heading in the outline, beginning with that on change (since it was believed that this chapter would clarify the focus on what managers actually decided and did, their strategies), the researcher went through all of the relevant sorted data files and began an iterative process of developing a detailed outline from the quotes.

An effort was made to conceptualize each quote and to reconceptualize the quotes when patterns were seen among

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

quotes. The quotes were excerpted under each conceptualization, with the interviewee's name and the line numbers of the quote. In this way, a more comprehensive and detailed outline unfolded and, simultaneously, an "audit trail," backing up the subheadings in the outline, was completed. Throughout this process, and the writing that followed, the researcher tried to heed Barbara Tuchman's (1979) advice to historians.

> If the historian will submit himself to his material instead of trying to impose himself on his material, then the material will ultimately speak to him and supply the answers.

Writing the Findings

When what was now the fourth major draft of the outline, with all the back-up outlines, was completed, the analysis of the data continued with the writing of the findings. Although the author now had a detailed outline, analytic decision making continued throughout the writing phase.

Testing conceptualizations against the relevant literature

Before beginning each chapter, the author sought out any relevant literature for assistance in framing and reinforcing the discussion. This process significantly affected the writing process, though more in some chapters than others. In the process of writing every chapter, new

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

and/or clearer analytic ideas emerged, which resulted in major changes in the outline: the cognitive maps' subheading under the managers' experience became a chapter; the evaluation chapter under management issues became a chapter on accountability under political issues, which had been called policy issues; many subheadings in every chapter were consolidated and reconceptualized.

Each change in the outline constituted an analytic decision. Two things, however, that did not change, except to the extent that they flourished in the writing, were the two decisions which were the keys to getting control of the data--the decision to focus on contracting issues instead of problems and the decision to use the game metaphor.

Re-testing conceptualizations against the quotes

During the writing process, every earlier conceptualization had to be re-tested against the back-up quotes. That is, the researcher had to ask whether each concept, category, heading was really grounded in the data. The answer emerged as each section was written and re-written, conceptualized and re-conceptualized because the quotes had to provide compelling evidence for each assertion.

The use of quotes was greatly expedited by The Ethnograph. Before writing each chapter, the researcher used The Ethnograph to "print to disk" all the quotes identified in the back-up outline, by line number, from The Ethnograph

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

data file. (Seidel, Kjolseth, and Seymour 1988, 10-16) These quotes were then imported into WordPerfect using the Text In/Out feature. Although the quotes required substantial reformatting once they were in WordPerfect, their accuracy was insured because no re-typing was required. Quotes for each chapter were maintained in a separate WordPerfect data file and were moved, as needed, to the chapter being written.

A key issue as the conceptualizing and writing proceeded was how much documentation for a concept is enough.

> There are no guidelines in qualitative research for determining how many data are necessary to support a conclusion or interpretation. This is always a judgment call. The best insights sometimes come from a small amount of data. (Taylor and Bogdan 1984, 139)

All the decisions made about the sufficiency of the evidence for a concept were necessarily subjective. However, the internal tests the researcher used were hypothetical questions to herself: Would the person(s) interviewed consider this a valid conceptualization from what they actually told me? Would I be prepared to defend this conceptualization with the interviewees whose quotes I am using and those whose I am not? Is what I am saying consistent with my own experience managing contracted services or, if it is not, do the quotes substantiate the assertion? If the answers to these questions were yes, then evidence was considered sufficient.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

In many instances, the empirical "evidence" is a quote from only one manager, which is indicated in the text. Either the quote selected seemed to best represent what was said by a number of managers or it was a singular statement that seemed to convey an important aspect of some administrators' experience of managing contracted services. In the end, the reader will test the strength of the conclusions.

> Quotations allow the reader to judge the quality of the work--how close the ethnographer is to the thoughts of natives in the field--and to assess whether the ethnographer used such data to support the conclusions. (Fetterman 1989, 22)

Presenting the Findings

As part of the writing process, editorial and organizational decisions had to be made. These are described next.

Editorial decisions

To achieve clarity and uniformity in the presentation of the research findings, several definitions and procedures were adopted. For ease of reading, the acronyms GFO and NPA are used, respectively, for government funding organizations and nonprofit agencies. Any reference to a GFO or NPA and what they believe or how they act refers, in this context, only to what a manager interviewed for this study perceives.

A GFO is defined as any body of government which funds nonprofit agencies. In many instances, the GFO for any one contract is three levels of government because funding flows

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

from federal to state to local government. On any one governmental level, as well as between levels, a GFO for one contract typically means more than one GFO (and/or governmental oversight body) is involved. Only if these distinctions are relevant to the description of managers' experience are they made. Because it seems consistent with managers' perceptions, accreditation groups, when they are used by GFOs to determine or affect funding, are treated as if they were GFOs.[11]

Although the contracts for which managers are responsible include a range of types which could be categorized in several ways, these differences seem insignificant for an understanding of managers' experience of contracted services and so are not distinguished.[12]

A NPA is defined as an organization which does not exist to make a profit and is funded by a GFO to provide services. NPA is used regardless of its mission or size and

---

[11]The accrediting body with major significance to some of these managers is the Joint Commission on the Accreditation of Hospitals (JCAH), which accredits mental health programs. Medicaid funding for these programs is dependent on accreditation, and JCAH standards are often appropriated by GFOs.

[12]For example, Kettner and Martin (1987) make a distinction, based on "ownership of client, services, and financial information," between procurement (contracts) and assistance (grants). Gurin and Friedman (1980) distinguish between purchase of service and block contracting. The distinction is that in purchase of service the GFO buys units of service (typically, per client or groups of clients) only as necessary, and in block contracting the GFO commits to buy a certain number of units in advance.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

is used in reference both to the entire NPA and to individual programs and departments.

In reporting these findings, all NPAs and GFOs, with the exception of JCAH, are referred to only as such. There is frequent use of NPA Coalition to refer to an organization of NPAs providing the same service, with contracts from the same GFO.

References to individuals, communities, or situations, which would violate the anonymity promised interviewees, have been disguised, deleted, or indicated by an underlined space. The few names used, for clarification of what is being said, are pseudonyms. Sometimes the gender reference to a manager is changed. None of the managers interviewed have the title of compliance coordinator, but if that function is his or her primary responsibility, that title is used in the narrative.

Managers are quoted extensively in these findings in order to communicate the complexity, richness, and intensity of their perceptions. As a result, quotes are sometimes longer than otherwise desirable. Nonetheless, because managers often struggled with how to articulate their experiences and paused and changed directions, the raw verbatim quotes are often unwieldy and sometimes confusing.

Therefore, quotes were edited considerably to make them easier to read and to clarify the manager's references. The criterion for an edit was that it not change the manag-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

er's meaning. Kinds of editing included the following: deletion of discourse markers (Schiffrin 1988), such as "I mean, you know, well, okay, right, in other words"; deletion of parenthetical comments not directly related to the question; elimination of the interviewer's questions and probes; consolidation and reorganization of responses when the same topic was addressed in different parts of the interview; deletion of repetitive words; and insertion of prepositions, articles, and pronouns to clarify references.

To help "ground" the reader in the data, the author refers to these eighteen interviewees as "managers," and tells their story in the present tense.

Finally, in the quotes, the author uses underlining to highlight the administrators' use of the game metaphor in their management of contracted services.

Organizational decisions

The structure of the entire dissertation was discussed in Chapter I. Organizational decisions related here refer to the presentation of the findings.

Chapter IV, "Management of Contracted Services as a Game," is an overview of managers' experience. The game metaphor and its paradoxical quality are delineated. There are multiple descriptions of the game being played. The dynamics of the game are then examined.

In Chapter V, some managers' cognitive maps are iden-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

tified. Their conception of the role of the nonprofit agency is described. The scope of their perception of government funding organizations as chaotic is analyzed. Their perception of government funding organizations' views of nonprofit agencies is explained. Then, a few managers' individual cognitive maps are noted.

Chapter VI, "The Issues," is an introduction to the next six chapters, in which managers' experience with administrative, ethical, and political issues is analyzed. In Chapter VI, the nature of the issues in managers' experience of contracted services is identified. The rationale for the selection of these issues and their relationship to general management issues are examined. And, the approach to the description and analysis of these issues in the following chapters is explained. Then, in Chapter XIII, "Summary and Conclusions," the findings are summarized and the implications discussed.

Summary

There were two objectives for this chapter: first, to explain the theoretical and conceptual underpinnings for ethnography, the research methodology used in this study and, second, to describe the procedure followed in conducting the study. The character of the central study question and the "truth of the answer" were first considered. Then, the sampling, interview and data analytic procedures were

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

recounted.

The character of the central study question was addressed by discussing the epistemological orientation of the question and the nature of the answer being sought. The "truth" of the answer was explored by considering conceptualizations of "truth" in qualitative research and the importance of the documentation of procedure.

The description of the sampling procedure included, first, a discussion of the criteria for the selection of the sample, followed by a review of the procedures for sample selection. The sample for this study was then described; the managers, agencies, and contracts were profiled. Finally, the limitations of the sample were explained.

In the discussion of the interview procedure, the rationale for the procedure was first related. Then, the procedures followed in conducting the interviews were described. The dimensions of the rationale discussed were the focused interview as a method of data collection, the researcher as interviewer, and the interview schedule to focus data collection. The description of the procedures followed in conducting the interviews included a discussion of the pilot interviews and of the actual conduct of the interviews.

The data analytic procedures were addressed in two sections. First the data reduction and display procedures were described. Second, the conclusion drawing/verification

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

procedures were discussed.

In the description of data reduction and display procedures, the transcription of interview tapes and computer-assisted reduction and display were explained. The Ethnograph computer software program was used for preparing data files for coding, coding data files, and sorting data files.

Finally, the seven sequential processes the researcher went through to draw and verify the conclusions of this study were explained. The first was categorizing and summarizing the descriptive data. Second, the process of rejecting the initial outline was described. Then, the third was generating a framework for analysis as a result of thinking processes that evolved from a focus on problems to a focus on issues and from the consideration of managers' "reaction to problems" to the game metaphor. Fourth, the process of developing a more refined preliminary outline was delineated: grounding the game metaphor in the data and clarifying the significance and types of cognitive maps. Creating the detailed outline was the fifth process. Sixth, the process of writing the findings was characterized as testing conceptualizations against the relevant literature and re-testing conceptualizations against the quotes. The seventh process was the editorial and organizational decisions involved in presenting the findings.

Thus, as Miles and Huberman (1984, 251) correctly

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

assert,

> Doing qualitative analysis means living for as long as possible with . . . complexity and ambiguity, coming to terms with it, and ultimately passing it on to the reader in a form that clarifies and deepens.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER IV

MANAGEMENT OF CONTRACTED SERVICES AS A GAME

Introduction

Considered as a group, managers of contracted services share a culture, an "acquired knowledge that people use to interpret experience and generate social behavior." (Spradley 1979, 5) It was the purpose of this study to identify, conceptualize, and now communicate that acquired knowledge. The acquired knowledge of these managers is substantial and multi-faceted.

Because "metaphors are the principles of organization by means of which we sort our perceptions, make evaluations, and guide our purposes" (Hayakawa 1966, i), attention to managers' metaphors as they describe their experience was the significant clue to comprehending their culture. In this chapter, the objective is to provide a rapid immersion into the culture of managers by explaining their primary metaphor, by giving multiple examples of the relationship of the metaphor to managers' experience, and by analyzing the dynamics of the metaphor.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The Game Metaphor

Politics, business, and even living itself, particularly in the United States, have been conceptualized as games.[1] To the researcher's knowledge, social work administration has never been so conceptualized; game playing was not a concept that guided this study. However, managers, in the language, magnitude and passion of their reactions to the problems of managing contracted services, make game playing the appropriate framework for articulating their experience, the findings of this research.

It is because of the paradoxical nature of contracted services that the game metaphor is so compelling. Managers talk of being very serious about what they do, but of the necessity for not taking contract compliance too seriously. Many are managers in NPAs in which over 90 percent of the funding is from GFOs, yet the NPA mission is the most crucial factor in their problem solving. Over and over, manag-

---

[1]See Hedrick Smith, The Power Game: How Washington Works (New York: Random House, 1988) for a recent book using the game metaphor for politics. For applications of the game metaphor in business, see Ardis Burst and Leonard A. Schlesinger, The Management Game (New York: Viking, 1987); Betty Lehan Harragan, Games Mother Never Taught You: Corporate Gamesmanship for Women (New York: Warner Books, 1977); Robert Keidel, Game Plans: Sports Strategies for Business (New York: E.P. Dutton, 1985); Robert Keidel, Game Plans: Designs for Working and Winning Together (New York: John Wiley & Sons, 1988); and Michael Maccoby, The Gamesman: The New Corporate Leaders (New York: Simon and Schuster, 1976). "All life is a game of power" is the thesis of Michael Korda, Power!: How To Get It, How To Use it (New York: Random House, 1975), 3.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ers describe situations where aspects of the management of contracted services conflict with reality. It seems that by accepting these paradoxes, these conflicts with reality, managers are able to understand their task as a game. Perceiving the task as a game enables them then to understand, get control of, and keep in perspective what is going on with contracted services. These functions of the game metaphor for the manager are discussed next.

To Understand

In explaining the qualities her NPA should seek in a manager if she has to be replaced, one interviewee uses the game metaphor in stressing the importance of understanding the GFO system.

> I think you have to be the kind of person who's interested in how the system works. And, I've tried to teach that to the supervisor I have now--should I step out and she wants to step in. I can't be here forever. But, I think that in New York City, you really have to understand the system. Because if you can understand how all the pieces fit together, it's not quite so onerous. I teach workers this, too. I've always approached it from the point that if you can understand why you have to fill out the form and what it generates and how it fits into the whole larger system, filling out the form doesn't become quite so bad. It has a meaning. It's not just an exercise in filling out a form. You have to have kind of that interest. Because we're a small program, but we fit in somewhere.
>
> I think you also have to be interested in the system--because when we object to certain things and you go and talk to them [GFO] and they say, "But if we have this piece of information, then that can happen," then giving them that piece of information isn't quite so tough. I don't know whether that answers your question totally. But, I think that, to me, <u>that's the game of it</u>. It's

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

sort of seeing it as a big mess.

To Get Control

Another manager describes her feelings about her job in language that could be used to explain the exhilaration that comes from mastering any new and difficult game of skill.

> It's fun. It's also fun. There's also something very fun. You can't take the system too seriously. There's something very interesting--it's always a new dilemma every day. Like a problem to figure out. Just to figure out how to send those UCRs [Uniform Case Record] down [to the GFO] without [the GFO's] losing them. That's like a problem that's fun to solve. I guess we take it seriously, but you can't take it too seriously because it's such an overwhelming system that if you start to take it so, so seriously, you would just be really nuts.
>
> I guess I'm saying there's something about being a part of the [GFO] system, too, at this point. It's a challenge. Maybe this is just me personally that I enjoy it. It's fun to me to know that it doesn't make sense for [the GFO] not to fund a [NPA]-based preventive program for the boarder babies. It just doesn't make sense. So that, in a way, I know that I'm writing something that they have to fund. I guess what I'm saying is that it's fun to start figuring out how it works. And, I guess I'm trying to share what's pleasurable for me about my role and how also it's not just me who has a sense of it. I think my supervisor, [who can tell me] "you better do this" and [is] aggressive and [has] more experience,--she says "Well, this is the way to do it."
>
> It gives you a sense of real mastery when you've learned how and where and what system to address one's needs to or something like that. A real sense of mastery. And I think it's something that's fun. When I say it's fun--I guess it's as if when you drive a stick shift car. I found that fun, while it was scary as anything in the beginning. So, now it's sort of fun because I think we have a track record, of having gotten funded two proposals and hopefully will get increased funding and having full utilization. Learning and learning the numbers, being able to give the jargon back, to be able to com-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> municate in their language, with their figures and their paper numbers, but not take it so, so seriously at this end, but know that it's very important to be able to talk about 2221's and [other forms]. It's like the mastery of driving a stick shift car, and I think that that's what I certainly feel, both on a day-to-day level right here and a broader level with the systems that we have to work with.

The "mastery" and sense of control the manager describes is similar to what Hedrick Smith (1988, xvii) says about "the power game."

> Politicians themselves know that there are advantages for those who understand the rules and the moves, the power realities and the winning gambits, and for those who are savvy about the traps and escape routes of modern politics. Some like to say that the power game is an unpredictable casino of chance and improvisation. But most of the time politics is about as casual and offhand as the well-practiced triple flips of an Olympic high diver. The appearance of a casual, impromptu performance may add to its political appeal out in the country, as Reagan's TelePrompTer speeches and rehearsed press conferences do. But the real pros, like chess masters, rarely trust true amateurism in politics. They usually have a pretty good feel for how certain policy lines and maneuvers will play out, before they start.

To Maintain Perspective

For another manager, the game metaphor is a way of keeping the paradoxical, crazy quality of managing contracted services in perspective.

> I guess it's always been sort of part of my personality and the way that I am, that you can only take these things just so seriously. It's like--when you fill out the UCRs--there are some people who are really very, very serious about this, and you have to do it all precisely and you have to include absolutely everything in this and it has to be correct and you have to use this as a tool. And, my feeling is you fill it out as best as you can, you hit the points that you have to, but don't put all of your time and your effort into a

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> form. Put your time and your effort into a client and into service delivery. That's what I mean. You do it to the point that's acceptable and that it will pass. But you put your time and your effort into your clients, and you put your time and your effort into your service delivery. And so that's what I mean when I say it's a game. Not that I'm saying don't take it seriously and don't do it as best as you can, but don't obsess about it, because you'll get crazy. Just do it the best that you can to meet the minimum standards or to meet acceptable standards.

Descriptions of the Game Being Played

The game metaphor has the function of helping the manager cope with the paradoxes of contracted services. In this section, managers describe how they cope, how they play the game. First, they talk about what it is like to enter the game, to become a new manager of contracted services. Second, they share how they manage situations in which the contract conflicts with the reality of the service's purpose and with the reality of GFO capability. Third, managers describe what happens when the contracting process itself conflicts with reality. Fourth, they talk about the struggles they have when GFO contract payment practices conflict with reality. Fifth, they explain what they go through when the contract evaluation process conflicts with reality. Finally, a manager shares her feeling that the demands of playing the game conflict with the ability to affect the game.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Entering the Game as a New Player

One manager, who had directed a NPA program with no GFO funding for many years, describes how she came to seek GFO funding and what it was like the first year the program was funded.

> Every year we were struggling between '80 and '84. Even though we had a great year in '83 in terms of the amount of money we had, we were always having to put so much energy into looking for funding, that the reality was that the service piece always suffered for about three months a year. And, then it suffered because we were always anxious whether we'd have jobs. Then, everyone [foundation funders] kept telling us, "Get into the system. Get into the system. Get into the system." We finally just said, "Okay."
>
> We knew nothing. I went down there in '84 and you sit down, once you get funding, and you hear all these things--UCRs, 2921, 2221's, all these numbers and letters. [The GFO] talks about the forms, Form 8314, and we sat there, those of us that just got funded, and like [NPA manager], who's become my buddy, [another NPA manager], who knew so much--and we just sort of viewed her as like, "Let's use her, because she's been around for awhile, and let's not struggle with re-inventing the wheel here." We didn't know anything. We didn't know anything about how the system worked on a operational level. I didn't know how the system was going to mesh and how we were going to work it out, what kind of accountability requirement. So, we just muddled along. We didn't know what we were doing.
>
> We were all new, green, at this whole system. As I said, the first week we had gone to training, and they started rattling off these numbers and we thought, "Oh, God, we're intelligent people. How are we ever going to figure this out?" It seemed so overwhelming. So we started this group, to sort of just commiserate and support each other and to learn from each other in the beginning days cause no one knew from how these programs are going to fit in with [NPA] and other agency systems. I really would recommend anybody to continue to have that kind of support group.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Another manager, who has directed contracted services for many years, and now has responsibility for contracts with different GFOs, talks about what she wants from GFOs, in part because of what she went through when she started this new job.

> I think we need much more flexibility [from GFOs]. On the one hand I want that, but on the other hand, I want really a partnership with the funding source in terms of help. Because one of the things I realize, even in terms of some of my own dilemmas in the last year, trying to learn everything and do everything, is there's no organization. So much of what I've learned and what I don't know is because either there was orientation or there wasn't orientation. So, I'm learning it piecemeal as I go along. And, that's very hard when you're dealing with a lot of different funding sources because you have to learn the people and know the rules and regulations, on paper and the interpretations of those rules.

When the Contract Conflicts with Reality

Conflicts with reality pervade the management of contracted services. Coping with these conflicts is a consuming task for managers. One manager, on reading the interview schedule question about working to change the unrealistic aspects of the contracting system, says,

> We're very active. We always comment to the City on everything. We're notorious for sending them letters about everything, going to meetings, complaining, and giving them unsolicited advice.

In this and the following sub-sections are managers' descriptions of different kinds of conflicts with reality in contract management. Reality--the truth, the fact, the way things are--is, of course, as they perceive it. That their

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

perception is correct is often verified by the GFO's yielding "to reality." In these examples, the reality, the conflict, and often the yielding are conveyed.

Conflicts with the Reality of the Service's Purpose

Contract requirements may conflict with the purpose of the service. One manager describes his frustration with the regulations and monitoring for youth services contracts.

> See, you can't look at a form in terms of what you said you were going to do and not take into consideration that you're dealing with kids and so that's what I'm saying. So you [the GFO] come and you don't see a hundred on the playground, I mean, and be real. Be real, that's on a piece of paper. We're talking about kids. These are human beings and there be a hundred other things they could be involved in so understand that. And you hope for them to understand, and in some cases they do understand that.
>
> But, "Well listen, this is what the guideline says." Now, some are very sticky and, to this day, on those kinds of things. There are some of those agencies, from those federal agencies or state agencies that are still sticky on that. "Well, if you say you're going to do this five days a week, we're going to hold you to that." And not take into consideration that we're dealing with human beings, that anything,--we're closed today, or whatever it is. I mean anything could have happened. Or, "Let's look at it." So we always try to keep that out front, "But remember we're dealing with human beings." It's fine in terms of what you may have on a piece of paper. That may or may not apply to the situation that's here. However, that does not change them from doing what they have to do, an audit or whatever the case may be.

Another manager expresses her fury with a GFO requirement that a contracted drop-out prevention program be restricted to the academic year.

> At the [GFO] they wanted us to be a ten-month program. That was in there initially. They said you're funded

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> for ten months. I said, "What are we supposed to do with the staff?" They said, "Let them go and re-hire." I said, "Oh." I said, "And, that's why you have drop-outs." That was a battle. And, not only was it a battle, they so distrusted what we were going to do with it--last year, which was the first summer program, they had monitors in our program the third day.

The manager of a different drop-out prevention program explains the problem when the NPA is asked to do everything to accomplish the purpose of the program, regardless of GFO funding level or NPA capability.

> [GFO] came out with a whole list of things that we had to do, some of which were appropriate, some of them weren't. Some of them were inappropriate because there're other people in the school, providing like health services, or they have a health resource person. And, we're not going to provide direct health care for them; we're going to refer them. So what does that really mean and why bother even to put that in the contract? True, it's important that all these kids have access to health services, but it dilutes the whole system when you put something like that in there.
>
> And they also have career/vocational counseling. Well, I mean, how much of that are we going to do? Maybe that's not true in some programs; in reality, we're not going to do that. We're going to help the kids fill out Summer Youth Employment job applications. Maybe we'll help the kids get some jobs, but as a whole, we're not in a position to do that. Maybe the school and a teacher in a classroom setting could do that on an ongoing basis for all the seventh grade. But that would make more sense - to give the school money to hire a teacher to teach the seventh grade about this, rather than putting it on us. We're doing the home visits. We're doing the X, Y, and Z. So that was really kind of crazy.

In a final example of playing the game when the contract conflicts with the purpose of the service, a manager of services for the homeless describes the incredible bind the GFO puts her NPA in when the contract for a loan for the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

renovation of a residence is negotiated.

> [The boilerplate documents for the contract] were not prepared specifically for our purposes. When we were finally able to review them, we had many reservations regarding some of the conditions within the contract.
>
> In order to secure the loan, we would have been committing to maintaining the use of the building as a single room occupancy building for the length of the loan. And, that really was not a problem for us because we don't have any plans to change the use of the building. But, we wanted an opportunity to be able to modify our use of the building if, for some strange and glorious reason, we no longer needed housing for homeless individuals, but maybe needed it more for families and then wanted to provide maybe that kind of housing. We wouldn't have been able to do that, given that stipulation in the contract. There was also no ability to pay off the loan before the twenty years. And, we just thought that was incredible given the way that we operate.
>
> Our attorneys and our counsel and our Board of Directors took issue with that and it took us a long time to come to the point of negotiating with them that after ten years, we could pay the remainder of the loan and have the only restriction on the building be that it would provide housing and supportive services to homeless or people of low income.

Conflicts with the Reality of GFO Capability

The contract requirements often conflict with the capability of the GFO to uphold its contractual responsibility. One manager describes the herculean effort required to accomplish the seemingly simple task of delivering to the correct GFO office mandated reports on children in foster care.

> We've got to deliver [to the City GFO] our UCR thirty days before it's due to the State. If we're late, they can either get it done or they can be late. They have to log it in. One of our problems is where do we send the UCR because these cases get bounced around field of-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

fices. It's very hard; we may not know. We've got a UCR that came back telling us that the unit that it's been in has been dissolved six months. They cannot find the case record. They do not know what unit is now covering the case. That's our problem.

Their problem, from their perspective, is that they're getting UCRs in that don't belong in their office and they don't know what to do with them and from their perspective, "Do you want us to look up where all these kids are and then ship it off to the right person if you can't send it to the right person originally? Why is that our responsibility?" Looking at it as the clerk at the poor office that receives all of these. Because one person receives all of these at each of the offices from all the agencies, not just us. Now, so they're getting maybe one hundred or two hundred UCRs a day.

I'll sit there, and then I contact or have the supervisor at our end contact the 5x8 system, which is now automated, and they'll say, "The last known case manager was so and so." And, we say, "We know that," but they deny having it. Or, what's even funnier, is we'll say, "We know that, but according to the [borough] Field Office, that unit no longer exists." And they go, "Oh well, um, why don't you contact 5x8 in the [Field Office]?" So, I contact 5x8 in the [Field Office]. See, Central 5x8 is supposed to know everything that's happening. Each field office has its own 5x8 card system, which is now a computer. What's nice is that the old system is a piece of paper which is sent, sometimes made it, from the local 5x8 across to Central 5x8, for them to update. Now, when local puts it into the computer, it changes the whole data base. So, that's a lot faster.

When we contact local 5x8, and we find out that there is no such unit anymore, they'll sit there and say, "Well, that's the last known worker for this child." And, they'll look up the child and they'll say, "Um, hmmmh, that's the last worker listed on the case locator. ID is still that worker." Or even more difficult, but this one we can get faster responses with, "Well, that case was closed." "We've still got the child in care. We're still getting paid by you." "Oh." Then we get quick responses.

Then [if the case has not been closed] what we do is we go the back-door route. We contact the MIL unit, at their end, and they're more systems-oriented in the City. The MIL staff are the computer liaisons in a sense. Rather than management information, they're

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> doing systems information. We usually contact one of our people that we have a rapport with there and say, "Look, this is our problem. And, we can't locate where this case is, if it's anywhere. Can you find out anything?" And, they'll call back and say, "Well, the case record's been lost," or "Yeah, the worker is over on such and such, but they haven't done anything with the case and, therefore, nothing has come up under their number."
>
> See, they look for the last entry to see who has it. And, if they've been sitting on the case, if they got it maybe a month ago or whatever, but another one on top of a stack of 170 cases, not to say they don't have work to do, but if they've got a stack of 170 cases and it was the last one to get tossed on top, they may not have gotten to it. If they haven't gotten to it because there's no red flag on it that there's a problem, and it sat--no entry. Nothing to identify them with the case, and therefore "case location unknown." It still shows to a non-existent unit now.

One manager explains the absurdity of the level of service standard established by the GFO for homemaker services. When asked how she accounts for the eventual reduction in the required level, she replies, "Reality must have impinged on them."

> This year [the GFO] decided to make new standards for the homemaking service, which we endorse their making new standards. They've been operating under policies from the 1950's, and they needed to be updated. Good. One of their initial plans was that they would require each of our case coordinators to be responsible for thirty-five families receiving homemaker services, on the premise that each family had a social worker, either preventive services or a [GFO] worker. It's true they have, on paper, preventive or [GFO] workers, and in the best of all possible worlds, if [the GFO] were able to function better, then the [GFO] worker could realistically take care of the family's needs. But in the real world, [the GFO] can't take care of these cases and can't address the crises as quickly as they need to be addressed.
>
> If a family's cut off welfare or gets an eviction notice, the [GFO] worker isn't necessarily going to be able to respond quickly. Most of the families in home-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

making are at a very high risk of abuse or neglect. We think that they need to be visited more often than every six weeks, which is the City standard, and we think that they really do need the good comprehensive case plan. Homemaker services is a very difficult program for the homemakers and for us because the homemakers are certified and trained, but she's a paraprofessional, and she's in the family's home twenty to forty hours a week. She's out there all alone, in a very, very difficult situation. The families live in bad buildings; these are families with major problems and a lot of children.

So, we think that the process we have of developing a case plan when we start up the case is crucial--because we use that process--if the homemaker and the family understand what needs to be done, what the purpose of the service is, and who's going to do what--otherwise, there's a danger that the family's going to think they have a maid, and the homemaker would be unhappy, and the family won't get anything out of the service. We see the service as teaching the parent parenting and home management skills. So we want a plan laid out where they agree that they're going to go the laundromat together and the homemaker's going to shop one day while the mother does something else, and the mother's going to shop another day while the homemaker watches the baby, whatever.

So, we'll develop a specific plan for division of tasks. And, then we need our workers to be sure that this is working and is appropriate and that the family and the homemaker are following up on it. And with thirty-five cases, they can't do that. And, they can't make visits more often than every six weeks with thirty-five cases. And then the City requires that there be at least weekly phone contact with the homemaker, which we think is good. But that's thirty-five phone calls a week, plus thirty-five reports every three months, plus the case plan. So, we argued in a big way about that.

When the Contracting Process Conflicts with Reality

The contracting process itself often conflicts with reality. One manager bemoans the absurdity of the contract renewal process, given the reality that most of the contracts are consistently renewed.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> First of all, every stream has a different renewal process. One contract ends June 1; one ends August 1st. The rest of them are July 1. Oh, and one is May 1. So, you're on four different fiscal years, at least. That's crazy. The whole renewal process, the time it takes. In my mind, there should be--you meet program objectives, the funding stream is there, it's a very simple renewal process, and you renegotiate your budget. To do this every year, the cost of this, for them and for us. It's crazy. But, no one's talking about it.

Another manager describes the difficulty of making a case for additional funding when the contract requirements virtually guarantee that all of the current contract funds are not spent.

> I'll tell you the one difficulty we've had, and I think it's a difficulty for the City, too, has been this problem of turnover [of staff] and underutilization [of services]. I feel that they're [GFO] not sympathetic enough to some of what you do go through. They should be certainly. For instance, I have a worker closing a case who's going on a month's vacation starting Monday. Now, he's going to take my utilization down, but I'm not going to assign a new case to him now when he's going to be gone for a whole month. They [GFO] don't want to hear from that. Or a worker who's brand new. They expect you're going to hand them twelve cases as they walk through the door, and I won't do that.
>
> If you really have had a worker with an extended illness and maybe you have fallen in the number of contacts, we may still be covering the case because the case aide is in there, but they only count the case planner's contacts. Now, that's something we've been trying to argue with the State about, that a lot of those contacts are very valuable. We're not leaving the client high and dry.
>
> I think the contract [issue] really is around the utilization. Now, their answer to that is that they're under pressure because when they have gone to the [City government] to say we want more money for preventive services, the [City government] has said, "But, look, there's an accrual here of two million dollars. If you haven't spent the money we've given you, what do you want more for?" But, the accrual comes out of the fact that if you have less workers you're serving less families, and the money isn't being pulled down. So it is a

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> real catch-22, but I think there should be some way that they should be able to deal with, and I think they're trying. I think they're trying.

One manager expresses her exasperation at the impossibility of the NPA's planning for additional services because of the GFO's approach to planning.

> I said to the guy at the City, "Why are you contracting with somebody else? Why don't you give us a chance to expand?" He said, "Well, we gave you the chance to expand. We would call you up and offer you a case." And, I said, "Yeah, but calling me up and saying, 'Uh, can you take a case tomorrow or can you take two cases the next day,' that's not a plan to expand. We need something like, 'Your program size is going to be twenty-five or fifty or seventy-five or one hundred cases bigger.' We'll hire the workers and the homemakers, and we'll pick up the cases. We can't just accrete them a day here or a day there."

She recounts the City's response.

> "You know the way the City is." The guy I'm dealing with on homemaking is kind of fed up with the City himself right now. He said, "You know the way the City is; they never plan."

For another manager, the mere process of producing an acceptable contract document is extraordinarily frustrating.

> Sylvia ran the Contract Development Office and then there was this--actually I think Franklin Johnson was overall--and she had this little assistant named Ernie. Anyway, so we went over this whole thing, and Ernie was helping and I spent about three days, typed the whole thing out, come in, and then he would go through it and criticize it, and Franklin looked at it, and I re-did it about three times and then we were ready to go in and see Sylvia.
>
> Well, Sylvia is sitting there behind her desk, like this, munching on a sandwich, going like this through my contract, and going, "Now what is this? On this page I see you're going to have basketball from 4:30 to 7:30; over here it says from 5:00 to 6:00. Now, how can I review a contract like that?" And, this is like the third time I've stayed up until one or two o'clock in the morning correcting, making changes, doing whatever

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

they told me to do, and I'm like paling. And then the last straw was, Franklin had told me we couldn't use any white-out, and I had to re-type entire pages that had to have a correction made on them.

When GFO Payment Practices Conflict with NPA Reality

To varying degrees, the NPA depends on timely, equitable payment from the GFO to provide the contracted service. GFO rules and procedures for payment often conflict with the reality of the NPA's dependence on this payment.

After saying that managing the problems of contracted services is one of his "favorite topics," a manager voices his utter frustration with having, but not really having, contract funding.

There are a lot of frustrations. I hope that your write-up, study goes to the right people in the right places. It's generally a constant source of irritation.

One of the major irritants is that, for two of the contracts, the two larger ones, they're reimbursement contracts, which means I have to have the private money available to pay for things, and then I get reimbursed, which puts you in this crazy position of having all this money budgeted, but if you don't have the cash to spend it, then you can't get the money back. So I may have four thousand dollars in supplies. If I don't have any cash on hand, I can't go out and buy one thousand dollars worth of supplies when I won't get reimbursed. So, in fact, I could use the four thousand dollars in supplies. I have to have cash from another source in order to get the money.

You have to provide receipts, not invoices. And then when there are problems, conflicts, bureaucratic hang-ups, then the time period stretches on.

The way it works is you finish a month, you write up a report with the receipts, you send it in, you wait another month. Meanwhile, you're paying for month number two expenses, and when you turn in the second month's expenses, then a check should be available to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

reimburse you for the first month's expenses. But that means by the end of the second month, you're two months' behind and, of course, with salary being the main expense, that means you've got to put out two months' salary before you get any back. And that's always got a priority, so if you have OTPS [Other Than Personnel Services] costs, those are always being pushed into the back.

And what happened last year was, finally at the end, they gave us money, the last two weeks of the year. We spent something like forty thousand dollars in two weeks' time the last two weeks of the year so that we could get it spent by June 30, which is obviously not the best way.

Since we've had our contract they've changed the way they operated. Initially, we had to come up with 25 percent of our share a month before the contract began and hand 25 percent over to them and then as we spent. But, in exchange, there were advances at that point. The first two months you got a 10 percent advance on your contract, and then at different points during the year you had to kick in the other 25 and 25, the monies. You had to actually give them all the money for the full 50 percent, and then they would give you your money plus their money back as you turned in receipts.

They now have changed that. You don't have to give them any money. So, in a sense, they're saying, "Well, the money that you would have given us, now you have that available to yourself." So now, each contract you have a separate bank account so you have to take the [GFO] contract, and you have to take money out of one pot of money and put it into the [GFO] account, and then show it going out of the [GFO] to pay for something, and they'll reimburse you 50 percent of whatever you actually spend. So that's their sense, "It's private match, so you should have the other money." But, of course, in reality, we're still way behind in terms of total amount spent. We're always two months behind in terms of reimbursement for their share.

Another manager has a different problem. The GFO funding formula, which subsequently changed partially, has no relationship to the reality of the costs of providing community residences for the mentally ill.

What's changed is that the funding formula has changed.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> It used to be the whole thing was what they call a net deficit. You figure out at the beginning of each year what the costs of the program would be. They basically told you what the cost of your program was going to be. Like the OTPS was five dollars per day. The problem with that approach is that we all have different costs. My rents were much higher than the next guy's and so I had less left over for OTPS [Other Than Personnel Services] and other equipment, like insurance, salaries. So instead of [that formula], now the State pays 100 percent of the rent. Regardless, whatever the rent. So when they certify the apartment, they certify the rent as well. And, that's set. And the utilities. So that relieved a big burden.
>
> Our OTPS base was lower because it had been offset by rent. It's ridiculous. [Another NPA] over here had exactly the same number of people, and they had about $15,000 more than I did because my rents were $15,000 higher. They never really corrected that.

One manager decries the complexity of GFO hurdles that have to be overcome for authorization for payment for renovations to contracted service offices, despite the reality that the service has existed for many years and will, in all likelihood, continue.

> There are problems in getting leasehold improvements and capital costs reimbursed. We're renting a new office, a different office in _____, a better office in _____, for our preventive services program out there, and I'm going to have a nervous breakdown behind negotiating with the City about how they're going to help us with the renovation cost.
>
> We've come to the conclusion we should work out a written agreement, so my lawyer and the [GFO] lawyer are having it out, but the fiscal year is ending June 30th. Highly nerve-wracking.
>
> It's got to be worked out this week, I think--and, the architect and the contractor--and, they're not cooperative about that. But I can't blame the City. But they're so concerned about anybody they contract with ripping them off, that they have rules and, it's like fighting your way through a thorn hedge or something to get through all the rules and regulations.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> Obviously, they don't want to spend their money on leasehold improvements that are going to benefit the agency and not the clients, but we've been providing the service for thirteen years, preventive services. We're going to be providing it for a while more, and they know that because we're always in compliance with a 90-100 percent compliance rate. The service is mandated by the State. We're going to be providing the service for a while. It makes sense for them to see that the clients have a decent office to go to, and the workers have a decent office to work in, otherwise we can't attract any staff. And, I agree with all that, but the audit guidelines and the [GFO] auditors are so extremely explicit and strict that working your way around it is a major headache.

After getting the GFO to agree that the purchase date for a $279 item is acceptable, a manager's exasperation, when another payment barrier is raised, is palpable.

> Then, I get a call the next day or two days later saying, "Well, there's another problem now." It was $279, this [education] kit. So, now the rule is, you can get a waiver, you can get approval from your program person. So I called up my program person. I said, "Look, I bought this SRA kit for $279. I just had this horrendous fight about the fact that now I've got to [get a waiver.] Can you please approve this?" She said, "Well, write me a letter."
>
> So, I sent her a letter. And then she calls me and says, "Well, you're not supposed to spend money over $100." I said, "I know, but the thing says you as my program person can waiver this. You know I'm not spending the $200. I'm not taking the $279 and putting it in my pocket. I'm not just buying balloons with it. I bought an SRA kit. The kids use it. It's useful. It's going to have a long lifetime, and you know I'm getting a contract next year. I mean it's not like--it's not going to be abused."
>
> And I was furious by this time. I was practically in tears. She said, "Can't you pay for this out of some other category?" I said, "I don't have the money. I don't have any other money." And she could tell. She said, "Well, this time I'll approve it, but don't let this happen again."

For some managers, the process of just getting a check

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

issued by the GFO was an enormous problem. One manager, with relatively little direct responsibility for the financial management of the agency's large foster care contract, describes the difficulty with the billing procedure.

> I know that the City's bill is a tremendous pain because the CCRS system is so inaccurate and that's what's being used to do the billing, do the payment. Our computer system is now set up to mock the bill, and then we can do a comparison all the way down the line to see what the differences are. But, for every single difference, we have to make out a form. It's absolutely horrendous. The whole billing system now is very time-consuming and very frustrating. Because there're lots of kids still who aren't even on CCRS so that they have to be added onto the bill manually each month. It's not good at all.
>
> It's just not accurate yet. I think it's just so mammoth in New York City with twenty thousand kids on it or something, that it's just not a smooth operation. I would assume that ideally it works on paper, but it's not working in fact. The way it had been before, when it was still with CWIS, I understand that it was running beautifully. It was like 99 percent accurate, and now there're all different kinds of numbers floating around about how accurate it is.

For the Executive Director of a small agency, the implications of a late check are to his pocketbook and his mental health.

> I think, was it the first check, or was it the second check? They [GFO] did stuff like we called them and asked them, "Please hold the check and when it's ready let us come pick it up." And then, when we kept calling, they said, "Oh, I'm sorry, that was in the mail." At least once they mailed us a check and it got lost, and it took three more weeks before they could issue a second check, to make sure that the first one wouldn't turn up. Just thoughtless things like that.
>
> Right now, I haven't collected my paycheck for this month. At all. Luckily, my tax return came. We borrowed money from Fund for the City of New York. You scramble the best you can. What we're going to do in the long-term is the Board has committed themselves to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> coming up with a cash reserve fund of $50,000 or more to try to help with this problem. We try to get foundations--like you know somebody's going to pay you a grant, maybe you can get them to give it to you a month early. You scramble. You hold off on paying anything you don't have to pay. And have a lot of anxiety attacks, let me assure you.

When the Contract Evaluation Process Conflicts with Reality

Given the conflicts with reality in the other dimensions of contracting, it follows that conflicts exist in the evaluation process. After explaining why she thinks her preventive services program has a marked increase in cases being supervised by protective services, a manager expresses her skepticism about the validity of the primary evaluation criterion. She feels the criterion does not reflect the reality of the significant, and unmeasured, influence of the severity of a client's problems on outcome.

> The environment has changed. Families are under much greater stress than they were. Housing has deteriorated to the point where I think problems, a lot of problems, can be attributed to the overcrowding. People are poorer. There's more hunger.
>
> All of a sudden the environment has gotten much harder. Drugs. I think that it's two things, housing and drugs. The deterioration of housing, the way people are living, the doubling up, the tripling up, and the drugs. Drugs. Money being spent on drugs.
>
> Again, first two years out of here, our program was a success. I get very dubious about these statistics. It was a success because none of the children in the families we worked with were removed from the home. This past year, in two families, the children had to be removed. One, because of drug use. We had told the mother what was going to happen. She was so hooked there was no avoiding it.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The same manager explains how unrealistic evaluation criteria for accomplishment of interim objectives also conflict with the clients' reality.

> What the contract doesn't let you do, however, is the reporting format doesn't let you give real official credit to the amount of time you spend in advocacy. I call it my basic in terms of quality. You can show advocacy on your monthly progress report, but you can't count it in your total. So, for example, we have a family now that just moved into the projects. Finally. They were living in a hole. Black hole. With two children. They've been there seven years. They have been on the waiting list for the project. We have been doing housing advocacy every month for the four years we have been working with them. This month, when they moved into the project, finally was the first time we could ever count housing. Because, now, instead of putting an "A" in the box, which can't be counted in the total, we can put the "H," which means they got housing.
>
> It counts when you get them [in]. [The rationale] is something about what is reimbursable in that formula. It's something about those reimbursement formulas, which I never understood.

Another manager expresses a conviction that a GFO evaluation system has no relationship to the reality of either client needs or the program delivered or fiduciary responsibility.

> The [GFO] has such a mind-set, they're so schizoid about accountability. On the one hand, the system is totally devoid of accountability. Devoid. On the other hand, they think they've got all these structures that provide accountability, and they thought this was a way to assure accountability. It doesn't assure accountability.
>
> Yes, somebody can give the [GFO Director] a memo saying the programs are doing X, Y, and Z, but it doesn't mean that they are. And, ultimately, it doesn't mean that the kids are getting what they need.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Demands of Playing the Game Conflict with An Ability to Affect the Game

After summarizing the multiple problems resulting from performance-based contracting, a manager explains, in the most poignant way, why she feels the demands of playing the game conflict with the ability to affect the enormous problems of the game.

> And, that's the direction we're moving in. And, that's what accountability is doing. Because, if you see twice as many, instead of it costing you, I've even forgotten the unit cost, instead of it costing you thirty dollars a unit, it only costs fifteen. And, wow, doesn't that look good! And that's the dilemma.
>
> Why I don't think it's being dealt with is because I think you've got social workers, and I use myself as an example, who are drowning, who are trying to go after every penny we can find in terms of services for people, trying to get workers to work to greater productivity, and we're running in place and we're using all our energy spinning our wheels. Because, you talk about government contracts, that's where the money is. And, if that's what the government's demanding, that's what we do. If they want us to stand on our heads, we stand on our heads. And, I almost believe we don't have the energy and maybe we don't feel we have the power. I don't know whether it is or not.

The Dynamics of the Game of Managing Contracted Services

The functions of the game metaphor for managers have been identified and descriptions of their playing the game have been recounted. Now, the meaning of the game metaphor is examined from the perspective of the dynamics of the game: what are the forces motivating and/or inducing managers to act, or not act, as they do? Both motivation and

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

inducement are operative here since motivation typically refers to inner drives to act and inducement, to external stimuli.

Given the scope of the data, this analysis obviously cannot be exhaustive. However, it is the analytic question that is significant, for it has the potential of leading to a better understanding of effective social work administration. The benefits would be analogous to those in conceptualizing government as a game.

> Seeing the inner workings of Washington as a power game is a way of following the action amidst the babel. It's a metaphor for understanding what makes famous people--and faceless people, unknown but powerful--do what they do. Sometimes it explains why some good people don't play the game better, why they don't win. (Smith 1988, xvii)

Pursuing this question also has the potential to clarify what NPA management requires and what makes a job satisfying to the NPA manager. What keeps these people so involved despite all the craziness? In a study of the components of enjoyment and its relationship to work and games, the researcher conceptualizes enjoyment, as "the holistic sensation that people feel when they act with total involvement--as flow." (Csikszentimihalyi 1975, 36, author's emphasis) There are striking similarities in that researcher's description of the experience of playing chess and what the interviewees in this study say about managing contracted services.

> Flow in chess, as in other activities, depends on a very delicate balance between being in control and being

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> overwhelmed. It is this tension that forces the player to attend to the game, with the resulting high pitch of concentration and involvement. (Csikszentimihalyi 1975, 64)

As a rudimentary step toward addressing the question of what compels managers to act as they do, seven illustrative dynamics of the game of managing contracted services are discussed briefly in this section. These dynamics are operative in any game: what drives players to accomplish a goal, navigate the playing field, master the rules, develop and implement strategy, feel challenged, and experience enjoyment? In Chapters VI - XII, these dynamics will be evident repeatedly in the discussion of the interviewees' management of contract issues.

To Accomplish a Goal

The drive to accomplish a goal is pervasive in the management of contracted services. The goal can be an overriding sense of mission and purpose about the work or an intermediate objective toward achievement of that goal. Goals are often multiple; typically, they conflict.

Over and over in the subsequent chapters on issues management, the drive to accomplish a goal emerges. Analyzing the way managers choose to act is crucial in understanding the significance of this drive. In the report of their study of managerial decision making, the researchers conclude,

> Managers may have less choice over which problems they

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> face than over the ways they act on them. As Kotter (1982) suggested in his study of general managers, the crucial test is the choice of actions that accomplish multiple goals at once. Does the quick action on problem X move forward a piece of Y? Or does it make solving problem Z just that much more difficult? And this, it seems to us is the remarkable quality of effective managers. Their apparently unrelated actions on widely diverse problems are, however erratically and spasmodically, moving them forward toward some larger goal. They love solving problems, but a problem is seldom an end in itself. They seek consistency, but they don't hesitate to change direction. They love to win--but wars, not battles. In short, effective managers have a vision for the business that makes sense of unrelated problems and actions. (McCall and Kaplan 1985, 82, emphasis added)

In describing the NPA relationship to GFOs as cordially adversarial, this manager stresses her NPA's mission and the perception of that mission by GFOs.

> I think, as an agency, people know that we are extremely serious about what we do, that we are determined to do it well, and we are also determined to do it as much as we can in conformance to the way in which we want to deliver so that we will argue, and we will go to the mat, and we will mobilize, and whatever.

This study, in essence, reports how managers perceive they act day-to-day to effect their visions.

To Navigate the Playing Field

Many managers find navigation of the playing field extraordinarily complex. One explains the necessity of liking to put together puzzles. And, often it seems as if these puzzles have no pictures on them, but at least are easier to put together after the first try. This manager describes how a contract, awarded through a special grant

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

from a State Senator, is eventually received.

> Our portion of that is through the [GFO]. And, the other half, our other $10,000, is from [another GFO]. It's a puzzle; I guess is what it is. If you like puzzles then, I guess, you're okay. I give it a trial. I don't know. I'm really in the dark. And, then they send you, even though you've been awarded the money, they send you an application to fill out, which usually has to be formulated in the way of a proposal as to how you would utilize those monies. And then that goes through various approvals, approvals within whatever entity you're working under.
>
> What they did is that you go through so many different senseless [steps] and, again, I think once you go through it the first time and they know who you are and things have gone through without any incident, then things come fairly quickly, even though we have not yet received [the monies for the first contract year], and I have right here and am just finishing, the application for the second round.

Managers who have worked in GFOs feel their experience makes it easier to navigate the GFOs from a NPA. A manager, who does not have GFO experience and thinks it would have been valuable, speaks for all of them.

> I would say that if you had some experience working within the public sector, it's a help. Not indispensable. I didn't have it. But, if you've had some, it's a help. It'd definitely be a help. Because you're going to be dealing with government agencies and bureaucracies, and it is a help to know how their mind, how the bureaucratic mind works.

To Survive the Competition

In the management of contracted services, competition can have many different facets. A NPA's competition, those who seek the same objective, can be the GFO, in all its complexity, or other NPAs (or, increasingly, for-profit or-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ganizations.) Often, the competition is simultaneously the GFO and other NPAs.

Surviving, rather than beating, the competition, seems the most appropriate conceptualization. While managers express great fervor about their battles with the GFO, their objective is most often to endure in what they understand to be an ongoing, unending struggle. Competition with other NPAs is usually just alluded to by some managers. There is a great deal of cooperative effort, directed toward GFOs, among NPAs; however, they are competing with the GFO for the same resources.

The GFO can be formidable competition. One manager describes what happens when many NPAs try to change the planned implementation of a home care program for the elderly.

> The City kept saying in the meetings they did have, "This is the way it is." And, no matter how much we all talked. And the whole City was up in arms over this. No matter how much they talked, it didn't work. The City just went ahead like a juggernaut.

After trying to explain why the GFO rate for homemaking services is different for different NPAs, one manager expresses her suspicions about GFO intentions.

> Historically, it's developed that way. It used to be, I don't know why, maybe there used to be greater distinction in the kinds of service provided. Some agencies were providing more enriched service that included social work service. [Another NPA] has such a mammoth program that they probably have some economies of scale that are not available to the rest of us. I don't know.
>
> Now, if they're [GFO] going to contract with new vendors--now, I may be imagining this, but my suspicion is

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> they're going to contract with vendors at a lower rate, and the only way anybody can do this at a lower rate is to sacrifice the quality. We have two MSWs and two BAs, and we try to offer the homemakers a decent wage, as decent as we can make it, and try to treat the homemakers fairly and do a good job on the training and provide the support. Some of that's going to have to go with a lower rate.

Another manager explains that a GFO funds some NPAs in full for their programs and others are required to match a portion of the contract amount. However, he describes his primary concern as keeping the contract he has, especially after a recent funding cut.

> The reality of it is basically that you try to hold onto what you've got. In particular in this area, what happens was a few years ago the City went to something called the Fair Share Allocation for [GFO] funds, which means that they did some kind of an evaluation. They came up with a formula that takes into account such things as youth population, poverty level, infant mortality rate, etc., etc. And they use this formula and they rate each Community Planning Board, using that formula and they come up with a percentage for the City, and then the money is divided according to that percentage.
>
> Now, this community was grossly over-funded according to that formula because the statistics aren't that bad because particular areas have been gentrified, but there're a number of large youth programs that are here so the funds in this area were slashed. In fact, we lost $40,000. Right now our contract is $117 [thousand] total, and it was $195 [thousand]. So, that was the slash that we took and still I'm worried because half of that money is [GFO] Executive Director's Discretionary Funds, and the [GFO] has a new Executive Director since the last funding cycle, so I don't know what's going to happen. I just hold my breath.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

To Master the Rules

For managers, mastering the rules is extraordinarily complex; this is not a game with one rule book. Rules are clear and unclear, explicit and implicit, enforced and not enforced. They are ever-changing. What is acceptable one year may not be acceptable the next. What is acceptable to one monitor may not be acceptable to another.

One manager describes the necessity of learning legislative rules to be able to affect the terms of his contract.

> We have people involved with [NPA coalition] that are more sophisticated around the goings-on in Albany. Many of these agencies are in the area, and they have a lot of contact with legislators. They just learn how things [work]. There's a legislative committee of [the coalition]. You stay on top of bills that are being introduced and so forth and you just see how the game is played because you're there. So, when we develop strategy then that's part of the information that flows into our leadership: this is what they want to see, this is how it should be presented.

Another manager explains what happened when the GFO enacted and enforced new rules without informing the NPA.

> There were a couple of changes in some of the contact requirements and reporting that nobody spotted until Program Assessment [GFO monitors] came back and was looking at the last year and they said, "Oh, yeah, this is in accordance with Appendix A, Subsection whatever." Huh? Subsection? Wait a second. I looked at the previous year's contract. Now, a contract is a thick document. We're sitting there saying, "Mmmh. Went from thirty days to sixty days advance notice." Was one of those things that slipped through.
>
> We got really irritated. But there was nothing that could be done. And, we sent a letter saying that we did not appreciate the way that it was slipped in. It went over the Executive Director's signature. It went to the Commissioner. It caused a bit of a disturbance because it seemed to be that none of the agencies--[NPA coalition] also does a lot of the contracting negotiations

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> for the agencies--and their people hadn't spotted it either. So, nobody was really aware of it. So, all of a sudden you had a whole group of agencies that were quite upset that someone had pulled the wool over their eyes and slipped something through.
>
> And, there was some minor agreement, though nothing in writing obviously, but some socially accepted behavioral agreements between the negotiating parties. They kind of came to terms verbally on how if something was changed, how it would be indicated. But they never made a commitment in writing that all changes must be in bold, with the old in italics and the replacement in bold. Nothing like that, anything that's formal. But, they came to a verbal agreement, basically, that changes should be identifiable. Nobody wanted to be pinned down.

To Develop and Implement Strategy

For managers, strategies for dealing with GFOs are a necessity. Most express the need for having, in essence, a philosophical perspective on affecting GFOs. One manager explains, in describing her efforts to get changes in a contract,

> Going in [to the GFO] you can't really expect very much of a response. And, whatever response you want, you have to create.

In a similar vein, another manager explains,

> I don't think they [GFO] like or dislike me per se, but there's a respect, and it's a mutual respect. I may not agree with the priorities that are selected down at their end because I would have different priorities, but then I realize that I need to work with them. It's something I cannot control, and therefore I will attempt to influence.

Many managers talk of the need for positioning the NPA to manage the GFO. For example,

> Actually our program assessment statistics have improved on a yearly basis, and <u>I just think it's a game</u>. I

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

think it's a question of a lot of levels of what kind of systems can you put in place.

All managers believe a NPA coalition strategy is essential. As one manager explains,

> We're very connected. We are very strongly networked in this neighborhood and Citywide. We belong to a lot of organizations. We're really under-administered. That's our biggest weakness at the moment, that really only two of us are full-time administrators, plus the business manager. We go to an awful lot of meetings. On the other hand, it keeps you tuned into what's happening, and it also means you don't have to fight your battles alone all the time. When City contract time comes around and there're all these issues about how the contract is written, we worry [all the] time. We don't all have to go singly and try to tackle. And, we all have our say. And, [GFO coalition] has more and more meetings, just because issues have become so much more complicated.
>
> When I started, it seems to me that we only met every other month, the preventive services agencies. It seems to me we only had a membership meeting maybe every six to eight weeks. Now, we meet every month, and there're all sorts of task forces in between.

To Feel Challenged

For some managers, the challenge of managing contracted services is constant. For one, who feels she has mastered management of the program she directs, the challenge is in involvement in contracting issues affecting all programs funded by her GFO. She explains how and why she makes the time to be involved in this way.

> I really like this. I get very fed up with the [routine]. I've done this for a long time. It's getting pretty boring, but I've been lucky again [being] on these committees, and I really have found that's a whole new challenge and new learning in terms of trying to work out procedures.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> It comes in spurts. Lately it's been a lot, because we've all been in doing budgets and contracts. I would guess it's 25 percent of my time. I think that's probably higher. I think there're a few of us that sort of, we've been tapped by [NPA coalition] as being people who, one, are willing to make the time, and I am. I'd rather go out and do that and sit at night and read progress notes than sitting here in the office all day. And, I seem to so far be able to manage both.

She explains that after a successful NPA coalition fight with the City, her attitude and that of many of her colleagues changed.

> So I think all of these things have made us very aware and much more willing to not just sit and do what's handed to you, but be an active participant. Obviously, it has some limitations, but I really find it a learning experience. Somehow, that great big thick boilerplate contract doesn't look quite so long.

To Experience Enjoyment

Despite all the craziness and complexity, many managers express enjoyment when they describe their work. Research indicates that this feeling of pleasure, under difficult circumstances, is not at all contradictory.

> Apparently, something that is enjoyable to do gives a feeling of creative discovery, a challenge overcome, a difficulty resolved. People who see what they are doing in these terms tend to enjoy the activity more for its own sake. (Csikszentmihalyi 1975, 181)

One manager, describing what her job requires as "an art," explains how she deals with GFOs.

> I'm conniving if I want something, like if I go into contract negotiations. I have told the City on a number of occasions, "We won't take the contract unless you give us what we want." And sometimes it works and sometimes not. And, we walk out. It's just like seductiveness. <u>It's a chess game</u>, and I can do that. I don't care. So, we do a little acting-out behavior, but

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

that's what I like about it. That's fun.

The enjoyment managers find in their work is evident in many of the quotes used to illustrate other dimensions of their experience. This topic will be revisited when the political issue of prerequisites for managers of contracted services is discussed in Chapter XII.

Summary

In this chapter, managers' experience of contracted services was described in terms of their primary metaphor, game playing. The ways in which this metaphor enables managers to understand, get control of, and put into perspective their management task were illustrated. Multiple examples of the game being played--when entering as a new player, when contracting conflicts with reality, when the demands of the game overwhelm the capacity to affect the game--were related. Finally, the dynamics of the game were explored. The significance of understanding these dynamics was discussed. Illustrative dynamics were described as managers act to accomplish a goal, navigate the playing field, survive the competition, master the rules, develop and implement strategy, feel challenged, and experience enjoyment.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER V

MANAGERS' COGNITIVE MAPS

Introduction

In playing the game of contracted services, managers, like all game players, use their own cognitive maps to understand what is happening and to decide what to do.[1] Given the complexity and craziness of their jobs, managers use their mental sets to make sense of the administrative, ethical, and political issues they confront. These cognitive maps, these perceptual orientations, are of enormous importance in enabling a manager to comprehend and act amid turbulent conditions.

In this chapter, four types of cognitive maps will be discussed. The first type of map is managers' perception of the respective roles of NPAs and GFOs. Managers' perception of GFOs as chaotic organizations comprises the second map type. The third map type is the perception managers have of GFOs' perceptions of NPAs. Fourth are the distinct, in-

---

[1]It would be more accurate to refer to "a set of principles for map making and navigation" than to a cognitive map since "people are not just map-readers; they are map-makers." (Frake 1977, 6-7) However, for ease of reading, the concise term cognitive map will be used in this discussion.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

dividual cognitive maps of managers.

This analysis does not presume to include all, or even most, of the cognitive maps of managers. However, the four types of maps discussed here are clearly fundamental for all managers of contracted services. In Chapter IX, "Ethical Issues," cognitive maps related to professional perspectives affecting decision making are addressed.

Roles: NPAs versus GFOs

For some managers, their perceptions of the respective roles of NPAs versus GFOs are significant tools in their decision making. Several managers, for different reasons, characterize NPAs and GFOs as partners. One manager, articulating another perspective, characterizes her NPA's relationship with GFOs as being "cordially adversarial." These two perceptions and their impact on decision making are discussed next.

Partners

One manager describes the reasons her NPA decides to continue to pursue government funding for renovations of housing for the homeless when the pursuit requires more time and effort than private fund-raising.

> I think the concern and the primary interest was to get the work done--and I guess one thing I've learned about this community is that, given the extent of the resources, there's not always that much patience in waiting for something. And, they knew that resources could [be gotten] elsewhere. I'm hovering a line some-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

where under the surface. And many of our members are people who see things, and if they see a need, go and take care of it. And, there's none of this round-about-way of attacking it. It's a straight route.

Again, part of our effort, and it's something that our members agree with, is to hold government accountable for being responsible in some way for this problem. And, we will accept government money, but we're also very aware that we don't want that to exceed a certain percentage of our overall budget because we don't want to lose our ability to advocate or state a position or to be totally bound in the way that our services are devised by the way the government program's organized and what stipulations they have to have services provided.

And our position, I guess, is one that incorporates government and private entities working in partnership with each other, and though I don't think that what we're saying is that we want the government to respond so much that we can sit back and just walk away and go and find a new business to be about, but that it meet us halfway. And, that if the churches do respond to the problem of homelessness, that if churches do that, then they also be provided with the support, whether that's financial, whether it's material items, whether it's the policies of the government, to be able to run those programs.

Another manager, new to the New York City child welfare system, is shocked by the relationships between the GFO and the NPAs. She explains why she feels anyone hired to replace her should share her partnership philosophy.

I would look for someone who believed as strongly as I do that the public and the private sector should not be in competition with each other when it comes to child welfare. In fact, one of the things that I found when I came here that shocked me the most--that it seemed to be understood at meetings, for example, that there were this bad blood between the public and the private sectors. I know now that it has a long history.

And, I know that there was a perception that, on the part of some of the public employees, that the private agencies only want to work with the easy cases, that we will skim off the cream and leave them the others. I've heard it, and I've seen it in writing. [I've been] in interviews with protective services workers who will say

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> no preventive program, no private program wants to work with these families. So, I think that the conviction that we should be working together is very important to me.
>
> I think, first of all, I don't believe in getting into an adversarial relationship with the City. We avoid an adversarial relationship. If they aren't doing their job, I'm perfectly willing to point it out, to the supervisors down there or the bureaucracy. In the same way, if we're not doing our job, I expect them to tell me, basically, if we're [not doing our] job. But, I don't believe, fundamentally, that those of us who are supposed to be of service to the wider community, and especially of poor families, should be competing with each other or denigrating each other's efforts.

One manager sees a partnership between the NPAs and City GFO as essential for their mutual survival with the State GFO.

> I'm a strong advocate among the agencies of working as a "we" team--that if we're going to get this system to work at all, it has to be the agencies and the City working together to work out the problems, rather than sitting there at opposite sides of the table [debating] each other. When I came into this position, it was very much us-them from both sides. That was also the stand of the [GFO] administration and most of the agencies at that point as far as administration.
>
> There was a new Commissioner brought in at [GFO] who was much more open to listening to voluntaries and things started being responded to, and there's a few of us at [NPA coalition] who started--who were doing the nitty gritty work of trying to get the thing to work, not talking policies, but how do you implement, how do you get it done.
>
> And, we realized that if we did not work together there was absolutely no way either of us, as agencies or the City, were going to survive the system. Either the system would go or we'd go. And, the system was mandated by State Law. So, we were in a bad position. And, we also had a common target because the State was saying, "You will do this," And they were not listening to anybody. So, we kind of did the reverse of divide and conquer. We combined to fight the common enemy. Very common political principle with countries.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> What we did is--we started using that up and down the ladder, both within the agencies, within [GFO]. People that were administrative people dealing with the policy of how to implement versus the overall policy of the system. They kept talking up and down from [GFO's] end, and I kept--and the other people in the agencies kept--explaining, "Look, there's no way that this is going to work if we don't start negotiating and working with [GFO]." And, there's been an attitude change in about the last two years.

A Cordial Adversary

Asked to describe her NPA's relationships with GFOs, a manager responds, "cordially adversarial." She goes on to describe how serious her NPA is about delivering services in its own way, despite all the GFO constraints. When she then explains how she tries to relate to GFOs, she describes a strategy which can perhaps be considered a variation of the partnership philosophy.

> We recognize whenever we can that we are in the same business and that though we come in at some different perspectives, with different priorities, that they're not necessarily the bad guys, and we're the good guys. I mean we don't try and set up that dichotomy on an affirmative basis. So, that we recognize that there is a commonality of purpose even if our perspectives on it are very different. So that it's hopefully a constructive working relationship that is honest. The differences are on the table. If I'm going to go over somebody's head or I'm going to the mat on something or I'm going to potentially embarrass somebody, I will tell people.

GFOs as Chaotic Organizations

These NPA managers' perceptions of GFOs are consistent with treatises on bureaucracy and intergovernmental rela-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

tions in the United States. However, to grasp the distinct experience, decisions, and actions of these NPA managers, it is essential to understand how they perceive GFOs. In this section, their overriding perception of GFOs as chaotic will be discussed.

Many managers refer to the GFOs as being a "mess." The overwhelming perception is one of disorganization. This disorganization exists, in part, by definition. The GFO is typically many autonomous organizations, both different levels of government and different offices of government within each level. As one manager explains,

> We are in primarily two systems, mental health and social services, and we have some ties to the mental retardation system, and some other little bits and pieces. So that we've got a very complicated network of relationships with both State and City government.
>
> And [regarding our mental health services], there are various crazy interactions, again, between City GFO and State GFO, in order to do all that.

For some managers, the sense of chaos is so enormous that their objective is simply to avoid being engulfed by it. One manager refers to the GFO as "the black void" and she describes her philosophy about getting mandatory reports to "the edge of the void."

> So if it happens to be a due date for our UCR [Uniform Case Record], a six-month due date or ninety-day, then we must send our UCRs downtown to be signed off and read by the [GFO] worker, who's the case manager. We never have ever sent the original. We refuse to send the original, even though in theory it's supposed to be. Nobody I know sends original UCRs. We send copies. We've never, rarely--because we're afraid it'll get lost in the black void. We send a copy.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> It [sending copies] just started by sitting around [with other NPA managers], said, "Do you ever send an original?" "Oh, no, no, no, no, no. Don't dare send the original." Just a sense that if you did, something important would be lost. That's to say we send a copy for a signature. Do we ever get a copy of the last page back with a signature? No.
>
> We do have a lady down there who's apparently the liaison person. So, we send the copy to her, and we've made our own little receipts. We make sure they send us a receipt that she received the UCR. If at some point some audit some place--is going to come down--we decided because we're so afraid. The reason we have this receipt--that comes back when this nice lady that my secretary knows, [has a] relationship with [signs it]--makes us feel like it's gotten to the edge of the void. And, what happens within that system is their worry.

Another manager, describing problems having budget modifications considered by the GFO, pictures documents sent there as going "down the rabbit hole."

> The issue is more that they take so long in getting back to you whether they've approved it [a budget modification request] and that was again one of the contract issues this year, and the best we got from them was that they would make every effort to get back to us within--I think it's--sixty days. But sometimes, I had somebody say a budget mod they'd put in last fall they still haven't heard about. And, like they go down the rabbit hole.

Aspects of managers' perceptions of the GFO as chaotic are discussed next. First, the reasons they perceive for the chaos are explained. Second, their perception that the major manifestation of the chaos is lack of coordination is considered. Third, their view of the consequences of this lack of coordination is examined. Finally, their perception that amid the chaos there are "islands of good people" in the GFOs is reviewed.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Reasons for the Chaos

If directly asked to explain the reasons for the chaos, undoubtedly managers could give some of the standard textbook reasons for bureaucratic disorder. Asked to describe their management of contracted services, they talk about the reasons for the chaos as it affects their understanding of the difficulties they face. Some managers consider aspects of the chaos incomprehensible. Others attribute the chaos to the GFOs' lack of control over vital elements related to contracting services.

Incomprehensible

Some managers find the chaos incomprehensible. One explains that her agency's mental health program has not yet been issued a contract or budget for the following year, which begins in a month. She expresses doubt that the contract will be issued before December, eight months later, and guesses that funds will just be paid, late as usual, based on the previous year. This manager, who has worked for the very GFO she is describing, says,

> There's no reason you can't give the contract to the people in April. Even though I worked for the State, I still don't know why. People seem to run around totally disorganized at the regional level.

Another manager, trying to explain why a contract for services, administered through one State GFO the previous year, is to be granted through a different GFO the next

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

year, says, "I think it's probably ad hoc. It makes no sense, so I can't imagine how they decide."

After describing the GFO's difficulty when it tries to reduce paperwork, a manager explains that she cannot understand what goes wrong.

> There's a task force right now--one of our supervisors in foster care is on it--[which the GFO Commissioner] apparently had set up to look at how can we reduce paperwork across the board. And, the reports I've gotten back is that it's impossible. Nobody wants to give up their piece of paper. Well, no wonder they have such chaos. You read their procedures; they're so convoluted. No wonder their workers don't know how to [do what they're supposed to do].
>
> We complain that they don't refer cases to us. [We're] constantly trying to get the Field Offices to refer more cases to preventive services, and they're appropriate cases. And, the workers don't do it. And, I have contended for a long time that if they just had a very clear-cut, one-two-three-four kind of procedure instead of that thick [one]--I'm convinced that's a piece of it.
>
> And, yet, one of the fellows I know down there who writes a lot of this stuff--you wouldn't want to find a nicer guy. He's bright. He's nice. I'm sure he thinks he's doing the very best he can. I don't know where it goes wrong. It's just cumbersome.

Lack of GFO Control

For many managers, the GFO chaos seems to be inevitable, given the GFOs' lack of control over the problems they are trying to address, their own organizational structures, and their staffing.

Lack of GFO control over the problems

One manager, in explaining why she thinks it is impor-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

tant to work as partners with the GFO, emphasizes,

> I think that their system is out of control. I don't think it's totally their fault. I think the problem's gotten way ahead of them. And, I think the Legislature usually is running a few years behind.

Another manager, a veteran caseworker, talks of the inexperience of many of the GFO staff, but then qualifies her criticism by saying, "I mean, these cases are tough. Nobody knows what to do with these families."

Lack of GFO control over organizational structure

A number of managers also perceive that the chaos in City GFOs is inevitable; however, they see the cause not in the nature of the problems, but in the State's mandates to the City. One manager, deploring the rigidity of GFO regulations rooted in the assumption that NPAs will "rip us off," explains that instead of addressing the structural issues, the GFOs just "strangle" the NPAs.

> Now, a lot of that is not even City. In the [City GFO], that's State [GFO] regulations. And, it's very interesting because that money is considered old poverty money. It's considered very political money, and so the regulations are extremely repressive. But, instead of addressing the issue of it being political money and cleaning up that process, they strangle it.

A manager describes the effect of State mandates on the organization of a City program for the elderly.

> Of course the State has mandated it. That's true. The State has mandated it. The State's been saying, "Well, we didn't mandate how the City set it up." But there are requirements that force the City--I do believe--not to do exactly what they have done. But also the lack of money forced them into this particular pattern. Since they are responsible for the monitorization of the whole

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> program by borough, they couldn't be going out to fifty-six agencies to monitor, so they cut down the number of agencies they had to monitor. And thereby created this horrible mess.

The same program evokes similar criticism from another manager, who decries the City's unwillingness, despite its obvious leverage, to fight State regulations.

> New York City is different than the State. You can't take a Statewide program and impose it on the City. And the [City GFO] as the largest area of aging agencies should have taken the advocacy role, and they abdicated it. And, they do not respond. So, what they've basically become is just a pass-through, where they take State regulations and they take State money. Their whole thing was, "Well, if we didn't move on it quickly, we would have lost the money."
>
> That's ridiculous because the State is not going to risk losing the largest contractor, the City [GFO]. They're not going to. If the [City GFO] said, "Look, we have to promulgate our own rules and regulations; we need six months to do it," the State is not going to say, "Tough nuggies. You lost the money." You understand? They'll fight against it, but in the end will say, "Sure, if that's what it has to be. We're not happy about it, but go ahead."

Lack of GFO control over staffing

Some managers attribute the chaos to the GFO's lack of control over its staffing. One manager deplores the lack of control the GFO has over the quality of its staff.

> I think that there're so many negative feelings about [GFO] as a system, and there're so many negative feelings about the workers at [GFO]. And that's across the board. I'm not saying anything new. Mainly because they're unprofessional or--not because they're unprofessional because they want to be--they're unprofessional because they're not hiring professionals or people who have a commitment to being professional. And, they're not being respected as professionals. And, they're not being paid as professionals or they're certainly not being supervised in a way that's professional. It goes

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

up and down the ladder.

For another manager, the chaos results from the enormous turnover among the senior level of GFO staff, including four people in the last four years in the position of the [GFO] director of residential psychiatric services. During this period, when the entire NPA leadership in the State remained unchanged, he explains what they learn.

> We've [been] burned a few times in the past and the State says, "Don't worry. We're not going to use this in such-and-such a way." And, next thing you know, those people have gone, and there's a new group in there who are saying, "Well, we're going to do this now." Wait a minute. So, we've stopped--you can't just depend upon somebody's word.

A third manager sees the chaos resulting from the GFO's inability to have the staff work efficiently.

> And, they're [GFO management] caught in a power play with [GFO] being not overstaffed, not understaffed, but not a working staff. I've never seen a bureaucracy like that. I've never seen a structure that supports non-activity as efficiently as [GFO]. It's a Civil Service position. There's an unwritten law how many cases you're supposed to do, how many entries you should be doing. New clerks have been ostracized for [being] too good at doing data entry because they put in too many entries. That makes the rest of the group look bad. There's a lot of pressure for basic performance level and a very strong union that says that anything that you add is outside of the job description and, therefore, you've got to hire somebody else to do it.
>
> You can walk into a good number of floors at _____ , and you'll see people reading newspapers for most of the day. They've got relatively stagnant cases, long-term, and they'll call up and say, "How's [it going]?" When a piece of paper comes across their desk, they'll read it and sign it, pass it on to the clerk to file. And, they don't move their cases out. They don't get new cases in, so they've got nice stable caseloads.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Major Manifestation of the Chaos: Lack of Coordination

Managers perceive the major manifestation of this GFO chaos to be lack of coordination, both within each GFO and among GFOs. They characterize the lack of coordination as related GFO functions being either separate or antagonistic. These characterizations are discussed below.

Related Functions Separate

For all managers, the independence of different levels of government and of different offices within the same level, results in a stupefying lack of coordination.

Different governmental levels

One manager explains what lack of coordination among different levels of government means for his agency.

> Certainly, the overlap between levels of government is particularly troublesome. We have programs that have to meet the requirements of the City [GFO] and the State [GFO] and the Joint Commission on the Accreditation of Hospitals or [another City GFO] and [another State GFO] and JCAH. And all of them choose to write their requirements in slightly different ways. All of them have separate processes for monitoring and evaluating. There's a sense both of overload and also of--like, how many different masters can we have?
>
> So that, to choose the most extreme case, we have some systems where they'll change their requirements every year or two. JCAH has a new manual every two years. And State regulations are always changing and City requirements are often changing. So that we can get in a situation where it becomes a forest. We tell our caseworkers, "Here is the new case recording format. You must learn it because we have to deal with all these reporting requirements." And six months later, we tell our caseworkers, "Here are the new recording requirements." And, six months after that. Terrible waste for

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the worker.

Another manager explains how the lack of GFO coordination results in the creation of his compliance coordinator's job.

> What it was is that we were dealing with three different systems. We were dealing with New York City [GFO]. We were dealing with State [GFO]. And, we were dealing with Federal Regulations. And, at that time, New York State was in transition, implementing the Welfare Management System, computerized system, Child Care Review Service. We were getting rid of the CWIS, the Child Welfare Information Service, which was a non-profit, independent corporation doing data management and tracking.
>
> Basically, the [NPA] administration was getting overwhelmed because they were getting memorandum after memorandum, and they contradicted each other. And, there was really no one other than the Director of Social Services, who already has a very large job to do, to really juggle what all of this meant.

Asked what the most important change would be if she had some ability to change the way GFOs relate to her agency, another compliance coordinator responds,

> To unify would be the first thing. So that when you say the government--that it's clearly defined who monitors and evaluates and assesses--and that would be a way to combine all of them. To find one, good standardizing body which can look after the money for instance--so that sort of thing. That they should come to some agreement between [GFO] and [another GFO] and JCAH and the Council on Accreditation and whoever else joins the bandwagon eventually. I mean--it's ridiculous. It is. And, then, everybody wants it in different formats. So, that would be my first step--to make one person responsible for overseeing.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Different offices within one governmental level

For other managers, the most frustrating manifestation of the lack of governmental coordination is within the same governmental level. As one manager describes it,

> The Regional Office does the certification. And within each Region, the personnel can be different and the priorities in that region can be different. They may not care about your case notes if you've got 70 percent of the people on the program from the hospital, just so you visit them three times a week or two times a week.

Another manager describes what is involved in a GFO's processing an application, for a contract that has already been awarded, for an April 1 start date.

> The [GFO] still doesn't have the paper in its hand approving it. They know it's been approved--and, of course, they've changed the application just enough so if I do an old one I'll have to re-do it on the new one. And, then once I send them back the application, it takes a minimum of six weeks before they can approve the contract because it takes a week for each agency they have to send it to and get it back from. They can't send six copies out to six different agencies and get them back. Oh, no. One copy to this unit; back; the next unit; back; the next unit, back. I'll be lucky if I get my check from the State in December or January.

One manager relates the absurd situation he is in when he, not the [GFO], has to inform a principal that there is going to be a joint NPA/[GFO] program in his school with his staff.

> The big problem with all social services and all this stuff is there's no funding for planning. There's never any start-up time. You're given the money, and you've got to start tomorrow. It is really bad. We were extremely fortunate here because we'd already had a relationship with the schools for years in the past. But--even there--there was the problem of the fact that principals hadn't been notified. The first few weeks we suddenly showed up and school's starting and we said, "The [GFO] promised a room in your school for an of-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> fice." The first year they had to appoint somebody from their staff three-fifths time as a facilitator. They had never been told about any of this. And, suddenly we show up and we have to tell them, "This is what's supposed to happen." It was that kind of poor communication.

For one manager, one of the worst aspects of the disorganization is that the GFO staff who know the most about the programs are never utilized by the GFO staff responsible for planning.

> The thing I get angry about with the on-site monitors is I think the City set up that system as a concession. It was a compromise. They're paying a lot of money for that compromise, and they don't use them the way they should. Because on-site monitors are the people who know the program. They're in the program every week. They're out in the field all the time. All they do is go from agency to agency looking at files and seeing the people. They have never integrated them with the program planner operation. They've never picked their brains the way they should, I think.

Related Functions Antagonistic

When related GFO functions are merely separate, the effect is disorganization. When, in addition to being autonomous, these functions are antagonistic, the degree of disorganization is more apparent. The antagonism seems to be perceived under two contradictory sets of conditions, when there are clear lines of authority among GFOs and when there are unclear lines of authority. Both of these conditions are discussed below.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Clear lines of authority

One manager describes what happens when the GFO contracting office feels that the changes being requested by the NPA are so unusual that the GFO's own corporation counsel will have to be involved. The lines of authority are clear; the antagonism between the functions results in disorganization and chaos for the NPA.

> The relationship between the staff of [GFO] and [GFO's] Corporation Counsel is one where [GFO] staff doesn't like Corporation Counsel looking over their shoulder. And, if too many question are raised, then they're going to want to start to pore into more things than [GFO] is willing to have them do.
>
> For a long, long time we thought all of this was being taken care of and addressed with Corporation Counsel. We found out ultimately that it wasn't.

Another manager describes how clear lines of authority within a GFO can really be very fuzzy because of inherent conflicts of interest.

> The same agency [GFO] is spending and supervising inpatient and outpatient services and sometimes it's like a conflict of interest from these dual functions. The unions are very powerful in the institutions. The CR [community residence] programs, by and large, are not unionized. There's a natural tension there.

Unclear lines of authority

Some managers find that the lines of authority are totally unclear, resulting in interminable antagonism, disorganization, and chaos. One describes the confusion resulting from the beginning of the implementation of a program for home care for the elderly.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> Albany and the City were blaming each other for everything. It was like this: you'd ask one thing--they'd throw the ball over there; here; and they'd throw the ball back in.

Another manager describes the problems she has getting the GFO to issue her contract. She, with other NPAs, finally influence the GFO Director to reduce the antagonism between GFO offices.

> The [GFO] is very fragmented in everything they do. See, the others, like [two other GFOs], they get their boilerplates together, it's something that they roll over from year to year, and there are very few surprises. If changes are going to be made, it's usually introduced to the contract agencies in the Spring. With [this GFO], they had their own internal battles, and it was really not until--because I happened to have a relationship with the [GFO Director]--and a group of us contractors really pushed and it took enormous energy. And we finally got the [GFO Director] involved last November and December--to get Legal and Contract Management to work out some of these difficulties, so that we wouldn't constantly, constantly be being bounced around.
>
> Our initial contract for our second year, was sent out last August from the [GFO]. The Executive Director signed it. I came back from vacation, and I heard from a colleague that they were adding certain clauses. So I called up our liaison at that point. I said, "You sent out a contract for the Executive Director to sign, that now--three weeks after he signed it--you're telling me that Legal is adding additional clauses?" I said, "You can't negotiate that." It was the end of November before we finally had a signed contract.
>
> They were planning to add these couple more--very provocative clauses around cancellation of the contract is what they were. They were planning to send a rider out and have him re-sign it.
>
> We finally got them to back off. At that point, it got so log-jammed that we wrote to the [GFO Director], and I, we, got a meeting with him, and he pulled Legal and everybody into a room and said, "I want it settled." And, he then had set up a Contract Management Office, and I think had finally worked out the power structures within the [GFO] so that this time when this kind of an issue came up, the person in charge of the Contract

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> Development was able to get to Legal and say, "Lookit, you've got to give me some flexible wording, because even if you disagree on the substance, management-wise they [NPAs] can't do it."

Consequences of Lack of Coordination

In the descriptions of the perceived GFO chaos, manifest in a lack of coordination, the consequences for both the GFO and the NPA are explicit or implied. However, the consequences of this lack of coordination are substantial and specific for managers and so are examined distinctly in this section. Managers perceive three major consequences of the lack of coordination: a GFO inability to move efficiently, operate effectively, and make changes expeditiously.

Inability to Move Efficiently

For managers, the GFOs' inability to move efficiently is palpable. Struggling for scarce resources themselves, they bristle at the seeming inherent waste in GFO operations. This inability to move efficiently is seen in work arrangements not fitting the task, duplication of effort, and an inordinate amount of time being required for the simplest task.

Work arrangements do not fit the task

One manager describes the blatant incongruity between the work arrangements for GFO protective services workers

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

and their task.

> I think all of us feel a lot of compassion for some of those protective workers. It's planned dysfunction as far as I can see, in some ways. It's such a maze, and I don't know if you've seen any protective offices. _____? I went down for a conference there. The [GFO director] has about three hundred people accountable to him. They moved two-thirds of the [borough] Field Office out of _____ Street, where they were working in just a sea, an ocean, of paper. It's a huge open office with desks piled with files. The phones going and cardboard boxes all around.
>
> They moved two-thirds of them to a very nice building, _____. It's the _____ building. They have a floor. But they set it up with a telephone system where there are no intercoms on the phones. Every worker--I'm not kidding--every worker has his or her own number. And, if they're not sitting in their cubby and the phone rings, nobody else can answer. Unless somebody gets so tired of hearing it ringing, they come around the corner and pick it up. No secretaries can pick up. That's what I mean by planned dysfunction. So, we sit here wondering why we can't get the worker on the phone. The worker is out in the field. No one else can pick up. So, that raises the level of frustration on both sides.
>
> And, there are units that are more or less competent. And, there are supervisors who are more or less competent. Their turnover, as we all know, is astronomical.

Duplication of effort

For other managers, the GFO inability to move efficiently is most apparent in the duplication of effort within the GFO, with its inevitable impact on the NPA. One manager describes the nuisance of multiple reporting formats from different offices within even the same GFO.

> We contract with different City agencies and although they're within [the same GFO], they have different requirements for getting papers ready for the [City government] so we have two different forms, two different form check questionnaires and two different ways

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> of submitting our Board of Directors information, two different ways of submitting agency-wide information. It doesn't take that much time out of my life, but it's a nuisance. They should get a little better organized. Ask us once for information about the agency, and then use it for all of the [City government] submissions.

Other managers deplore the duplication of monitoring effort. One executive director describes this duplication and its impact.

> There are like four [GFO] divisions that are responsible for monitoring. We have the Office of ____, the Office of _____, the Office--something about evaluation, I don't know. There's like four different [GFO] offices that are responsible for monitoring us so that was a problem. Different people come to your office and demand to ask you to sit down and spend hours and answer the same questions, give you different information, tell you--you have to do this, you have to do that, you can't do this. You get conflicting answers about things.

Inordinate amount of time for simplest tasks

For NPA managers, perhaps the most frustrating aspect of the GFOs' inability to operate efficiently is the inordinate amount of time required for the GFO to complete the simplest tasks. One manager describes the inanity of one GFO's procedures for making contract changes.

> I'll just use the [GFO] again, because it's one of the most difficult contracts to manage because they're so inept themselves. In order to make a program modification, you need two months' lead time. You can't do it in the first month of the contract, and you can't do it in the last month of the contract.

Another manager similarly decries the time the GFO requires to process a check.

> And, then he [the GFO monitor] will submit to his office a requisition form stating that X percent of X trade has been completed and approving a certain amount of money

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> to be paid for the completion of that work. And, then it goes through eight thousand different steps before they process the check.

For one manager, getting the GFO merely to send a case record demands extraordinary persistence.

> We have a lot of problems around cases being transferred. For instance, if a case is referred to us from a Field Office, a protective service worker's made the disposition that it's an Indicated Case and he's referred it to us for service. Once we've opened it up and picked it up, they are supposed to transfer it to our monitoring team. They don't keep it in protective services, because they're not doing anything. But we have a terrible time getting them to transfer cases to our monitoring team. We do a lot of back and forth, and they're supposed to send us the UCR, and they set the CID [Case Initiation Date] and we rarely get UCRs. You have to badger and badger and badger for them.

Another manager describes the "nightmare" he experiences when the GFO takes from July to December to issue the contract for a program that is to start in September.

> This has been a gross nightmare. This whole idea came up in June, 1985, to do this project. We were given ten days, this [GFO] truancy prevention thing. We were given ten days to come up with a written proposal and there was a whole, of course, timetable to this whole thing. The project was to start September 2. We were told, notified like the end of this meeting at the [GFO], like June 28, and it was over 4th of July weekend, like two days after that, we had to have our proposal in.
>
> They were supposed to review the proposals. It was a complicated thing because they had to go to the local school districts. The local school district had to vote and make a recommendation on who they were proposing and then that had to go to the [GFO] and there had to be a resolution passed there. We were supposed to start September 2. They didn't even have the resolution from the local Board by September 2, and then, though everybody knew who, I mean the local Board was willing to tell them, "Hey, these are the people we want." But they didn't have legal resolution, and they had to wait

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> for that before the [GFO] could pass a legal resolution. Contract Division wasn't prepared to do anything before that happened. We didn't get a contract signed until Christmas.
>
> See, we had a program in place already. Another program that was funded by [another GFO], and [that GFO contract] was running out August 29, so we had said, "Beautiful, the program [can continue under this other GFO contract]." So I had four staff members that were still working for me that I had to pay all that time. Actually I paid them at their old [GFO] rate throughout all that time until we got the contract signed and then there was money forwarded to me, and then I retroactively paid them for that whole period of time at their old rate. So, it was a nightmare.

Inability to Operate Effectively -

From the perspective of managers, another significant consequence of the lack of GFO organization is the inability to operate effectively. They recount numerous examples of the GFO's problems in making its own desired result happen. These examples are classified in the following three ways in this section: as the GFO's over-monitoring and under-assisting the NPA, promoting program instability and discontinuity, and making elusive either evaluation or advocacy.

Over-monitoring and under-assisting the NPA

Many managers describe how over-monitoring by a GFO results in its under-assisting the NPA. One manager explains that while four different offices are checking for the same information, the staff that could provide technical

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

assistance to NPAs is obligated to continue to monitor the same information.

> If you talk to the workers, they very much would like to be freer to do more technical assistance. And, they agree there's duplication. But I think when it gets to the next echelon of administration, nobody wants to give up their piece. We suggest they don't trust each other too much down there either.
>
> For instance, if our case manager signed off on a UCR, that implies that the planning on the case is going along, the goals are appropriate--there is indeed a goal--the clients are involved in the development of the service plan, all those things. Then, they [another GFO office] pull the records and they look for the same kinds of things, and they shouldn't have to. They, for instance, look to see if all the UCRs are signed off. Well, the Office of _____ already knows that, whether they're later signed off or not signed off. I don't think it impacts on us as much as it impacts on them because the fiscal auditor, for instance, he comes and one of the things that he checks is whether there's a signed application in every record.

Another manager laments the absurdity of recent GFO measures to prevent child abuse.

> Rather than having everybody fingerprinted and do all this, which I think is ludicrous, cause the chances of your finding somebody on file who's involved in this is so minimal--if they took all the money and they increased salaries spent on it and provided college--say training at a college--and mandated that everybody send their staff or provided five to six credits or twelve credits or free training. Up in wherever that day care center is, who was in charge? Who didn't know this was happening? And why weren't they in a position to do something about it? Come on, all this wasn't going on and nobody knew. The problem was you didn't have the quality staff, the trained professionalism among the staff to respond. And that's what you need; not their fingerprints.

Promoting program instability and discontinuity

For several managers, the most painfully obvious

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

manifestation of the GFOs' inability to operate effectively is the seeming promotion of program instability and discontinuity. One manager recognizes the possibility of stagnation with multiple-year funding, but bemoans the program instability and discontinuity that annual, uncertain funding cycles assure.

> You need to have consistency. How can you hire staff and develop an organization and a project that's really going to have an impact if you only know from one year to the next whether or not you're going to have the money? That's not realistic. It's not helpful. It's destructive to the work that you're trying to do.

Another manager gives a graphic description of what happens in her NPA before funding for preventive service programs becomes more predictable.

> The Legislature back in 1973 funded seven demonstration programs. Actually there were nine. There were seven voluntary agencies and two public ones. That was just against the whole background of growing criticism of the foster care system. And, money was appropriated to see if you gave intensive services to families at the point when kids were just coming into the system, could you keep the kids out of the system and help families to stay together and solve the problems. Well, anybody who's worth their salt would tell you you didn't have to demonstrate it, of course. However, they did a demonstration. It was funded for two years.
>
> When they finished the program in '75, no more money was put in the pot. So, we closed cases, the former director went off, workers got new jobs in that year's fiscal year, June 30. By August, they woke up in Albany, put the money back in the pot, everybody came back, we reopened some cases, and went on a roll. But, again, it was only for a year. So, for the first couple of years, in June, nobody ever knew whether they were going to have a job in July. When I came several years later, it was still a cliff-hanger, but not quite so much so. Because, the handwriting was kind of on the wall that Preventive Services were a good thing. And, I really never went through the anxiety about funding that the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

previous director did.

One manager describes another dimension of GFOs' promoting program instability and discontinuity when he explains the effect of strict, unrealistic salary requirements.

> At any given time [we have] about one thousand home attendants providing services to six hundred homebound. Home attendant salaries now are pegged at $4.15 an hour. So, the difficult thing there is hiring and retaining staff at that outrageously low salary. And, [GFO] has not moved on that salary issue. Four years ago, or five years ago, the home attendants were organized by 1199, and the Union has not been able yet to make any inroads into the salary adjustment. So, it's a real problem, and they're saying that based on their reimbursement from Medicaid, they can't pay anymore. So, we're trying to provide a quality service with low wage workers, which means then that you get unskilled workers or unreliable workers or you get good workers, you're not going to keep them. And, that's generally been our experience.

Making elusive either evaluation or advocacy

Finally, managers find GFOs' inability to operate effectively obvious, as lack of organization makes evaluation or advocacy elusive. One manager describes the predicaments created by the GFO when it attempts to evaluate a drop-out prevention program.

> We actually got a list last year in June of the hundred kids that we're supposed to have served this coming year. One of our problems was--if we get the names in June, what about over the summer? Can we work with those kids that we worked all winter with and get credit during the summer? Technically, we didn't think so. I don't know if that's been ironed out. We didn't get credit. Most of the kids that we worked with in the summer are actually the kids we'd already developed a relationship with during the winter. But technically, those kids had graduated. Most of them were going on to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

high school.

So that we were supposed to deal with the new hundred kids. So we did attempt to make a home visit to all hundred new kids at each school. But then by September, we realized that there were problems with some of the kids that are on that hundred list. Either they had a fake address, there was no such address; the kid had left, gone to the Dominican Republic; the kid had transferred to another school--whatever. So then there was less than a hundred kids on the list. So then you have to add on. In November, we got like about thirty-five new kids per school and then there were still further adjustments that were made. And the school said they couldn't come up with a hundred names that fit the criteria so they had to change the criteria somewhat.

So then, if you do an evaluation of your success, what does it mean? Some kids, their names you got in June. Some kids you got in November. The two evaluatory standards--big things--are attendance rate and number of courses passed. Well, some kids you're not getting until Christmas. So how do you really judge how effective you are?

Another manager explains that the GFO's inability to evaluate causes the State Division of Budget to put a hold on all the psychiatric community residence contracts.

The Division of Budget had been in ongoing negotiations with [GFO] about accountability for these programs and where this money was going. And, [GFO] couldn't produce anything. The agency's really a mess. So, of course, we're the ones affected by it.

Another significant manifestation of the GFOs' inability to operate effectively is the inability to advocate for services and clients. A manager relates the GFO's explanation for having to request information about referrals, which its own GFO staff had made to NPAs, from those NPAs.

They [GFO] said, "But, we can't get that from the [GFO] Field Offices. They're too chaotic. We can't count on them. And, we really need to have some kind of informa-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> tion so that when we advocate for more money for preventive services we can show that X number of cases we could not accept."
>
> I appreciate they really don't, can't, get that from their Field Offices, and if they are going to advocate for more money for preventive services to expand the program they do need some kind of data.

Another manager decries the GFO's inability to be an advocate for clients in ways it, and no NPA, can.

> I wish that they could get themselves more organized, so that they would be able to pick up some of the things that only they can do. For example, within [GFO], [this GFO department] should be able to connect with [another GFO], when so many of the problems that our families have are problems of housing. The Health Department and [these other two GFOs] should be working together. They've got so many problems. They're so busy problem-solving the latest crisis, that they don't have time to say, "We'll sit back, we'll stand back," and say, "Where do some of these things [relate]?"
>
> And, there's a huge crisis with middle management. The reorganization of [GFO]--what happened? They lost all the good people who were in there. What happened to _____, a wonderful person, with wonderful ideas? He quit in frustration after--what--less than two years. He couldn't do with them what he knew needed to be done. And, that makes me sick. It sets everything back. They waste a lot of money. Public money's going down the drain, and they're telling us we can have a 1 percent salary increase.
>
> And, I take that reorganization of [GFO] as an example simply because when I came here first, that was just about off the drawing board. So, they announce at all these meetings downtown about the reorganization of [GFO]. Eventually, I began to go to meetings and I knew more about the reorganization of [GFO] than they did. They set nice things in motion, and all kinds of people were out. Families suffer. The agencies suffer. We get frustrated, but after all we're drawing our pay and we go home. We have a home to go to.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Inability to Make Changes Expeditiously

The last manifestation, which managers articulate, of the GFOs' inability to be effective is the inability to make changes expeditiously. They attribute this inability to unavoidable constraints on GFOs and the crisis-driven mode in which they inevitably seem to operate.

One manager expresses her frustration with the constraint unions are in efforts to make constructive procedural changes.

> Their union stuff is so hamstrung in terms of trying new things. Everything has to go before the union. We've just been discussing, in this homemaking committee that I'm on, new ways of trying to re-authorize and certify cases for homemaking services. They've worked out a whole procedure, and we've met with them a couple of times to discuss it and streamline it and what we feel is good for our workers and their workers. And then the last line on it was when can you implement this? Well, they didn't think they could implement it probably until sometime next fall because it first had to be reviewed by the union because it involved something one of their workers would actually have to do. I can't imagine working that way. I just can't imagine it.

Another manager describes a horrendous problem her agency has with the GFO's contracted auditor, who has been abusive, unprofessional, and incompetent. After multiple protests, culminating in a large GFO/NPA meeting in which the auditor effectively incriminates himself, this manager expresses her incredulity and enlightenment when she realizes that the GFO has its hands tied and cannot make a change.

> What was interesting to me, though--was a great revelation--that at the end of this meeting, with a very highly placed pejorative, we said, "Now, who is going to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> do our audit?" And, they said, "Well, we have this contract with him. Would it be acceptable to you that one of his associates do it?" They couldn't seem to get out of the contract with him.

Other managers attribute the GFOs' inability to make change to their crisis orientation. As one explains,

> And, the people that you have in power at [GFO] on many levels are not sophisticated clinicians. It's all emergency. "We have an emergency. We've got to put a Band-Aid on it." It's like Lindblom incrementalism. That's how they do things.

Another manager gives an example of this Band-Aid approach when she describes a call she receives from the GFO asking that she respond to a Request for Proposals for a program for boarder babies and drug abusive mothers.

> I got a call this morning that said, "The RFP was ready, it had been mailed, did I see it?" No, I haven't. "Would I like to come down and pick it up because the return date is Tuesday?" Now, that kind of stuff fries me because we can respond, but there's no opportunity to really think it through.

Amid Chaos: Islands of Good People

Amid the GFO chaos, managers believe there are, what one calls, "islands of good people." After decrying incompetent and dysfunctional GFO staff, this manager explains her respect for one GFO office.

> You get islands of them. I have high regard for the Office of _____. I think they're sharp. They're committed and work long hours. They work long hours. Anytime you want to get one of them; call them at six o'clock. They're at their desk then.
>
> Maybe it's because what they're supposed to do is very clear and they picked some of their best people and they put a nice, hand-picked crew up there.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> And I think in many ways they've really become real advocates for us. They know which programs are stronger and which are weaker. And, I think there's been a very good working relationship so that even though we've gotten into conversations with them and discussions about certain things, and they can't always go along with what we want--because on the other side they have their own administration and the Mayor--I think they're very ready to listen and to work something out. But that's been very nice, that's been over the last couple of years.
>
> Obviously, you get annoyed sometimes when they lay things on you that you feel are ridiculous. But on the other hand, I think what's been developed has been enough of a dialogue that if they're asking for something that seems ridiculous, they do have a reason.

Another manager expresses identical sentiments about this office. And, she explains, "I know there're some wonderful bureaucrats in the system who want to help you, and eventually you find them."

Several managers denounce what the GFOs seem to do with these islands of good people. As one says,

> I am tired of watching how [GFO] scapegoats middle management, and people either move on or move out because they're the excuse that's given for problems. We've been averaging almost one commissioner a year. Going down one or two levels below that, I have watched [unit] go through four managers in three years, which would have been the unit I would have worked with. I respected all of them, and they were all good people. But, politically they stepped on too many toes to get their jobs done, and they had a choice of either not getting their job done, really being in trouble for that, or stepping on some toes to get the job done. They all took the route of stepping on toes to get the job done. And then found out that that's not appreciated.

Other managers note the extraordinarily positive impact the senior GFO administrator can have. One describes the changes that occur with a new GFO Director.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> It's gotten much, much better at the [GFO]. _____ was a fabulous person. They have renewal now, automatic renewal where you don't have to rewrite the things that are going to be the same from year to year.

Another manager also attributes the changes in this GFO to the appointment to the top leadership of someone from the community with a desire to work out problems with the NPAs. He is very specific about what this change in leadership means for him.

> If there's ever a question that we have in relationship to the [GFO]--or like a clarity of whatever it may be--we would get on the telephone and make a phone call and if it's "I'll call you back," you get that phone call back. That didn't use to happen. You may be looking for clarity or something, and they are responding to you. And not only that, they will call and say, "Hey listen, I'll be in the area. Is it all right to stop by, take a look?" [They] call two or three times a year. I feel very good about that. It's not like just dropping in. They inform us. They let us know. They set up appointments. They'll come by and give a total picture.
>
> Or, let's say within your [GFO] contract, in your plan--because you have to indicate your plan--let's say something happens in terms of you want to modify that plan, you want to change that plan. There's a flexibility, at least it appears now--it may have been there all the time. There's a sense that I can call him, or any director can call, and say, "Listen, this is not working out the way we had identified; we would like to make some changes." He said, "Fine, let's make some changes." So I'm saying there's a different kind of sensitivity that at one point, I can say three years ago, just didn't exist, at least not for me.

GFOs' Perceptions of NPAs

Managers have a third cognitive map with which they navigate contracted services. The first two maps reflect managers' own perceptions, of the GFO/NPA relationships and

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

of the GFO as a chaotic organization. This is a subtler map, comprising managers' perceptions of the GFO perception of NPAs. This map is the basis for assumptions managers make that affect strategies they use with GFOs.

There are three primary perceptions managers have. First, they view the GFO perception of NPAs as being on a continuum from contempt to respect. Second, they view the GFO perception of NPAs as deficient in some essential respect. Third, they view the GFO perception as coinciding with the political climate. These three perceptions are discussed next.

A Continuum from Contempt to Respect

Many managers view GFOs as perceiving NPAs as somewhere on a continuum from contempt to respect. Some feel that where NPAs are on the continuum is a reflection of the level of government involved or the size of the contract. All feel that the NPA can exert some degree of control over where on the continuum it falls.

From Contempt

When GFOs are viewed as perceiving NPAs with contempt, managers talk of the GFOs' belief that NPAs do not know how to manage properly so must be forced to do so. Some managers attribute the GFO attitude of distrust to a disdain for social workers and their presumed lack of business sophis-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

tication. This perception is discussed in Chapter XI,"Policy Issues: NPA Role in GFO Service Delivery."

One manager, who talks about GFOs' "locking in" NPAs, describes the manifestation of this contempt in unrealistic GFO requirements which distort program development. She describes the impact of testing requirements in her NPA's contract to provide a literacy program.

> There is an extent to which public agencies are structuring programs by their contractual requirements. For example, in Literacy, it is written into the contract, we must test everyone within X amount of time that they come in. Over half of the people we work with in Literacy read below the third grade level. Testing them initially is really counterproductive. It's much more important to engage them. And, they [GFO] have very careful monitoring. So, they know the dates that we test ever student who comes in. And, they ask for that. So, that is a contractual requirement which I think, in a push toward accountability--it's just in the lack of faith in the private sector to really deliver quality services that there have been real mistakes made.

To Respect

One manager perceives that Federal and State GFOs have a quite different perception of NPAs than the City. He makes the distinction between City GFOs' contemptuous attitude of "looking over our backs" and the respectful Federal and State attitudes of "tap us on the shoulder." He explains that the latter agencies seem to "feel secure enough to say,"

> "That's a professional agency. I'm sure they're doing what they need to be doing. Yeah, so we don't need to be looking over their backs. We'll tap them on the shoulder, let them know we're back here."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

This manager describes what this difference in attitude looks like in practice with the same GFO program, one funded through the City and another directly through the Federal government.

> We have two different funding sources in relationship to Head Start. In the community center, we are funded through [City GFO]. In the hotel, we have a special grant that was given to us directly from Washington. It's a Head Start pilot program, and we're doing several things in that program. We're doing an infant stimulation program and Head Start combined. And we have ninety-eight kids involved in that program. So the funding came directly from Washington through the Regional Office, bypassing the City [GFO]. The relationship there is we submit our reports. They come up occasionally to meet with us. We send our expenses; we get a check back. No questions. They're not on our back. They're not picking up the phone on a daily basis trying to find out how many kids you have enrolled, what's the attendance today. [City GFO] will do that at times, will pick up the phone and say, "How many kids you have enrolled today?" or "What's the menu for today?"

NPAs' Affecting the GFOs' Perception

Many managers feel that a NPA can affect where it falls on a GFO's contempt-respect continuum. Key to this influence is delivering on the program and demonstrating commitment to the accomplishment of its objectives. Strategies managers use to gain respect and its corollary, leverage, are discussed in Chapter VIII, "Administrative Issues: Change." In this section, managers' descriptions of this process are discussed.

One manager relates the history of the relationship between the State GFO and the NPA Coalition providing resi-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

dential services for psychiatric patients.

> I think they like us. It's been a priority of the Governor to develop this housing program, and we've been able to do it. And we've been able to work with them. I think they see us as reasonable. I think we were perceived in '82 and '83 as sort of bumpkins and community people. And, "We know what's best." They had the--no offense--but I mean they had the Ph.D.'s and doing this analysis, and they could produce these justifications for all kinds of bizarre behavior. And, we would go to Albany and troop up, somewhat ragtag people. Some of my colleagues from _____ look, might look a little odd, but they certainly know what they're doing. And, I think we've gained recognition and respect for what we do. And that's just sort of an education process taking place for years now.

Another manager explains how, with a great deal of persistence for a very long time, NPAs were able to effect a change in the GFO's perception.

> I think we were successful because over time the contracts that were making the most noise--we gained some credibility in the schools. The schools and the district said, "Gee, they're doing a good job. Gee, they're getting kids to come." They could see that we were doing stuff, so they were willing to listen to what we were trying to say substantively about how we would deliver these services.

A Deficient Perception of NPAs

Many managers believe that the GFOs' perception of NPAs is deficient. They feel that GFOs lack some essential understanding of what is involved in managing a NPA program and that they have no understanding of the significance of cash flow to the NPAs. These inferred GFO perspectives are discussed next.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Deficient Understanding of NPA Management

One manager says, "the major problem with the City funders is that they have no idea what it's like to provide the service." This theme emerges repeatedly. Another manager tells the story of a friend of hers, a GFO official in another State, who hears herself asking NPA officials after an incident, "How did you not see this coming?" Later that night, she asks herself, "What has happened to me? I don't believe I'm saying these things. I'm turning into a bureaucrat." As her friend, the interviewed manager, whose previous experience had been in GFOs, explains it,

> It's easy to say, "You have to do this and this." But you get here, and you realize it's not that easy. It's always easier to tell people what to do than to do it.

Expressing similar sentiments, another manager explains why he feels the State designs a home care program based on a certain dollar amount, rather on the program design and its cost.

> The person in the Department that's doing that is an administrator. He's a bureaucrat. He's--I don't want to put that down--but he's never run a service. Doesn't know what it's like to run a service. He doesn't understand what the service is. He understands the bottom line, and that's what we're operating on.

A manager characterizes the GFO membership of the Governor's Committee, which generated the legislative proposal for the same home care program, as,

> a lot of people, that as far as I can tell, have no concept of grassroots services--as so many people have no concept of how what they do over here is going to affect work down there.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Deficient Understanding of Significance of Cash Flow to NPAs

The significance of timely GFO cash flow is greater the smaller the NPA. As the executive director of a larger agency explains,

> The main problem then with the government contract, as far as cash, is keeping the cash flow going--the lack of understanding on their part that that's what keeps these services alive and that without the money, you can't do it. And that these agencies are dependent on their funds. The only reason that we don't have serious cash flow problems is because we have so many different funding sources, and we are a large agency.

The executive director of one of the smaller agencies describes how he feels--and what he has to do--when, on December 10, he finds out that on January 1 his NPA is only getting half as much as he expects for that year.

> What I did was I used my political connections to at least get them to give me how much they were going to give me for the whole year in the first six months of the year. They were supposed to give me forty-two thousand dollars; they only gave me twenty thousand dollars. I made them give me twenty thousand dollars from January to June, which gave me more lead time to come up with more private money to substitute, to cover the cost of the budget for the last six months. And then that's when we got into the special legislative grant thing and got them to give us money cause [GFO] didn't have enough in their regular budget to fund the program. Those are the things that you love when you get these letters in the mail and it's like, "Surprise!" It was like a little form letter--like it doesn't mean anything to them.

The same executive director perceives similar insensitivity by an ombudsman, a political appointee, in the Mayor's office. After he and another director have numerous discussions with the ombudsman to solicit her intervention to speed up the cash flow from a GFO contract, she accuses

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the other director of always being negative. He relates what his colleague wants to say.

> And he wanted to say to her, "_____, it's like if you had to live a month without your maid, your housekeeper, or something. _____, imagine what the hell it would be like and how negative you'd be."

GFOs' Perceptions of NPAs Coincide with Political Climate

To managers, another dimension of the GFOs' perceptions of NPAs emanates from the political climate. Many of them believe this climate is often the most important variable to comprehend in understanding a GFO's attitudes and actions. One manager, decrying the effect of performance-based contracting on service delivery, explains how he believes this payment system evolved.

> What's happening is that there's the message coming down from the Federal government that social services are not a priority, that social services have to be cost-contained, and that you have to look at what service you get for what dollar.
>
> It's essentially [all GFOs] taking the lead from the Federal government, without trying to fight against it. And, saying, "Well, that's the direction things are moving in, so let's move in that direction." So, it doesn't become Federal government policy; it becomes State and City policy, and it gets then imposed on the social services.

Another manager says she received a call the previous day from her monitor at the GFO. The monitor tells her that the NPA's case management contract for the following year has to double the number of clients, with the same funding, by cutting client visits per month from two to one. She

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

describes her reaction and the monitor's response.

> [I said,] "What do you mean?!" And she said, "People really don't care about quality anymore." I said, "I know." And, that's exactly the direction we're moving in, and that's what scares me about it.

In addition to the general political climate, managers perceive many local political conditions affecting a GFO's perceptions of NPAs. One explains why her NPA does not receive funding for several contracts.

> I think it's been a very political thing. We've responded to a couple of RFPs, and I think there are a couple of things happening. One reason we didn't get money--they said outright--was because they had just given a lot to another program [in this NPA], and politically they could not give that much money to one agency, which I understood.
>
> Another time, we went out after money for the [neighborhood]. And again because I have friends in the [GFO] Office of _____, they're pretty candid. They said it was just really a political football.
>
> Here we were established, doing good work, and they gave money to a group of people who already had a bad track record and had worked for an agency that had gotten closed down. And they were given the money--and hadn't even really thought through how they were going to spend it because they asked us to be their consultants, helping them to start. I was so mad. What's going on? "It's just political. It's a black community, black community board, and they really wanted us to fund this black organization." Well, I can accept that--that's real life in New York City.

Some managers feel their NPAs are in positions of real power with the GFOs because the GFOs' need for them is critical. As one compliance coordinator, who talks of GFO's "being at my mercy" and "begging" her for bed space for foster children, explains,

> I guess some agencies worry very much about [GFO] Program Assessment because they have something to worry

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

about. And, we basically feel like we're a good agency, and we try our best to meet what the expectation is, but that we're not going to ruin our program for them. We have a little more strength. We have a little more strength probably than some agencies.

And, then, the threat years ago was that they were going to close your intake if [you were not] meeting their standards. Can you see that happening now? With hundreds of kids sleeping in waiting rooms? So, what's happening in the larger system, I think, plays itself out a little bit, too.

Not that I'm aware of that when they're sitting there next door, saying, "Oh, I have nothing to worry about. What're they going to do to me? How are they going to hurt me?" I'm not really thinking about that at that moment. I try and be nice, and I try and get the job done, but each time an assessment occurs of some sort, I think I am aware somewhere back there of what the impact is. And, I don't treat them all equally.

Individual Cognitive Maps

The final type of cognitive map which managers use in coping with the problems of contracted services is individual. The data here is sketchy because this concept of individual cognitive maps did not guide the research. However, the significance of the existing data seems compelling for understanding why and how managers play the game of contracted services.

Despite the universal nature of the problems of contracted services, each manager is different, with his or her distinct background, education, and experience. These differences are important because,

> Problems have no existence except through the managers who act on them. Earlier, we quoted an executive who pointed out that it's not enough to know another person's job--you have to know the job through the person

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> in it. It's the same principle here: The manager acting on a problem is making that problem something unique. By the same token, each problem faced, each action taken, shapes what that manager will be. (McCall and Kaplan 1985, 83-84)

Managers' individual cognitive maps are an indicator of what makes a problem "something unique" for them. These maps can be understood as experiences from which managers have learned an approach to their jobs. From their empirical research into managerial decision making, McCall and Kaplan conclude,

> What seems to differentiate those managers who win more than they lose is, in the most global sense, their ability to learn from experience. More than just the accumulation of knowledge and contacts that accrue to all of us with age, effective managers seem to view action as learning. Whereas some people learn best through reflection and study, these managers create experience by doing things, quite often things they don't know how to do. (McCall and Kaplan 1985, 83)

Addressed in this section are what managers have learned, what cognitive maps they have developed, and how they have used these maps. The significant areas of their learning are the field of service, the current NPA, previous jobs, education, and family background.

Learned from the Field of Service

An executive director describes how her learning, beginning in the 1950's, about the needs of the elderly, evolves into her creating a NPA to serve them.

> Then I became a [political party] District Committeeman and ran kind of an old-fashioned club here, open at night, and so many of the people that came in were elderly. And, that's when I learned how to negotiate

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

part of the bureaucracy.

In the meantime, I had to place an aunt, and I went to every nursing home and home for the aged in Manhattan and the Bronx. I took a friend with me who was an expert. We wrote a scathing report. There wasn't one thing good about any one of those homes. Nothing.

From then I went to the City, as a caseworker in nursing home programs--just at the time when the Governor threw out the elderly from the State hospitals--and it was my job to place them. Two placements and they were dead. And, that's when I got angry. That's when I wrote a paper for the Mayor. I really tore into the problem, and I was so angry. A friend of mine saw that I was getting so upset and so mad about the conditions. She said, "Let's give you a forum." And, we got an auditorium two Saturday afternoons and I keynoted it.

So, this young [politician], that had just been elected and for whom I hadn't voted, read the speech which was typed for me by a friend in his office, because it was too long to give off the top of my head. He read it and he asked me to come because he knew there were so many elderly in his area. And, I said, "No, I'm out of politics. No more freebies." So we agreed I would come as a paid consultant. And I walled myself off in a corner of his office, called the Commissioner for the Aging and I said, "How the hell do I get publicity that I'm here?" She said, "I'll give you the half-fare cards. That'll give you all the publicity you need."

It took two weeks, and the word went around the whole neighborhood. "Hey, the lady in the corner, the lady in the corner." And, I was shot with luck. My first Social Security case, I stumbled on a wonderful person in the local Social Security Office, and he solved my first two cases like that. Welfare, the same thing happened. Luck. And, then I got food stamps, and I trained the visiting nurses, and there were three of them in this area when I came, all three visiting nurses. I was the one who fought them to set up two agencies in this area for the elderly only, because the elderly would not go near the Welfare office. You couldn't get the elderly to go to Welfare. You really couldn't.

And, then we came up here in September of '__ and locked the doors to keep the crowd out. At nine o'clock in the morning there was a line outside waiting for us. And, I started with a part-time assistant, who was a nun, a retired nun with a legal bent; a part-time secretary who

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

had been an executive of an agency herself--she was eighty; and a part-time receptionist, who was a real, honest-to-God, live Hungarian baron who spoke six languages, which came in very handy. And, we just grew. And we grew and we grew. And, we managed to get a good reputation.

Learned from the Current NPA

Several managers, who started as caseworkers and are in senior management positions in the same NPAs, relate the paths they actually created to their current jobs. An Associate Executive Director says she has been at her NPA "from when you didn't even have to write progress notes back in the '70s to now, when we have been computerized, and I could tell who's done them and who hasn't." She describes her career progression in this NPA where she started working immediately after receiving her M.S.W.

I started out here as a caseworker in the 1970's. Then, I moved to a student supervisor, and then I became the Admissions Director. Then, the following year, they combined the admissions and agency records department, and I combined in directing both of those jobs. And, then, shortly thereafter, issues of compliance began to grow cause Program Assessment just was beginning its second year, and I think they found they needed somebody to coordinate all those efforts. So, I became the compliance person, on top of those other things.

And, then, shortly thereafter, utilization review regulations came about and I was sent to go get the training. And, then, all of a sudden, I was training everyone here and became responsible for the [GFO's] newer regulations, those that related to treatment, as opposed to physical plant, which have been around for a long time. Then, we became interested in Joint Commission, JCAH. So, I became very involved in that process of getting us ready for the accreditation and, lo and behold, I got [that responsibility, too]. So, I then became part of the Executive Team here. Went from the Administrative Team to the Executive Team, which is a

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> smaller governing group. Then, I took on all the responsibilities of quality assurance as it related to JCAH and utilization review program here. And, somewhere in that process, I also began coordinating the graduate social work student program.

Another manager, a program director who has been at the same NPA for fourteen years, starts as a community psychiatry social worker and eventually writes the GFO proposals for programs she now directs. She describes how that original community psychiatry experience helps her develop a "somersault approach" which she still uses.

> You have to remember my background in social work started in the SRO's [single room occupancy hotels] here in Community Psychiatry. I remember people saying, "Well, what are you doing in SRO's?" I say it's a somersault approach to service cause we were down on _____ Street in these hotels that were run by ex-concentration camp victims--usually were the managers--who have certain experience and a certain way of managing a hotel. And you were dealing with elderly, discharged State hospital patients, drug addicts and alcoholics and basically very dysfunctional people whose life was in this environment.
>
> And we were supposed to set up a community psychiatry program there. And, it was frightening, scary work. Different times, we'd have to hospitalize people and there were police--people who decompensated and need the police--and learned to work with the police who don't have an aura of being very helpful, but they were the most helpful people in the world for us. They really worked with us like a team. The managers you have to learn to live with. We had to work under conditions that were yuccky rooms and offices, and I remember, like winter months sometimes, the heat would go off, and I remember making phone calls with mittens on.
>
> So, you come from that kind of situation where then you can give parties for a hundred people where all these limited people are cooking and reading poems and having soap opera groups. There's a sense of--in the worst situation, you can come up with very interesting solutions that aren't always written in the books. And, yet, real good clinical work is done. So that kind of background helps. It really does help.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> So that was my first experience. And then into the system. And then I say, "So, I was lucky. So I had an opportunity." I didn't get bored. I moved from place to place, and I think that I was lucky. And people say, "You weren't lucky. You created that." I have to remember that. That did happen, and I did create it. And, when I wrote these proposals, when we wrote the proposals, I was very clear that there wasn't exactly a job for me as the initial proposals were created and yet once we got both proposals, more money, it was very clear that there could be a job. So then we re-wrote things so that [could happen]. You manage your career, too, in a way. At least here I was able to do that.

Learned from Previous Jobs

Some managers find what they learn from previous jobs significant in handling their current responsibilities. One program director, whose entire administrative experience has been with contract management, says the bottom line for her became "to follow the law and you don't get paid if you don't do it that way." She describes how she learned to follow the law or appear to follow the law.

> I started as an administrator doing a [GFO]-funded home care program in [borough]. It was a new program, line item budget--but you had to do so much in terms of statistics. So, again, I learned to monitor in terms of saying this is what we were doing and how it fit within the contract. And, then, out of mental health--it's very clearly if you don't provide units of service, you don't get paid. The last time I was at another NPA, I set up a day program for the mentally-impaired older person, which was specialized--and these were very difficult people to engage, very difficult to come in, but if they didn't come in, there wasn't enough money for the program to function. So, you talk about watching and figuring out some way to get people in and involving the whole staff in that, because the program would have gone down the tubes.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

An executive director feels that in his previous jobs he learned what he did not want to do.

> I had worked for another organization that got a significant amount of government funding, and I saw two things happen which I would never want to do myself nor happen to an organization like this. One was that you became totally guided in how your services were provided by the funding source, not by the needs of the people that you were serving, not with the mission of the organization, but totally for the guidelines of the funding source. And, it also did not give you the ability, when certain issues came up, to advocate against a particular policy or for a particular policy.
>
> I remember the position of the organization that I worked for being one of not even wanting or allowing any political action of any kind to take place because it would jeopardize the funding that the organization as a whole was receiving from government sources--kind of like biting the hand that feeds you, kind of thing. And, so it sort of clouded your vision as to what the real issues entail--and that providing services is terrific, but if that's all you're going to do, then these people are going to be steeped in these problems from now until doomsday. Unless you have different policies.
>
> The other things that I found is that you start going out for government money for whatever the money is available for, just to have the money. And, so programs get developed--again, not out of need. Not saying that once they're developed they don't serve a worthwhile purpose, but their origins are not necessarily from the work that an organization's already doing or an issue in which the agency is involved. And, you end up going around at the ninth hour to get in a proposal at your supervisor's request for something totally unrelated to what you've been doing. And, it makes you wonder about the effort and the energy that gets expended on things like that. And, having that come without any evaluation of what else is happening at that point--what kind of attention those programs and services need--and is this really the right time to be going at more funding in a totally different area.

When asked whether he views his NPA, which has a high percentage of government funds, as quasi-governmental, a compliance coordinator, whose entire previous experience has

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

been in GFOs, explains his perspective is different from his current colleagues'.

> People have very strong feelings about that. I don't believe that to the same extent that many people who've been in this business for a long time do, and I think that makes sense. Because they see the change over time. They've been in this business for twenty years. They remember a time twenty years ago when we had very little to do with government so now it seems like we've become an appendage of government.
>
> That's the way they view it. The way I view it is I've been in government, and I see all the differences. I see not having a civil service to contend with. I see having considerably more insulation from political decisions. I see a whole set of differences which may be not as great as what people who have more experience on the voluntary side see, but it's just that I have a different lens to look at it through.

Learned from Education

For one manager, some of his prior educational experience is pivotal. From his knowledge of engineering and computer systems, he develops forms to keep track of his own deadlines as a caseworker. These forms are then adopted by his NPA. He is asked to develop additional forms and eventually assumes responsibility for developing and managing computerized management information systems and compliance for his NPA. As he explains,

> I come from an odd background, in a sense. Prior to getting into the field of psychology, I was an engineering major and computer specialist. I was at [university] for two years as a chemical engineering and aerodynamics dual major. Came out of that saying, "I don't want to work with things. I want to work with people." Decided psychology sounded interesting, started taking courses. I came up then from a psychology and sociology background, after a transfer out of engineering. So, I was familiar with systems, familiar with plotting

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

charts, graphs, tracking, monitoring, and what not.

> [In developing my own form as a caseworker], I used a systems flow technique--design for plotting projects in aerodynamics: when you have a project, when you're designing an airplane, what has to be built in what order, what gets attached to what in what order, and how long does it take, and what are your required steps. That was basically the model that I was using. And, it worked perfectly. And, people liked it.

Learned from Family Background

One compliance coordinator, trained as a caseworker, has for years been a full-time administrator. She conceives of her job as the art of compromise, "Hearing from the people, knowing what's out there, and trying to fit it together somehow in a palatable process." When asked how she thought she developed those skills, she replies,

> Oh, that's easy. That comes from my own family background. I laugh because I went through a family therapy program, three-year institute. And, the first year you do your own family. You do a genogram of your own family, and you see what patterns you developed as a therapist based on how you were raised. The middle child syndrome, etc.
>
> So, that was my role in the family. I was always the peacemaker, the middle man, the balancing act.

Summary

In this chapter, four types of cognitive maps which managers use to cope with their jobs were identified. First, managers' perceptions of the partner and cordial adversary roles of NPAs versus GFOs were described. Second, the overwhelming perception managers have of GFOs as chaotic

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

organizations was analyzed. It was explained that managers' view the reasons for this chaos as being either incomprehensible or a lack of GFO control over the social problems, organizational structure, or staffing. There was a discussion of managers' perception that the major manifestation of this chaos is lack of coordination, with related functions being either separate or antagonistic. The three perceived consequences of this lack of coordination were described: inability to move efficiently, operate effectively, and make changes expeditiously. Managers' perception that amid the chaos there are islands of good people was then explained.

The third cognitive map discussed was the more subtle one of the NPA managers' perception of the GFOs' perceptions of NPAs. GFOs are seen as viewing NPAs on a continuum from contempt to respect, as having a deficient understanding of NPAs, and as having a perception that coincides with the political climate. The final maps described were the individual ones of managers, who make the universal manifestations of these contracting problems unique by the way they handle them. These maps were briefly described as what has been learned from the field of service, from the current NPA, from previous jobs, from education, and from family background.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER VI

THE ISSUES: AN INTRODUCTION

Managers' experience of contracted services as a game and the cognitive maps with which they play the game were discussed in Chapters IV - V. In the next six chapters, the administrative, ethical, and political issues managers face in playing the game are addressed. These issues emerged from the data because they abstract problems which either compelled managers to act or evoked their passionate opinions. Most of the contracted services' literature inventories the problems. The problems discussed here are defined by their solution or by the strategies managers adopt in the search for a solution.

While these issues are present in any management position, the focus here is on their emergence in relationship to contracted services. For analytical clarity, these issues are discussed separately. In reality, they do not occur separately. Administrative, ethical and political issues are typically fused in practice.

In Chapters VII and XIII, the administrative issues of compliance and then change are examined. Complying with the terms of a contract is a sine qua non for managers of these services. However, compliance is a complex, often ambiguous

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

goal. And, paradoxically, to comply often requires effecting change. The strategies which managers use to comply with and change contracts are the crux of the findings in these two chapters.

The murkiness of the game of contracted services spawns ethical conflicts. In Chapter IX, the ethical issues which managers confront are reported. Managers' decisions in the face of philosophical and operational conflicts are discussed in terms of their professional perspectives.

In Chapters X - XII, the political issues of contracted services are considered. The administrative and ethical issues, to the extent they involve managers' striving for leadership and power, are inherently political. However, the issues addressed in these three chapters are political in a more theoretical sense because they go to the core of policy questions about contracted services. In Chapter X, NPA accountability to the GFO is explored. The broader question of the NPA role in GFO service delivery is addressed in Chapter XI. Finally, in Chapter XII, the question of prerequisites for managers of contracted services is considered.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER VII

ADMINISTRATIVE ISSUES: COMPLIANCE

Introduction

When a GFO and NPA enter into a contract for the NPA to provide services for the GFO, the NPA, by definition, is required to comply with the terms of the contract. Although contracts appear to be unambiguous, compliance brims with uncertainty and complexity. Despite the presumably clear-cut legal obligation, the game-like, paradoxical quality of contracted services pervades the compliance effort.

The meaning of compliance emerges when the GFO monitors the NPA. Correspondingly, managers' compliance strategies evolve from their experience of the GFOs' auditing. In the first section of the chapter, therefore, the audit experience is described, the impact of the audit on the NPA is delineated, and managers' perception of the auditors' grasp of the NPAs' reality is explained. In the next section of the chapter, the strategies managers use to effect contract compliance within the NPA and with the GFO are discussed.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The Experience of Being Audited

Periodically, the GFO audits the NPA's performance under the contract. These audits are typically both programmatic and financial. They can take many different forms. Generally, the more money involved in the contract, the more complex and stringent the monitoring is.

In relating what he expects in the upcoming programmatic audit for a small, simple service, a $35,000 federal contract for a snack program, this manager describes the scope of any audit.

> They [GFO] define what constitutes a snack. They'll say, "You can give them juice. You can give them cookies. You can make sandwiches, peanut and butter and jelly sandwiches or tuna sandwiches and things like that." They define the time of day that this should occur, between 2:30 and 4:30 in the afternoon because it's a snack--all eligibility requirements in terms of income or families and so forth.
>
> They want to know Social Security numbers of all of the individuals in the household, employment, income, and so forth. So all that information is documented. And that's what we're turning over to them on Monday. Menus, they would like to see copies of the menus. In terms of who we're serving--for those families that are above that income level, then they want to see where have we collected that money, because they have to pay. And there are very few within the population that will fall above the free category. But, they will ask where is that money. And in terms of the papers filled out--we have to keep daily attendance records. We have to keep inventory and all of these things.
>
> Now, what they're asking us for is that, "We only want to audit the month of October '86." And, that's what we're giving them, October of '86.

Another manager describes the auditing process for the complex and heavily funded foster care program.

> Every year we get a book from the City that specifically

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> lays out for you what the compliance requirements are. And then every year they come in and they do a program assessment. They come in, and they look at case records. They look at medical records. They interview staff. They interview children, the whole gamut.
>
> And then they send you back a report with the things that you got a satisfactory rating on, the things you got an unsatisfactory rating. And, you have an opportunity to rebut what they say. And usually after the rebuttal, several of the variables get changed from unsatisfactory to satisfactory. And, then you eventually get a final report and then after that you have to do an improvement plan. And then, at some point, they come in and they monitor your improvement plan. That's what the system looks like.

When there are multiple contracts and limited administrative resources, this audit process has a profound impact on the NPA. Managers' descriptions of this impact can be characterized as ubiquitous, disruptive, and aggravating. These characterizations are discussed next.

Ubiquitous

For many managers, the auditing process and auditors pervade their work lives. As one explains,

> One problem is that there's always somebody here auditing us for something. The fiscal auditors live here because they come twice a year for each program.

Another gives a more detailed description.

> We have monitors crawling through here all the time. We have fiscal monitors. In the Center, we have nutritional monitors. Every contract has a program monitor that comes out at least twice a year, goes through records, talks to staff, observes what's going on, visits the program, that type of thing. Whenever I look around, there's another monitor coming in.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Charged with developing and implementing his NPA's JCAH quality assurance program, one manager explains his initial lack of appreciation for the pervasiveness of auditing.

> What I've missed in the process of doing it is that these people [NPA staff] are so used to being audited, that while they won't like it, [it's not a big deal]. To me it was a big deal to develop the system because it's a big commitment of the agency's resources to hire staff to go out and do it, and I want it to be useful and not the paper-pushing, and I knew that it would be a big imposition on our clinical staff to have people looking over their shoulder all the time.
>
> But, they get audited by the City and the State and the Federal Government and called by their central office bosses, so the questions I got asked at a certain point were things like, "Could you please be sure to give us the names of the cases a week in advance so at least we make sure that the records are up to date and they're in the files so we don't have trouble finding them the day of the audit?" It was just very mundane and reasonable for them.

Disruptive

Despite the ubiquity of the GFOs' auditing, a number of managers describe the monitoring as disruptive. The impact of the interruption varies. One manager says she knows her records are in good shape so her anxiety during an audit is limited. However, she says, of the audit, "It's a little bit like watching somebody going through your bureau drawers."

Another manager, with a larger program in a much smaller NPA, has a much stronger reaction to auditing. She describes the seven to ten day process of having four to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

five auditors in the NPA as a "nightmare."

> Everything gets disrupted. The nightmare part of it starts from the minute that they tell you the date that they're coming. And then, of course, all of the workers get completely crazy and realize that, "Oh, my God, there's only [X days left]." Even though we've been telling them all along that they're coming, they realize at the last minute that they have to get their case records up to date and they haven't done any dictation on this particular family for six months to a year. And so they may sit down and they have to work round the clock to get everything done and our typing staff gets [overwhelmed].
>
> Two days before they come they finally give you the list of the cases that they're pulling. And then, "Oh, my God, I didn't get to do this case. It's a year behind. I have to sit down and do all my notes." And so they come. And you're jockeying cases--"take this one, take this one, take this one"--because this worker still hasn't finished this other case, but you can't ever tell them that. So that's what it looks like. It's "and give me this case record, and give me that case record, and I need this." And, the day that they come they give you, "I need a list of this; I need a list of that; I want this; I want that." This kind of thing--so it's difficult; it's very difficult. It puts a lot of pressure and a lot of stress on everybody.

Aggravating

All managers feel some aspect of the auditing process is aggravating. The ubiquity and disruptiveness of the process are only two of the reasons for their aggravation. One manager describes her exasperation with the GFO's Program Assessment system for foster care contracts.

> It's not the kind of thing where I've tried to develop that nice PR relationship to make life easier because that's useless. At this point, I'm a little burnt-out with Program Assessment. And when they come, I'm not this sweet, kind, anything-I-can-do-for-you person. And, I get tired of the stupidity of the people who come. Because I know so much more about it now than they do. Because I've been through it six times

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> already. I would describe myself as a little bit intolerant. And, I just don't let things go by anymore. I'll call up. If I'm unhappy with something I will call.

For other managers, the GFOs' not conducting an exit interview and sending unreviewed results to everybody but the manager causes enormous irritation. One manager explains that she receives the findings of a November audit the following April. The Executive Director and Board Chairman of her NPA and the City government receive the findings before she does.

For one manager, the aggravation he feels as a case-worker about retroactive GFO requirements stimulates him to demand better systems to deal with the uncertainty. As a result, the NPA creates a compliance coordinator position for him.

> I was a little bit of a troublemaker, in that I wanted to know why there wasn't some way that I could be told what was needed. "And, how am I supposed to know what's going on with the Federal regulations?" I was getting very irritated at the City's Program Assessment System, for demanding things of me that I had not heard of and retroactively making requests regarding policy. "I'm now responsible for that also? As of last year? Thanks." So, I made some waves and basically the end result was I got told, "Okay, you think you've got some answers on how to take care of those problems. Fine. Let's see how well you can do it." And, that's how I ended up moving into compliance.

Another compliance coordinator describes the intensity of the aggravation that the necessity of creating the JCAH-required quality assurance, self-audit process engenders in his NPA. He infers the aggravated mind-set and the response

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

to it in the NPA prior to the creation of his position.

I think that, at the beginning, the word hatred might be too strong, but it's not a lot too strong. That is, this is an agency with quite a proud history in terms of its professional stature and with a very strong clinical staff running programs. It's always thought well of itself, and it's always gotten positive reinforcement for thinking well of itself, both by professionals outside and by the government agencies that it dealt with and had contracts with.

And, so along comes JCAH saying, "Not only are we going to come monitor you, but you've also got to invent for yourself this complicated self-evaluation process, and run it all the time." And, I would say that the attitude of the clinicians was, in good part--again, this is mostly inference--"Give us a break, guys. We are working really hard to try to run good quality clinical programs. What you're going to do is take our time away from doing our work and supervising our programs and putting it into this meaningless paper process to prove to you that we were doing what we were in fact doing all along."

I think that that's probably what I inherited. Except that when I got here that had been balanced, at least at the senior administrative level, by another, sort of real streak of realism, that I think there's been in this agency, which is, "Okay, we've bitched about this for awhile, but the reality is that it's a requirement. It's not going to change. We've met a thousand other requirements in our lifetime as an organization. We might as well just go out and meet this one so we can stop complaining about it and get on with the next thing."

Now, whether the individual program directors--and remember this is a big sprawling decentralized agency, and the individual program administrators would have the burden on them of actually doing the work--whether they were at that receptive a stage is another question. But the senior people, that's really why my job was created. The decision was, "Let's stop pretending this doesn't exist and really do it." When I got here, I then had senior staff who were ready and who were basically saying to me, "Okay, go do it."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Perception of Auditors' Grasp of the NPAs' Reality

Managers' experience of being audited is significantly affected by their perception of the auditors' grasp of the NPAs' reality. Sometimes an auditor's grasp seems to coincide with the GFO's; at other times, the grasp is divergent. These grasps of the NPAs' reality are on a continuum, with the outer limits defining what managers detest and find a hindrance, and then what they prefer and find most helpful. In this section, these perceptions of the auditors' grasps are characterized as inexperience versus experience, form versus substance, and responsiveness.

Inexperience versus Experience

Managers disparage auditors' inexperience and, correspondingly, value auditors' experience. Their perception of auditors' experience level affects their attitude toward and behavior during an audit. When they speak of auditors' experience, they mean whether auditors understand their job and/or whether they understand the essence of the contracted service. These two meanings of experience are described below.

Understanding the Auditors' Job

One veteran manager describes her struggles with a new auditor, whose task is to read records and determine if the GFO's guidelines are being followed.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> Occasionally she'll raise a point, but unfortunately we've got a case manager who, when she came, had about thirty-five seconds of experience. She's not a social worker. She came out of teaching, and she's one of these people who's very concrete in their thinking. She tries. I've gotten to like her a little better. But, it's a little tough to have her begin to come up with these challenging questions when I've got very sharp workers who are really doing some very fine casework.
>
> The best one was--she came in one day and said to me, "_____ has the wrong CID [Case Initiation Date] here." And, I looked it up and said, "No, it's right." And, she said, "No, it's wrong." And, I said, "Well, no, let me explain to you how you arrive at the CID date." So I went through this very careful explanation, and she looked at me and said, "Well, we don't do it that way."
>
> It's in the law. There are four ways to arrive at a Case Initiation Date. The law spells it out. Everybody in the State does it the same way. I said, "_____, we do it that way. Take my word for it." We went through several of those kinds of things. Eventually, I think she decided that maybe I was all right. I was ready to kill her. She was like a gnat. However, I've gotten to tolerate her better, and she's gotten to tolerate me better, so we get along.

Another manager, new to contracted services, describes a very different encounter with her auditor, who is very experienced.

> Now, I arrived here myself in the Spring of 19__. The first thing that was on my desk was the new contract proposal. And, I had never dealt with the public sector. So, you can imagine. I was very lucky. Our program planner was wonderful. She's a real bureaucrat. She's minutias. She's a real picker. But, she really cares about program. And, she didn't want to see this one get fouled up just because I was so inexperienced. I didn't know how to make out forms. She worked with me. We would be on the phone weekends, nights while she went over the proposal.
>
> I don't know what I would have done really. The budget --my Lord, I didn't know what I would do. But somehow we got it together. And, if it hadn't been for that lady at [GFO], it'd never have gotten through. She walked me through. She corrected it. We revised it and got it back in.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> She liked the program. She knew we were honest. She knew we were doing the job, and there was no reason that we should be penalized for my inexperience. I didn't know what I was doing. So, she set out to teach me and, by gum, she did.

Understanding the Essence of the Contracted Service

When auditors are perceived as understanding the essence of the contracted service, managers are profuse in their praise. One executive director says, of one of her auditors, who had helped streamline the filing of case records,

> She's smart. Oh, she's one of the smartest people I've ever met, and she headed an agency. She knows the gut part of it.

Another executive director says he is glad that one GFO has no interest in the content of reports, as long as they are submitted on time, because,

> What do they know? The only way I would want it was if they had ex-executive directors of programs that were like yours coming out here and giving you advice or something. But you don't have people like that. Those people have never run a program.

A manager establishing an internal quality assurance program identifies some of the inherent difficulties in hiring auditors, even when the NPA can do the hiring and is aware of the importance of auditors' understanding the essence of the service.

> What I was looking for were people who have enough years of clinical experience to be sensitive; to know how to read a case record--say in a way that I don't because I don't know this stuff--to identify where there were problems; but not people who had so much experience that they would think of themselves as a clinical savior, who

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

would come in and sort of tell them how to run their cases. That's the balance that I was looking for.

And, of course, the other thing I was looking for was people who are crazy and obsessive enough to be able to sit all day and read records and not go completely out of their skulls.

It's interesting because I've heard some comments that one of the people I hired doesn't know enough clinically. So, you're sort of damned if you do and damned if you don't in there. That is, if you get people who are very sophisticated clinically, it's "Why are these people telling me how to run my clinic?" If you get people who aren't very sophisticated clinically, it's "Why are we going through all this paperwork when we're not getting any clinical value out of it?" The trick is to try to walk a fine line in-between.

I think it is true that in this agency, when I think about the government agencies that come in to audit us, auditors who are clinically sophisticated are much better received here than auditors who are less so.

I have some sense that sometimes it's not the fault of the auditors, but the fault of the system that they're working in. That is, all auditors come to follow a protocol, and if the protocol asks more clinical questions, then the auditors will appear more clinically sophisticated. If there're fewer, they'll seem less so. But, I wouldn't take this too seriously.

I have some sense, which may be a little bit unfair to us, that clinical sophistication, perception of clinical sophistication on the part of an auditor, really means somebody's willingness to say to you at the end of the day, "Even though I filled out this picky instrument, and you're going to get a written report back from the Department, I want you to know that I'm really impressed with the quality of the clinical work that you've done." See, if they like your clinical work, then they're clinically sophisticated.

Form versus Substance

Another perceived dimension of the auditors' grasp of NPA reality is their understanding of the form versus the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

substance of compliance. Managers seem to differentiate between two aspects of form versus substance: understanding what exists and understanding what matters.

Understanding What Exists

Many managers distinguish between the auditors' monitoring the NPA's record of compliance and their monitoring, and understanding, the NPA's actual compliance. As one explains,

> [GFO] is extremely strict in terms of paper accountability. They don't know diddily-squat about what we do. But they come out here, and they put five monitors in a room for a day, and they read about forty case records. And, they tell us exactly what commas are missing.

Another manager describes the same lack of understanding of what exists with the auditing of homemaker services.

> Until about a year and a half ago, the homemaker program was administered by [GFO], and they administer housekeeping and home attendant, as well as homemaking. Housekeeping and home attendant are huge. Homemaking is a little nothing lost in the big morass of home care at [GFO]. They never paid any attention to what we did so they wouldn't have known anything significant about our compliance.
>
> They did visit, but what they asked was so cursory. And, a lot of times, they would send us a paper and pencil questionnaire and say, "Do you have a system for filling cases within seventy-two hours," or "Do you have a system for maximizing service hours?" And, you just answer yes. They didn't have any way of checking up on the accuracy of your answers. They came out once a year. And they checked a sample of personnel files to make sure the homemakers were certified and had a medical. And they checked a sample of case records to make sure there were three-month reports. It was very minimal.

One of the compliance coordinators rues the GFO's

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

institutionalizing a compliance system that discourages auditors' understanding what exists. She describes what occurs if a child, in response to a required question, says he is physically abused.

> A few years ago they would interview some of the boys and then call in an abuse incident--because they ask, "Were you ever physically disciplined?" I don't remember the wording of it, but the kid couldn't even tell him when it happened, what happened. They're obligated. They're like automatons. If the kid answers the question this way, you must call it in. And, the amount of staff time that gets wasted with these things is amazing. Absolutely amazing.
>
> They come up and go through this process. These people have to come up here. They do an investigation. And, then they write up a thing, "Unfounded." But, the time we spent was so ridiculous. We made a stink with the Program Assessment. And, they said, "We're obligated to deal with this. That's the law." There's no judgment at all.

One of the more egregious examples of auditors' not knowing what exists, an executive director shares. He describes the difference between his NPA's current monitor and the previous ones.

> She's one of the first, most active monitors we've ever had that comes out on a regular basis and looks at the program. In the past, maybe if we had one or two visits a year for more than five minutes, that was it. And, the person would come downstairs and say, "Well, I see you're still here. How's everything? My car's double parked. I've got to leave."

Understanding What Matters

The second aspect of auditors' grasp of form versus substance in compliance goes beyond their understanding of what exists to their understanding of what matters. One

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

executive director explains his frustration when a monitor does not see the contracted number of children in a particular room.

> She called me with what I felt was a totally ludicrous question. She'd been out on a visit. I wasn't here, was at another site. And, she said, "Well, I don't want to do this as a criticism, I just want to get your opinion of this. I came out to your site yesterday, and I saw--it was like 4:30--and I saw five kids in one room with one person and four kids in another room, and all the other kids were upstairs doing other things with other programs. And, what do you think about this?"
>
> And, I said, "Well, I think it's fabulous." Because what she meant was--we have other programs. There's a [GFO]-funded program in the school. There's also [another GFO] funded program that we run in the same school. And the school runs a gym program in there during certain months of the year and there's another youth program that's in the building and there're some others even. So our kids participate in all these activities. I said, "I think it's fabulous." I said, "For this little piddling sum that the [GFO] gives us, we have now provided this whole range of activities available to our kids."
>
> Now, the fact is that we're supposed to have an average forty kids per day. The director had walked around and pointed out, "This is our kid; this is our kid." She said, "Well, now I have to write in my report, though, I only saw nine kids." And I said, "Well," I said, "if that's what you have to do, that's what you have to do." "But," I said, "I'll be glad to argue with anybody about this, but I'm not concerned that there're only nine kids that were involved in our particular activities, and the rest were in other activities." "And," I said, "plus the Lounge, the [other GFO program], that's our program too, those are agency staff members. And, it's great. They're going to show a movie, then let the kids go. Why discriminate and say, "Well, you can't go to this activity; you're funded by this one." I said, "What do we have to do, buy certain color T-shirts and put [your GFO's name] on one and [the other GFO's name] on the other?" But, I just try to be diplomatic, and say, "I'll be glad to argue with anybody if that's what your concern is." She said, "Oh, okay. I just wanted to know."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

A compliance coordinator explains the absurdity of the auditors' not considering the NPA's comprehensive ethnic identity program as meeting the requirement because of how the NPA maintains the records.

> Sometimes, we've argued about stupid things with them like the recreation ethnic identity program. You have to show how you are providing for the development of ethnic identity in children. We have recreation programs going on all the time, for the different holidays and things like that. They wanted it in each boy's record. It wasn't enough you give them a central folder of all the things you had. It had to be in each boy's record. This goes back a few years. It's like, "What do you want, the blood? Do you want blood?"

Despite her frustration with the number of regulations, one manager says she is glad the auditors do not concern themselves with what matters.

> It takes a lot of our time and the workers' time to make sure that every page on the UCR is filled out in exactly a certain way--for that matter, to do the whole UCR. If there were just a little bit fewer things to count and keep track of--they rely so much on a lot of countable things. See, I don't think that they can monitor for quality. I don't think I want them to try to monitor for quality because then there'd be a lot more work for us. If they'd just back down a little bit and have somewhat fewer regulations it would leave us a little more room.

Responsiveness

The final, significant dimension of managers' perception of auditors' grasp of NPA reality is the auditors' degree of responsiveness. For managers, an auditor's responsiveness is a reflection of the auditor's grasp of NPA reality. One manager captures what responsiveness seems to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

mean to managers when she says, of her auditors, "They really work with me and are very helpful in terms of trying to get whatever they can." Managers often describe responsive auditors by comparing them with unresponsive ones.

As one executive director explains,

> Initially, we had a wonderful on-site monitor. She came up here every week faithfully to help us get started, and she was interested in the program. She'd visit the playroom. And, she really helped us with our forms' writing and knowing how it worked, and got the UCRs going right. She went beyond what she had to do.
>
> We've had two since then who have not been of the same caliber. Now, we're a very small program. We don't need an on-site monitor every week really. There isn't that much to do. But, all the same, we haven't had the same quality. They're nice. They do their job.

For another director, responsiveness also means help with the compliance requirements. She describes how she views her NPA's monitor.

> She never really gets into the clinical piece. She might say, "Have you considered day care for this child?" And, she helps to access those services by signing off on these forms. She's helpful in helping us learn the paperwork stuff. So, I find her helpful. She's also likeable, and when she comes I feel that she's part of the team. She's bright enough, and I don't know if she's an MSW or not, but she's helpful.

Responsiveness sometimes means timely answers to questions. An executive director explains,

> I've found them basically fairly responsive. When we looked at the contract from the [GFO], there were certain questions that we had, and they were very good in terms of responding to us in a more timely manner than we would have expected.

Another manager also appreciates timely responses. He notes that auditors can be responsive, even when their GFOs are

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

not.

> He called me up to tell me what our rate is--so he's good. He's very cooperative and helpful. "I wanted to let you know right away. A letter will be coming in a day or two." So we'll get a formal letter. But, he takes the trouble to call us and talk to us. He's good to deal with personally. The problem is what goes on above him.

Another executive director captures the relationship of responsiveness to reality when he explains how he wishes he could really talk of the reality of trying to provide the service to an auditor and how much it means to him when an auditor seems to grasp the problems he faces.

> If I had somebody that I trusted, I could sit down and say, "Well, this isn't really working and this isn't working." That might be helpful, but then you never really know--well, is somebody going to use that to say, "Well, blah, blah, blah"? Or are they really concerned about how you're doing? I found one person at the [GFO] that was a program monitor who was really concerned, a wonderful, wonderful person. And, he really would try to think of ways to help me.

Against their experience with audits and auditors, managers develop strategies to effect compliance with contract requirements. Their strategies are aimed both within the NPA and with the GFO. These two types of strategies are discussed next.

Strategies to Effect Compliance: Within the NPA

Managers' primary strategies to effect contract compliance are directed within the NPA. First, they engage staff in the compliance effort. Second, they conduct internal audits. Third, they make compliance easier for staff.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Fourth, they use contract requirements to further NPA objectives. Fifth, they overcome staff resistance to non-negotiable tasks.

Engage Staff in the Compliance Effort

Contract compliance is theoretically mandatory for staff if the contract and, accordingly, their jobs are to continue. However, managers, charged with guaranteeing their NPA's contract compliance, have far more complex strategies to achieve that end than explaining something is mandatory, ordering staff to do it, and firing them if they do not. In this section, the strategies which managers use to influence, induce, and engage staff to comply with contract requirements are delineated. These interrelated strategies are conceptualized here as directives: be part of a circle, not on top of a ladder; develop good working relationships with all staff; involve staff in design of accountability systems; decipher contract requirements for staff; expect accountability, then supervise for it.

Be Part of a Circle, Not on Top of a Ladder

Describing her job as a "balancing act," one compliance coordinator conceptualizes her job as being in a circle, rather than on top of a ladder. This goal-directed, philosophical position is a pivotal strategy.

> I prefer not to just say to somebody, "Okay, do this." I always try and go through a process of it. To hear

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> what the resistance is, to listen to suggestions because I do get very good suggestions sometimes from the people out there using the stuff. So I'll never just--I shouldn't say never--but oftentimes, do not just take that power and say, "Okay, here's the way it's done."
>
> I feel like my job is to first take in and hear what the users need, the users being everyone in the agency. Interpret that, combined with what has to be, and then give back something that's relevant. So, I see myself as part of that circle really, as opposed to just somebody on top who sends things down.

Develop Good Working Relationships with All Staff

This same manager, explaining that her job requires reviewing the work of agency staff whom she does not supervise, talks about how her good relationships with staff make the difference in her being able to do her "ugly job."

> I have a good working relationship with almost everybody here. There's a certain amount of respect, and I do my job with enough of a smile and pleasantly enough so that people do respond. I think that's part of the difference. It's an ugly job. But, people still like me and know it has to get done.
>
> The person who was in this position, although it was not quite this position before, was not a well-liked person. And, I think it was the way she presented things. And, it was gruffer. It wasn't with any kind of compassion for what was being asked for and that kind of thing. I think that plays a part of it--the personal part.

Involve Staff in Design of Accountability Systems

Another manager talks about a number of strategies he uses to try to insure staff cooperation with the quality assurance program he is charged with developing. He describes the complexity of determining a "universally

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

acceptable definition" of an "incident" and creating the related form for the required incident reporting procedure.

> In a small facility, we might be talking about a couple of incidents a month. In our largest facility, which has 160 or 170 kids, we might be talking about one hundred incidents a month. And, if we defined it a different way, we could be talking about twenty. And, if we defined it a different way, we could be talking about five hundred. A lot depends on what you call an incident.
>
> And, part of the game was to figure out what the definition should be that people would be comfortable with, so that it wouldn't be, "Oh, my God, that's too much paperwork for us to do," but it would still be enough data. Everybody wants the output, but nobody wants to do the input as a general rule.

He then describes his strategy for coming up with the definition and form.

> First, I held a bunch of meetings, and I sent out a bunch of drafts, and I talked to people and massaged them, and then I just decided. One of the things that I've learned in my brief managerial career is that at some point if you wait for consensus, you'll be waiting in twenty-five years. So, I made a lot of compromises, and then I explained to people why I was making compromises and why--in the small facility, something that they didn't want to do, we had to have on because the large facility needed it, and vice versa. And, then we just sent it out and said do it.

In explaining how he "massages" the staff, this manager goes on to explain what his strategies and objectives are in involving them in the process. In one strategy, one of his objectives is to have the staff be grateful their opinions are taken into account, rather than angry something they endorse is not adopted in its entirety. In the other, he wants to "shut up" any resistant staff once they have an opportunity to give their input.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Interesting to really know how massaged they felt, that is, whether they really felt that they had been part of the process or felt it had just been rammed down their throat. I think that would vary a lot from individual to individual.

The only sort of strategies I can think of, thinking back on it, have been meeting with them, getting them together in small groups. I hate task forces, which seem like the great bureaucratic strategy. I'm actually running one now, which is a shame, but we'll try to hold it to three meetings or so. But, what I do like is to pull people together in a group of five or six people for one or two meetings. I don't think they should feel like it's going to go on forever, and I also--at some level this may be somewhat cynical--I didn't want them to feel like this was their product, and they owned it. Because, all of it really was my responsibility to figure out what the system would be, and I had to meet a lot of different people's needs, as well as budget constraints, and stuff like that.

So, I felt like, if we had a task force, it would take forever and then I'd have to be satisfying everybody, whereas if I just called them in and say, "Look, I've got to decide what this process is going to be like. Would you please give me your advice so that I can shape this in line with your experience and your knowledge, and we might make it more acceptable to you?" And, we could do that in a meeting or two. Then, somehow, I think people would feel more like, "Well, at least our opinions were taken into account," as opposed to, "Why didn't they wind up doing exactly what we said we wanted?"

And, I always sent stuff out in draft before I did it, which is something people were not used to in this agency. They were used to getting something from the central administration that was policy. And, they'd often be consulted at some point, but they weren't used to formally seeing a draft. And, of course, that was second nature to me from government, because you're dealing with contract agencies. You don't send out a final, you send out a draft and let people comment on it.

And, I think that that actually served two purposes. One was that it let people comment and it let them feel involved in the process. At least they were getting a chance to see a formal written document and make comments on it. But, the other was, again more cynical, and that is that it shut them up after a point. Nobody

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> could come complain that they were never given an opportunity. Or, "What is this that some fool from the central office decreed," that they were never consulted on? Or, even if they felt that way, they couldn't very well say it out loud because it seemed too irrational.

Although his objectives include coopting staff, this manager also explains that their input has minor to major impact on the final product.

> In some of the systems, it was tinkering around the edges. Like in the incident reports that I was describing before, I don't think I changed anything conceptually, but I certainly rearranged the form to make it easier to fill out, and took things off and put other things on, and wrote the procedure differently, all because people who were really doing the work told me I had to do it that way.
>
> But, in utilization review, which is a very complicated, crazy system, I really struggled for a long time. I didn't know what I wanted to do, and I came up with a preliminary idea, and I wound up changing it completely based on my meetings with them. And, that was more what some senior people in the agency--and less the program directors--said, but eventually I decided that what I had thought of originally just wouldn't work in this agency. We had to try something else.

Finally, this manager develops a strategy for disseminating the information.

> In terms of bureaucratic strategy, one of the interesting questions was, "Is this my requirement or is this the requirement of the person they report to?" Because there's always that tension, too. You don't want to set somebody up to be reporting to two different offices. I don't want to be running residences. It's not my job. I don't know how to do it.
>
> But, at the same time, the reality is that I'm going to spend a lot more time looking at the results of what they do in this area than the Director of Residences, because this is my job, to make the system work. So, they have to know that they're responding to me, and if I send them a memo that says, "Hey, how come I haven't seen an incident report from you in a month?" they have to be able to respond to that, want to respond to it.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> So, eventually the strategy we came up with was that all of these things, these pieces of the quality assurance program, would go out as sort of joint memos from me and the Director of whatever level of care it was, to say that both of us are jointly requiring this and they're responsible to both of us for doing it. And, that seems to be a relatively successful, if dull, old bureaucratic strategy. But, that's the kind of thing you've got to think about, because the place is so goddamn big.

Decipher Contract Requirements for Staff

Most managers consider it crucial to explain, "as long as we have to," contract requirements to all levels of staff. One says it is essential for the most junior staff to understand contract requirements so they can explain to clients the reasons for NPA demands.

> Another big issue is client SSI [Suppplemental Security Income] money. Counselors feel, "Why are we so concerned about it if a client doesn't want to give it to us or pay for something that they maliciously broke?" They have to understand that if they don't give it to us, we can't run the budget. One doesn't happen without the other. We have to bring them into the process. They have to understand what is going on in order to communicate properly with clients.

Another manager's strategy is to communicate, in writing, to all staff regarding contract requirements.

> I think that if you can create an effective means of communicating with your staff, especially in the way that services are to be delivered, then the management of government grants becomes that much easier. And, one technique that I've used, in helping make sure that we adhere to the government stipulations with the grant we do get, is to make a checklist for staff of things that need to be done on a monthly basis, what can't be done according to the contract--whatever stipulations there are--so that they're aware on paper about what this is all about and they know the implications.

The significance of explaining requirements to staff

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

is graphically related by the manager charged with developing the quality assurance program in his NPA. He describes how he "won over" the staff by "turning the light on" for them.

> To the extent that the staff are won over, I think what I have mostly done is clarify things for them. I think that they felt like they were wandering around in a morass. There's not even a clear definition of what quality assurance is anywhere. They had been handed this set of vague concepts and requirements that were not clear to them. No one had really taken the time to make them clear.
>
> And, when somebody finally came along and said, "Okay, here are the ideas. Here's how we're going to do it. All you have to do is do it this way. And, here's some suggestions about how to organize it," that made it possible for them to work. Instead of fumbling around in the dark, they figured, "Okay, somebody turned the light on. We may not like what we see in the room when we turn the light on, but at least we can go rearrange the furniture now that we can see it." That's what's helped them the most. That's what's won them over the most, I think.

Expect Accountability, then Supervise for It

For many managers, a key strategy in effecting compliance is to have an expectation of accountability pervade the NPA. They achieve this through their supervisory structures. It is the supervisory structure that enables them to know if what is going on is what is supposed to be going on, under the terms of the contract. As one manager explains,

> We try to always comply in the highest possible way with our contracts. And, we review that at a variety of levels. We expect the workers themselves to know what the standards are and to be thinking about what they're doing when they're filling out their statistics every

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> month so they can tell whether or not they're in compliance. We expect all of the supervisors to know what they are, and we hold the supervisors accountable for making sure that they're helping the workers meet the standards. And, then we hold the program directors highly responsible for knowing what they are and thinking creatively about how they encourage and solicit support, staff cooperation with the standards. We include compliance issues in people's evaluation.

She goes on to explain the impact of ineffective supervision on contract compliance.

> One year we were out of compliance a lot in one program. It was the first year of the program, and around the end of the first year, the supervisor left. And, we promoted somebody else who was a unit supervisor into the position, where she was responsible for an office. And by the end of the second year, we were 90 to 100 percent compliance on everything, so we had a problem with that one supervisor. We were relieved when she resigned. So, our reliance on our supervisors is obviously important and usually works for us.

Another manager, whose NPA prides itself on being non-bureaucratized, explains its seemingly contradictory insistence on supervisory structure.

> I talk about it being a sort of a non-bureaucratized place, but we are very heavily into accountability. We have a very clear supervisory structure in terms of my staff--supervisors, program directors--and they report to me. So that I think that our strength, in terms of delivery, is that we do know what we are trying to do, and we know if we're doing it or not doing it, and if there are problems, we address them, both in terms of staff and systemic delivery.

Conduct Internal Audits

Despite their emphasis on supervisory structure, many managers do not believe supervision is sufficient to effect compliance. They consider it essential to conduct internal,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

quality assurance audits before the GFO is involved: to know what is going on, to identify any compliance problems, and to figure out how to correct them. Their interrelated strategies to conduct these internal audits are again conceptualized as directives: avoid surprises; supplement, not supplant, supervision; involve yourself in statistics; enable evolving solutions and problems.

Avoid Surprises

An overriding philosophical strategy of managers is to try to avoid surprises from the GFO. As one compliance coordinator explains,

> We should be getting our own reports out of the quality assurance process to tell us whether we're meeting the regulatory requirements. So we should never be surprised by what a government agency tells us. We should always know in advance, if we're looking at ourselves.
>
> If they tell us that, as a price of having a contract, we have got to have our child care workers standing on their heads for three minutes a day on Tuesdays and Thursdays, we should know if they're standing on their heads three minutes a day both Tuesdays and Thursdays. And that's part of quality assurance. Quality is a little dubious there, but you get the idea.

One manager captures the urgency of the desire to avoid surprises when she gives one reason her NPA has developed a quality assurance process.

> With the mental health programs, with 224 beds, I like to sleep at night. And, sometimes I don't sleep that well even with quality assurance.

Most of the NPAs have no formal quality assurance or utilization review procedure. However, managers take steps

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

to avoid surprises when the GFO audits. One executive director explains that he and his clinical director conduct "mock inspections" of the apartments for psychiatric patients prior to the GFO audit. Another manager explains that for a drug prevention program,

> We may do a spot, in-and-out kind of audit, whereby we would just go around and check the records just to make sure the kind of information that is being conveyed to us will appear within the records.

In a NPA with a formal utilization review procedure, the process of avoiding surprises is rigorous.

> If you're a utilization reviewer, you go to a clinic today, and you might look at fifteen or twenty records in the course of the day, and you fill out a protocol about the case. Most of the time what you're going to find is that there is some problem in compliance with particular requirements about how case records are put together. And, you'll send that back to the office director, who is simply supposed to go over it with the caseworker, and say, "Could you please fix this part of the treatment plan so we don't get in trouble when we have an outside audit?"
>
> On a couple of cases, you might say, "Gee, the case record says this client was supposed to get some services, and he's not getting them." Or, "I don't know why this client is still here or I don't know whether this client was really eligible for the program in the first place." In those situations, that case is going to get pulled out and sent to a second level of review by a committee of senior people, and the senior people will include people from the level of care that you're reviewing.

Supplement, Not Supplant, Supervision

Using an internal audit to supplement, not supplant, supervision is characterized as both a directive and a dilemma by several managers. One sees an internal audit, a

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

quality assurance process, as a "tool" which supervisors need.

> Regardless of how good the coordinators or administrators are, they need a tool because they can't be everywhere or looking at every file or going to every department.

However, this tool often means more work for people. One manager explains that while his NPA staff does not object to the concept of an internal audit, they do have a problem with the additional work involved.

> The people who've got to sit on those review committees responded by saying, "Oh, my God, more work." That was a very troublesome issue for them. And, they're gradually getting used to it. I guess the way I would put it--to sum it up in a sentence is--it was not a theoretical issue for anyone; it was a very practical issue for people. If people had to do a lot more work or show up at an extra meeting every month or worry about running their clinic the day somebody was in to audit them, that was a concern. But people really didn't sort of argue about the theory of it or whether it was a terrible thing or anything like that.

This same manager goes on to explain that in using these utilization review committees,

> I didn't ultimately want to send the message to the director of a clinic that we from the central office are going to tell them how to run their cases. I want to send the message that their direct supervisor, the person in charge of that region of the outpatient clinic, one of their peers, another program director and one of the psychiatrists who works in that region will get together and have a serious discussion about that case and decide what to do about it.

In describing how quality assurance committees will work, he further distinguishes between his role and the supervisory one by defining his concern as process and the supervisor's, as content.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> Every month they have their wonderful quality assurance committee meeting, which they all love a great deal. And, they report upon the findings of the quality assurance work, and they come up with problem resolutions and all sorts of good bureaucratic things. So, maybe every three months, Issue X from the menu now comes up on their agenda, and they talk about it, and they report the results to the quality assurance committee. Well, they come to me for monitoring, but they also come to the supervisor for that clinic. So, she is also going to look at that, and in her supervision with the director of that clinic, she should now be saying to him, "Gee, I see you've made a lot of progress in solving this problem." Or, "Gee, I see you haven't made a lot of progress. Can we dream up some other action to deal with it?"
>
> Whereas, I am a step much further removed from this. I am very unlikely to say to him, "I think you came up with a stupid action or I think you came up with a terrific action." I am much more likely to do it just at the process level, "Gee, I notice that you haven't talked about Issue X in the last five months. What happened?" Or, "Three months ago, you said that you would implement a particular activity, but in this month's minutes it doesn't look like you've implemented it. What happened?" So that I'll sort of do the reminding and jogging people's memories, but try to stay away from content. Now, whether that distinction means something in practice, I don't know. We're sort of new at the stuff.

As clear as he is about the theoretical distinction between the quality assurance/utilization review and supervisory roles, he anticipates that as the review process became increasingly refined, a "fine line" will evolve and the roles might conflict.

> Now, as we go through time, and the audits become somewhat more challenging, in terms of the quality of the work, there's a very fine line to be drawn between not papering over problems on the one hand and not pretending that you're the supervisor on the other hand. They have supervisors. I don't want to be the supervisor, but I do want to serve as some external check. As the audits become a little bit more challenging, then I think that this office may have a little bit more

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

trouble making their peace with them.

Involve Yourself in Statistics

A few managers talk of the importance, when assuming management of a program, of involving themselves in "the statistics," even if they have other staff to process the data for the GFO. As one director of services for the elderly explains,

> Instead of asking somebody else to do statistics, I did it. I wanted to see it because it gave me a sense of what the issues were.

She goes on to describe graphically how this involvement in monthly, individual worker statistics gives her "a sense of what the issues were" and leads to changes.

> It was interesting. I would find that some people were being seen once every three months. Other people were being seen five times a week.
>
> Also, I found that people were working very, very hard, and yet were showing on their statistics fifteen hours of reportable contacts. And, "How could this be?" I asked them. "Well, we don't keep an exact record." "What do you mean, you don't keep an exact record?" So we tried to change the form. "Oh, no, we can't change the form." "Okay, we can't change the form. You have a choice. You must find a way to report what you're doing."

This initial involvement in the statistics directs this manager to more serious problems with this program.

> This program was in operation since the early '70's, and I think there've been some problems that have been evolving over time and never got dealt with. And, you know how things sort of reach a point, and you have somebody like me that comes in and says, "Holy moly!" So you begin to look at it.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

She explains that the program was designed as a demonstration project to have the elderly provide services for the elderly. However, some fifteen years later, she finds,

> These workers are still here. They're sick. They can't do anything. Nobody wants to deal with them. They haven't been doing anything. So the workers say, "We can't get them to do anything." So, it never really got dealt with. So, gradually they're getting so sick they don't come in.

Enable Evolving Solutions and Problems

While used to avoid surprises with the GFO audit, the internal audit is not merely a pre-GFO audit for managers. The GFO audit is relatively unambiguous; it is a product. "For the State," one manager says, "it's either there or it isn't." She goes on to explain,

> The State doesn't care why you're deficient. I care. Because then I can correct it. The State's only concern is that it be corrected by such-and-such a date.

The NPA audit is more a process than a product. This same manager continues,

> We use the quality assurance results as a springboard to see and address why it's happening, to see what's happening that's creating a problem.

It is the management of this process, the enabling of solutions and problems to evolve, that some managers find so important, but so difficult. A compliance coordinator describes the concern this way.

> One of the problems that people have all the time is that they are reluctant to commit themselves. They think that if they announce that something is the solution to the problem, it has to be the solution to the problem. And, it's very understandable because managers

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> are very busy and you certainly don't want to spend your time trying solutions that don't work. But, the reality is that a lot of times in this area you don't know what the solution to the problem is.
>
> And, one of the things I keep encouraging them to do is just try something else, see if it works. If it doesn't work, say it didn't work. We'll try something else. That's an attitude that many managers don't have. And, I understand why it's so hard to have it. I mean, I don't do that on a daily basis. When I was trying to develop the utilization review system, which seemed like a massive undertaking, I was not about to say, "Well, we'll try one, and I'll put all this energy into doing it. If it doesn't work, we'll just try a different one." But, of course, the reality is that that's true. If this system doesn't work, we'll try a different one.

He goes on to explain that he does not think his philosophy has made a significant impact in the NPA and then gives an example of his effort to implement the philosophy despite rigid GFO requirements.

> I don't think they take it very seriously. But, I think that to the extent they do, it helps them feel a little bit freer to try out different things. And that's all that it's intended to do. I wouldn't say that it's had some major impact.
>
> Let me give you a parallel example, more interesting in some ways, but narrower. One of the most difficult areas for many mental health agencies is the writing of treatment plans. At some level it may be that writing a treatment plan better helps your client. But, our staff sure don't believe it, and I have some problems with it myself. But, JCAH really wants treatment plans to be written a certain way, and the key thing is writing goals and objectives, with the objectives in measurable, observable terms. Staff has terrible problems.
>
> As I explored this issue to prepare the next round of training with them, one of the things I learned is the following: one of the barriers to writing goals and objectives is that people feel, particularly on difficult cases, that they often don't know what route a patient will take towards reaching a goal. And, they feel as though if they write down a set of objectives, that they're committed to working toward those objectives. And, that if the patient actually makes

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

progress, but does so in a different way, without reaching the particular objectives that they have stated, that somehow they would be deemed to be failures, or to have done poor clinical work, or to not be able to explain this on the next treatment plan. Like, why is this goal achieved, if none of the objectives have been reached?

And, I keep trying to hammer away that it's really okay. You're trying to help the patient reach the goal of the treatment. The objectives are your best guess at how you're going to know that the patient is making progress. If the patient makes progress some other way, that's terrific. All you've got to write down is, "Scrap the old objectives, here are the new ones" or whatever. It's hard for people to believe that, and I don't blame them. So, we try it out.

He explains how staff express their disbelief with his "make your best guess" philosophy.

The most common way is that people say, and I can't blame them for this at all, "Every auditor we have has a different understanding about goals and objectives. Now, this is your understanding, but what's going to happen when we do it your way, and the next auditor comes in and laughs at us for doing it this way?" And, I say, "I'll take the responsibility for it." Which is a little bit of bravado that's completely meaningless at some level and, of course, mostly they know that. But, I say, "If you do it this way, then you can blame it on me if the auditor gets you in trouble."

And, it's not completely meaningless, actually, because we do now have the internal utilization review process that looks at it. So, if an office starts to continually get good internal utilization review results, then basically I really will be saying to that office, "I think your records are in fine shape." And, if an outside auditor came along and challenged them, I really would say, "Surprises me, too. Maybe we've got to go back and figure out what I'm doing wrong." But, it's hard for people to believe that.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Make Compliance Easier for Staff

Managers assume responsibility for making compliance easier for staff. Their two primary strategies for easing the compliance burden are to display contract requirements and performance status and to partialize and spin off task responsibilities. These two strategies are discussed next.

Display Contract Requirements and Performance Status

Managers' compulsion to display contract requirements and performance status is palpable. Their sense of urgency seems to be driven by two forces. First, given the volume and complexity of the requirements, they see a need to create a kind of collective cognitive map, "to simplify to survive." (McCall and Kaplan 1985, 25) The related, but more subtle, second force driving them seems to be analytic; they have a need to understand so they and their staff have guidance about how to act.[1] In this section, managers' strategies to develop manual, and then automated, displays to make compliance easier for their staffs are described.

Manual display

Managers' need to display contract requirements and

---

[1]This management strategy is an interesting analogue to the three methods proposed by Miles and Huberman (1984, 21-23) for qualitative analysis: data reduction, data display, and conclusion drawing/verification. They explain that, ". . . the dictum 'You are what you eat' might be transposed to 'You know what you display.'"

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

performance status has to do with making things visual, not making them automated. One explains her simple strategy of hanging a calendar in her secretary's office.

> I do a calendar--and I hang it up--where I post what's due on what date. And, then when it's in for typing we put a check mark next to it. And, then when [GFO monitor] reads it and signs off, check mark also. It's very visual. I just made it up. I probably needed something visual myself. But it works. It works.

A number of managers talk of the importance of forms to make things easier for staff. One talks of forms as a kind of visual system to make requirements more manageable.

> When issues come up, I try to inform everybody about it as soon as possible, try to give ideas as to the best way to handle this, the best way to do it. I try to put some kind of a system in place that will try to make it a little bit easier in terms of the manageability of it. Like a different kind of a form or some kind of a form to fill out that will make it easier, a chart or something that will show it very clearly or explain things. Sometimes the City gives you some ideas about things or you just sort of sit down and make up a form, that's what you do. The agencies share with each other sometimes what kinds of forms they're using.

An executive director talks of the importance of generating reports to keep the staff for a performance-based contract for the elderly informed of their compliance with the units of service requirements.

> We try to generate lots of reports to show where we are. They're told in the beginning approximately how many units they have to provide a week, how many that translates to per day, that type of thing, so that they're aware of it, of what the needs are.

One manager describes her ongoing form development efforts and their relationship to her problem-solving.

> Every day you come up with another form, you don't know if it's really better, or if it's just another way of

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

approaching a particular problem.

A compliance coordinator describes the relief staff seem to feel when given a display of requirements that eliminate the need for them to "figure out how" to comply. He gives an example of what he is saying to staff regarding one requirement.

> "We're not going to make you figure out how to monitor recreational services in your program. Here's the way to do it. Here's the piece of paper. All you've got to do is fill it out. Here are the instructions. Here's the way you should talk about it. Here's the way you send the results in." Even though they may not like it, at some level it's just much easier for them to do that when it's been made that clear and specific for them.

The compliance coordinator with the aerodynamics background, whose forms developed as a caseworker propelled him into the compliance position, gives a graphic description of the significance of display for making compliance easier for staff.

> I got fed up when I had seventeen children to take care of, and I had this crisis and that crisis. And, I said, "Wait a second. Am I overdue on that case? It's a nice case. Did I let something slide? It's nice. It's settled. It's working smoothly. Did I let the crises overwhelm me enough so that I've lost track of when things are due?" And, I resolved that very simply by designing a form so I could sit there and look at the form and know what was due.
>
> And, I could sit there and tell you when a UCR was due in the next two years. For the next two years for a child, I could give you the date. I could tell you when the court was due. I could sit there and, on one sheet, tell you when every contact was due, when every visit was due, when every legal paper was due, basically anything that needed to be done by law. Not that that was what I was limited to, but that was my minimum, that I must perform. Not only that, but across the top, it was indexed on whether that was a State or City requirement.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> And, my Assistant Executive Director says, "That looks good and why don't we show it at an in-service training and discuss it." And, then, we got into tracking techniques and we got into discussions. And, I used to start making recommendations. Why would it not be possible for the agency to provide us X? Or Y? Or Z?

He relates how he then helps the NPA develop a monthly contact tracking form, and thereby demonstrates the need for the NPA to create a position for him.

> They wanted a monitoring report of what you'd done so that they could track it. But they didn't have any forms that would make it simple. So, I said, "Why don't you just?" And, I made a form and I said, "Here is mine. This way it's simple for me to fill it out." And, they said, "That's nice." They whited it out and sent it out to the rest of the staff, and they said, "Oh, this is much easier." And, they just filled in the boxes and sent it back.
>
> So, I kind of was borrowed to start designing forms for this and that, and from there the agency decided that they needed someone to, in a sense, take care of the tracking, the monitoring, the support of letting people know when things are coming due and what is required to be done, both in the front-end training and the follow-up, and not as a headhunter.

Automated display

For a number of managers, the demonstrated values of manual display compel them to develop automated display to exploit those values. The compliance coordinator whose manual forms resulted in his position describes the evolution of his position and of the evolution from manual to automated display. He begins by talking about the reaction to the creation of his compliance coordinator role.

> What surprised me is I got a big sigh of relief. Because we had worked very carefully and designed the role and introduced the role not as a headhunter, but as

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

a support position to off-load some of the responsibility from them, of keeping track of dates, keeping track of the different varying cycles of all the different things and to work with them on developing systems so that more of their work can be spent with a caseworker or with a family or child, versus sitting there staring at a calendar trying to figure out what's happened. It was appreciated. And, the first things that we started distributing were specifically oriented to timeliness, not in something being overdue, but "this is what's coming due this month; don't forget about it."

And, it was that type of approach and introduction to the whole service and there were about eleven reports turned out in the first two months, eleven different types of reports generated to caseworkers and supervisors. Telling them UCRs coming due, cohorts coming due, psychological/psychiatrics coming due, medical reviews, dental updates. All these crazy details, depending on age and everything else, cycle in the foster care system something ridiculous.

And, I set up a data base on the system that we had and got permission from the Executive Director to have some of the people work semi-part-time to just load in all of the information. And, we now have every child on the computer data base, and every month they get what we call our bible. It gives you the name of the child, [GFO] number, the CIN number, which is also the Medicaid billing number, the facility that the child is in at the last day of the month, the team in [GFO] or [other GFO] or wherever that is supervising us, case initiation date, worker code, City bill, current facility type (foster home, group home, adoptive home), date of birth, sex, ethnicity, religion, initial placement date, agency placement date, legal status, discharge objective, anticipated completion date.

That was basic demographic information that they would have to look up every time they did a report or look in their notes. There it was, and they could just fill out the top of the form. Then, we made this into an 8 1/2 x 14 and added last medical, last dental, psychological, and psychiatric. We have an individual report that comes out on psychiatric and psychologicals that says due next thirty, next sixty, next ninety. From the same data base. And, they get that on another form that tells them this is what's coming due. They get a report that tells them these UCRs are coming due. Another one that says if you're just continuing this child to go home to parent, then the current cohort requirement would be discharge by this date, which is in three

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> months. We give them ninety days, or you've got the ninety days to submit the exception request. So, they don't have to sit there and keep track of a date two years ago when this child came into care.

He goes on to explain that these forms are distributed throughout the agency and describes how this information was generated previous to his automated display.

> It was a hodgepodge. Different people did different pieces, and a lot of it didn't get done. And, now they say that now that they're getting it, they don't know what they did before it.

Then, this manager tells his plans for exploiting the value of the automated display.

> I've got a next step for the system that we haven't gotten to yet. No, that the agency hasn't gotten to. Something that my boss has wanted me to build and design which exists--we haven't been able to come up with the funding for it--which is an individual sheet that the worker would get that would tell them everything that was due that month from the contacts, everything that was required on one piece of paper. That exists. There are programs that do it. They've programmed in the entire regulations of everything they had that's quantifiable.
>
> They've gotten all of the quantitative requirements on the system, and at the end of the month a clerk sits there and types in every contact, every interview, the dates, in the right little boxes, and it spits out a new sheet, that sits there and says, "This is overdue and this is coming due this month." And, the worker sits there at the beginning of the month and knows exactly what to do when they set their calendar up for the month, make their appointments and everything. And, as they go through the month, they just fill in the lines with the dates. They still have to do the progress notes. They just put the dates that they did each thing on it. Hand one piece of paper in; that's an entire caseload. And that way they have very little of dates and due dates' cycles, which is the biggest headache.
>
> Now, we don't have that. And, that is something that I would want us to have. Something my boss would want us to have. But, it's about $47,000 for the computer for the hardware. And, the program itself is another head-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ache. We probably can get it very reasonably.

Another NPA has been piloting their own program about two years now. They and a consulting firm had come into an agreement where the consulting company would write the program for them with the ability to market it; they retain the rights. It's my understanding the NPA would retain the right to the latest version to use free of charge as a test site. And, they're up and running with that. It tells them the due date for parent contact, child contact, visits, psychologicals, psychiatrics, clinicals, dentals, everything that comes due. Flags the overdues, flags the things that are past thirty days due, UCRs, you name it, on a simple sheet of paper. And, it's easy for people to work with, saves them phenomenal amounts of time.

The capacity to display transforms the capacity to monitor and evaluate. In contrast to the evolution of automated display just described, the manager in another, smaller NPA with foster care contracts explains her analysis of her situation.

There are some agencies that are really very, very program assessment oriented and that's really a major priority for them. It's never been quite that much of a priority here. And, I think it's partly because of our limitations in terms of how much we can do with it. I'm really pushing for a computer. Let me put it this way--we have one, but we have really not been able to do much with it because the only person who could do anything with it really would be me, and I just can't; I'm strung-out. So I would really like to get a computer system in here to be able to track most of the stuff. We do it all manually.

We do get some print-out sheets and things that come from the City to track adoption, adoption milestones, adoption variables. I sit down with this with a couple of other staff people, and we go over it and we see what's correct, what's not correct, what needs to be updated on here, any milestones that are coming due. I try to notify the correct people of what it is, but it's all manual, and there are agencies that are computerized that do this.

We do have, the State of New York has, a computer system called CCRS, Child Care Review System, which is part of

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> the whole computer system for welfare services, which is called WMS, Welfare Management System. We have a terminal here where we can input these kinds of things, but, I can't go into the computer and say, "I want to know all of the children who need to be adopted within the next six months." I can't get that out; I can't get that kind of collating of data from this particular system. It's simply an input/ output kind of thing. And, what we need is really like a data base system. And, we have an IBM PC; I have the software. But I just don't have the time or the manpower or the help to do very much. That's where I'm stuck right now, trying to get something going with that.

Another manager describes how automated display is part of his strategy for making compliance easier for "wary" program directors.

> A lot of my strategy was to begin to work with them about getting them the tools that they needed to do the work appropriately, which meant that I did training for all the program directors on what quality assurance is all about and why anybody bothers to require it and how you can do it. And, I tried to cut out some systems so that they could get the data that they needed to do self-evaluation and monitoring relatively easily, as opposed to having to sit there counting things with pieces of paper and pencils and stuff.
>
> And, we bought a computer, and we started to centralize some of the data for them so they wouldn't have to count it all themselves, and that kind of thing. So that, over time, the mood has evolved to a certain extent--I would say, certainly not hatred anymore; still some degree of resistance, which varies from person to person. I'd say the predominant attitude now would be, "It's really nice that we have some easier ways of doing this so that we can get it done and get back to doing our jobs." Now, that's not what I'd like the attitude to be in five years, but it's a step in the right direction from resistance anyway.

He explains that he would like to see more complaints from the staff about the time it is taking to have the computer system fully operational.

> It took much longer to do the first major piece of computerization, which is the utilization review system,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> so they haven't had the experience of getting it back every month yet. The next big thing is incident reporting. And, because it took so long to do the first one, they haven't seen anything back on incident reports yet. And, we've had the system in place for about three months now. So, it's like they don't believe that it will ever be timely yet--but it's okay with them--and as soon as it starts to be timely, they'll be happier. No major complaints yet. They should be complaining; that's not a good sign. In fact, they should be complaining more.

Partialize and Spin Off Task Responsibilities

In addition to displaying requirements and performance status, these NPAs and managers try to make compliance easier for staff by partializing and spinning off task responsibilities. If staff's work load is overwhelming or its skill level insufficient to meet the compliance requirements, this strategy makes compliance not just easier, but possible.

Regardless of the impetus for using the strategy, managers believe this assistance liberates staff to do their principal job and enables the NPA to understand, control, and affect its compliance level. The two principal strategies managers use for partializing and spinning off task responsibilities are centralizing the compliance function and providing administrative assistance. These strategies are discussed in this section.

Centralize compliance function

In some of these NPAs, the compliance function is

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

formally centralized. In others, a centralization of sorts occurs through the supervisory structure. One manager explains that she concerns herself with having systems to help staff with the "more global things" that staff do not have time to address day-to-day. She gives examples of the kinds of questions she tries to address.

> "Gee, are you aware of the fact that this youngster is going to be in care eighteen months? What are we going to do about it? Are you aware of the fact that this youngster's going to be in care twenty-four months, and you need to do an exception?" This is the kind of thing that you're not thinking about on a day-to-day basis. The workers and supervisors are dealing on a day-to-day basis with the contact variables: how many times did you see this person? Did they have a visit in the home? Did they have a visit in the agency?

Another, much larger NPA finds that compliance requires centralization and full-time staff attention. As the compliance coordinator who was hired explains,

> In our last full JCAH audit, we had serious questions raised about our quality assurance and utilization review program. So, that was a spur thing: "We've got to pay attention and make it a full-time job because we're obviously not succeeding in doing it with someone giving it half-time attention."

In another large NPA, where the compliance function has been centralized for a number of years, the compliance coordinator describes the tasks her office does and does not assume for the workers, supervisors, and program directors.

> We have all different kinds of monitoring mechanisms in place. Agency records are centralized right here, and anything that goes to the City has to come through this office. So that all UCRs, once they're written, have to be sent here. Any 853s, Plan Amendments, that kind of stuff, has to come here, and then we send it out through a messenger service. And, then when it comes back, it all filters in through us and out, which is our way of

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> keeping track of those things. Treatment conferences we schedule. We collect the schedules here so we know that they're occurring. And, then, a lot of the other compliance issues we can monitor from the computer. We have all the contact requirements that can be monitored from the computer.
>
> We just track through quality assurance a lot of the different required actions and then many that are not required. Then, we centralize in terms of pulling the information together, but we hold people responsible for their piece of it. For instance, the Adoption/Foster Home Department Director tracks all of the adoption milestones. He's responsible for looking at that for the entire agency. The Chief Psychiatrist looks at the psychotropic medication. He does the reviews. He monitors that.

She explains that even where staff are "held responsible" for developing their own monitoring schemes, she is often the "helping hand," as well as the "central collection agency."

> I seem to be involved with a lot of them though in different ways, either directly because we have someone from my department who's actually doing the adoption tracking or for the other departments. So, we provide helping hands at times. Sometimes it's just a form of consultation where we'll say, "You know, this really isn't meeting anybody's needs. How about fixing it this way and doing it this way?" And, then we just become a central collection agency.

Another compliance coordinator explains how he provides a "helping hand" to staff.

> I'm also responsible for monitoring the State, City, and Federal regulations, memorandums, letters, proposals of any changes, how they affect the agency, and then training staff in those changes. On the compliance end, I'm responsible for making sure that all of the workers and supervisors get their little tickler list that tells them when everything comes due, how they're doing. We process, right now, about thirty different reports that go to different people, from case worker to program director on what you or your unit is responsible for in the next month, in the next six months.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> I do the preliminary survey of the records for the Program Assessment Review, make sure that everything is where it's supposed to be and, if not, proper documentation of why it's not there is in the record, rather than the social worker's notebook. And, when we come up with a problem that we don't feel that what's in the regulation's in the best interest of the child, how do we make that properly documented in the record. But, more so, how do we make it legitimate.

While centralization can make compliance easier for staff, it can also generate fears and resentment. In any organization, this reaction can be expected because centralization, by definition, involves a loss of some power and control. Managers are acutely aware of the need for strategies to neutralize the fears and resentment that can occur when power and control are lost.

One compliance coordinator explains the perception of his role he works to create and maintain.

> We worked very carefully to insure that my job was not a headhunter. I was not there to say, "You're not doing your job"--and, give them a black mark in their personnel file." My job was to say, "Okay, we've got to get this and this and this a little bit better. More timely in this or this." Or, "Don't forget. You've got to get this done as part of your job." And, work with the people to bring them up to the standard or above the standard, rather than being seen as someone that comes around punishing.

To his surprise, another compliance coordinator, in a NPA providing psychiatric services, finds that his lack of clinical skills seems to alleviate staff concerns.

> I think that it's helped me a great deal to not have a clinical background, which I would not have predicted before I came here. When I came here, I thought that it would make it harder because people would essentially say, "Who are you to come tell us how to manage a clinic when you don't know the first thing about clinical work?" What has happened is that at this first stage, I

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> think that if I'd been a clinician our experienced program directors would have had to prove that they knew more about clinical work than this young upstart. So that I would have been seen through the lens of, "Who is this young clinician, who doesn't have nearly as much experience or wisdom as we do, to come along and tell us which cases are good and which cases are bad and how to run our clinic?"
>
> Instead what I got is, "Well, we have an area of expertise, which is clinical work, and he's got an area of expertise, which is management or administration (or God knows what people conceive it as), so let's see whether we can use his expertise to help us with this thing." Now, that wouldn't characterize every individual I've dealt with, but I think I have been much less threatening because I don't threaten them at the heart of what they do, which is clinical work and clinical judgment. I can never pretend to tell them how to make clinical judgments. So, they get to keep what is most essential to them, and that makes it easier for them to give and make compromises on some things about the management of their program.

Provide administrative assistance

In their efforts to make it easier for staff to comply, the second strategy managers use to partialize and spin off task responsibility is to provide them with administrative assistance. One manager describes this assistance as "alleviating the workers of the burden of a lot of the little nitty-gritty details." The ways in which managers provide this assistance are varied and creative.

One hospital-based program director explains how she utilizes an unusual employee who had worked for her for years as a volunteer before just recently going on the payroll.

> _____ is the cement that holds this program together. She is seventy-one years old. She's energetic. She's

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> effective. She loves doing these numbers things with the calculators and stuff. I don't do any of that. I don't have to. I don't want to. I mean I couldn't do it. If that piece wasn't in play--because that can allow for lots of problems because you're dealing with [GFO] monies, [NPA] accounting department. She handles all of that. She's not an accountant; she just learned it. And so because that piece is taken care of, it makes my staff feel comfortable if there's any problem with their salaries or monies. And, she has a great system down so that we have a good system for getting vouchers for transportation. We don't have to worry about that at all. That makes for life being a lot easier. It just makes for life being a lot easier.

In smaller agencies, where a centralized compliance function is not feasible, managers use clerical staff to alleviate the burden. A manager describes the efforts she makes to relieve staff of the complexities of setting up required meetings.

> Twice a year you have a service planning review meeting on your cases, and the family has to be notified a certain number of days ahead of time. Children over ten have to attend the meeting. You have to have certain people come to this meeting. After the meeting's over, if the parent didn't come, you have to share what happened at the meeting with them. There're a lot of things.
>
> So, what we do is that one of my secretaries prepares a monthly report as to what cases are due for the meeting and then explains on that report who has to be invited to come to the meeting and then we have letters, already pre-printed letters, that the workers can pull to send out. Some agencies have clerical staffs do all of that, all of the things for the letters and that kind of thing to make it easier for their workers. So those are some of the kinds of things that we try to do to make it a little bit easier for the workers, those kinds of systems that we've had to put into place.

Even in the NPAs with centralized compliance functions, the need to provide administrative support continues. A compliance coordinator describes what happens with the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

computerized progress note system.

> It started out where we just had the clinicians doing their own notes, and they had to put it into the computer. And, there was some barking. So that we finally hired a data entry operator to assist. So the data entry operator does about 50 percent of the progress notes, of the entry now. So we're constantly balancing it out, trying to compromise.

One manager explains that when staff is overwhelmed, she provides the administrative assistance herself by, for example, supervising students or preparing statistics. She explains her reasons for this strategy.

> It was my way of saying, "Okay, I'm not going to put anymore on you. I hear you're burdened. I'll become burdened."

Use Requirements to Further NPA Objectives

Another strategy managers utilize to effect compliance is to use contract requirements to further NPA objectives. By finding a link between the GFO purpose and the NPA purpose, managers can exploit the former for the latter. Three distinct strategies are used to this end. First, managers use reporting requirements to focus the NPA's effort. Second, they use audits as leverage for task completion. And, third, they use the audit protocol to meet NPA quality assurance requirements. These three strategies are discussed next.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Use Reporting Requirements to Focus Effort

An executive director says she views the GFO's Uniform Case Record and monthly progress report form as helping her NPA "stay on track." She sees a connection between the demands of these forms and the philosophy of her NPA. Therefore, the completion of even "awful" forms, she explains, "doesn't knock us off course."

> I would say that the UCR helps you stay on track. The UCR really obliges you, if you use it. I see it as very helpful, anyway, if you know how to use it right. It really makes you sit down, seriously, and look at what you're doing, at the goals you set, at the means which you set to achieve those goals, and whether you're going anywhere with them. Now, I think that presupposes that a worker doesn't have a caseload that makes it impossible.
>
> The UCR is supposed to keep you on track for providing concrete services. The monthly progress report form is really awful, in a way, but it's got to also force you to look at a list of concrete services. Our approach to work here is so much oriented that way to begin with that it doesn't knock us off course. It isn't as if to say we were a mental health clinic. It might be harder. But, our focus has always been on support out in the community, linking people and systems.

One of the compliance coordinators describes how he intends to transform the compliance effort "into a process that reflects the agency's own standards of quality."

> I think that today it is primarily another outside function. You see, I'm not interested in compliance; I'm interested in the work the agency does. When I was talking about getting people to use the results, I was really talking about trying to make it into a process that reflects the agency's own standards of quality. Let me see if I can make that more specific and helpful.
>
> In the first year, in order to live through the JCAH audit and also to get the basic systems in place, what I really had to do was say, "Okay, JCAH requires us to have monitoring in thirteen different areas. Here are

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

thirteen monitoring systems. Congratulations." Much too much stuff. Some of it will ultimately be very helpful, like incident reporting and utilization review. Some of it, like monitoring the dietary service--I don't want to monitor the dietary service. Nobody wants to monitor the dietary service, but they make us monitor the dietary service, so we'll do it. That's your work.

So, year two is in part continuing that, and trying to make it more real and helpful and getting the kinks out of it. But, it's also going to each individual program director and saying, "Okay, let's figure out what we should monitor, that is specific to your own program, that's not something we're monitoring in the whole agency, so that you will have information about resolving a particular problem that you know exists."

So, in one place it might be the management of a waiting list in a particularly crowded outpatient clinic. And, in another one it might be trying to figure out a way to monitor whether appropriate patients are referred to group treatment. We think that group therapy is being underutilized. And, in our residence program for chronically mentally ill adults, it might be some monitoring of participation in group activities to give some sense of who's making progress, and in which areas of functioning, in basic living skills.

And, that to me is a big step toward making it quality rather than pure compliance cause it's saying to them, "You care about the quality of your program. In which areas do we need help figuring out what's going on?" And, I could probably go to each clinic and come up with ten areas they should be monitoring. But the reality is they don't have time to do that.

So, I'll start small, and what I'll probably wind up doing is having some discussion with a lot of outpatient clinic directors and with the person in charge of outpatient clinics: "Here are five different things that you might choose to monitor. Pick the one that seems most important to you as a reflection of the quality of work that you're doing in this office and start monitoring it and send me the results. The choice is yours." That's a guess for how we're going to do that.

Use Audit as Leverage for Task Completion

One manager says of the GFO audit, "I kind of like

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

it." She then explains how she uses an impending audit as leverage with staff to get them to update records.

> I have two times a year when I really crack the whip to make sure that everybody's really got their records up. One is before they go on vacation. That's an agency policy. It sort of gives you a little extra leverage. And, then when they're monitoring, I usually really insist that they have their dictation up to within two weeks. We type everything so that it needs to really be in. And, I don't go after them if the secretary's up to their elbows in progress notes or something.

Use Audit Protocol for NPA Quality Assurance Requirements

In addition to using the audit as leverage with staff, another manager uses the GFO audit protocol to accomplish NPA quality assurance requirements. First, she explains what she is planning to do.

> What we're doing Monday, in fact, as part of my corrective action plan, that I just sent in, is that we're taking the same protocol that [GFO] used in their audit. And we had it before, and I read it and my staff read it, but we really didn't know from [anything]. When we read it we knew what the general things are. Now, we're going to take the audit protocol, and we're going to take six charts of our own. I said, "This time you can choose your chart. Next time, I'll choose it at random like [GFO] does."
>
> And, we're going to sit around in our unit meeting, and we're going to audit each other's chart. I'll have one person audit someone else's, and use the same protocol, and just sort of see how it feels to be in that situation and see how they're doing now on one chart in June versus how they maybe did on three charts last November, to get them thinking so that we know that another audit is coming this November, that they better look at their cases, that are going to be open in July and August, and prepare as best as possible or at least come up with good justifications in discussions with me. That it's their responsibility as much as mine to alert me to areas that they feel are in non-compliance.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Then, she relates how she decides to use the audit protocol in this way.

> After having looked at some of the deficits in the program that they found on case contacts and stuff, it just made sense that we better look at the protocol very carefully and see what was in their mind, how exactly they came up with these.
>
> But, also in the [NPA department], there's a whole need for quality assurance. We're required to present certain quality assurance activities or how to improve, whether it's recording, whether it's caseworkers' needs, in different ways, shape or form, referrals, whatever the problem is in different units. So, I told my supervisor, "This is a problem. I think one way that we could address it is by using a protocol and doing our own peer audit, like they do in child abuse cases." So, I said we're going to start using the protocol that [GFO] does and sort of do our own reviews every so often.
>
> It would address the needs that she had and the [NPA department] had to come up with a quality control protocol or procedure for my unit, as well as this is going to, hopefully, I think, give me some feedback and give my staff some real familiarity with the kinds of things that the system is looking out for when they come in. So it met both the [NPA], [NPA department], as well as my needs, and hopefully it will improve our score with face-to-face contacts and home visits on more cases.

Overcome Resistance to Non-negotiable Tasks

To the extent contract demands are non-negotiable, managers are charged with having staff comply. A corollary purpose of all of these strategies discussed to effect compliance is to reduce resistance to compliance. However, managers describe three specific strategies to overcome resistance. First, they couple compliance demands with change efforts. Second, they emphasize empathy, reality,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

and mutuality in their approach to staff. And, third, they live with the resistance temporarily, until a compromise solution with the GFO evolves or they can implement a change in the NPA. These three strategies are discussed in this section.

Couple Compliance Demands with Change Efforts

Managers are adamant about compliance, but they are correspondingly adamant about efforts to change contract requirements. Several of them describe how they couple their adamancy about compliance and change with staff. Asked how she effects staff's compliance, one manager responds that she tells them,

> "They do it or go." No, I don't, but I want to. I really spend a lot of time in terms of working with staff, trying to help staff understand that, like it or not, this is really what we have to live with. Let's live with it, and then maybe try to change it. And try to get staff to work together on that.

She then describes how and why she works, and has her staff work, for change, as well as compliance.

> One, for myself to be involved in different kinds of programs, cooperative groups, and to report back to staff what's happening. And also the staff to be involved in various community groups and advocating. Because I believe in social services--I think particularly with the increasing reporting demands and with the pressure--it's so easy to lose your head in sand in terms of day-to day requirements, whatever you want to call it, and really forget about the broader issues. And, I think that's a real danger for social workers.

Another manager is similarly adamant about staff responsibilities for compliance, but says she will do "what-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ever we have to do" to address problems.

> That's their job. Their job is to know their contract, to review whatever regulations come out around the contract, following the contract, to meet reporting requirements as they are outlined in the contract, and to bring problems around compliance, obviously, to me. If there are real problems, we will address them or address them in writing or do whatever we have to do. But any director or supervisor, whatever, knows that one of their two or three top responsibilities is to be in compliance. To know what they're required to deliver and deliver it. Or to tell me why they can't.

Emphasize Empathy, Reality, and Mutuality

When confronted with staff who resist compliance, managers describe a three-pronged approach. They simultaneously emphasize their empathy with staff's reaction to trying demands, the reality of the lack of choice in complying, and a spirit of mutuality essential to survival.

One manager describes how she reacted when a social worker said she refused to call foster parents about training programs.

> Foster parents have to come to foster parent training, and I think that that's really good, and I think it's really important because I think foster parents do need training, but you really have to be after the foster parents all the time to come to training. Now, we just put together a list of foster parents who have to come, who haven't come to any training or who still have more training to come to. And, I had my secretary put together that list for me and give me a list and I gave it to all the supervisors and administrative staff and I said, "Can you please talk to your workers and tell your workers that the next time they have a contact with their foster parents, please tell them they have to come to training?"
>
> Well, one of the workers said, "I'm not doing this. This is not my job to do. Why doesn't the home finder do this? Why doesn't she get on the phone and call all

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> the foster parents and do this?" She happened to have been the only worker that complained about it, but on a certain level you can relate to what that's all about. It's like, "Don't I have enough to do? You have to give me something else to do? And, I didn't go to graduate school to learn, to be trained in doing these kinds of things." So, anyway, those are the kinds of things, like those little kinds of things, you just ask one person to do one more thing, and they just lose it.
>
> You sit down with people and you try to explain it to them that you can empathize with what they're going through, but that the bottom line is that it has to be done and somebody's got to do it and my decision is it's you. And that's how it is. There's really no other way. This is just what we have to do. We have to pull together and support each other and do it.

One of the compliance coordinators describes what happens as her NPA adjusts to extensive GFO regulation.

> We had to train everybody. We had to develop new forms constantly. The place has always been in transition. And, that's one of the gripes, that's one of the hardships because there's so much change that it really feels burdensome to people. But we've had to do that. We've had to continually adjust our forms and try and streamline things and then re-add things and are constantly training people. That's how we do it. I think that the hardest thing is people's reaction. And, trying to keep them happy when you're in the middle of that.

Asked how she "kept them happy," she responds,

> Not easily. There's only so much control you can have over that. I think the best thing is to be honest with people, first of all. At some point, we tried, "Oh, there's really nothing going on here. It's just another form coming through." That's baloney, and it doesn't work, and nobody appreciates that. The best thing is, "Okay, here are the regulations." I even send them a copy of it. "See, here it is in black and white. We have no choice but to follow these. And, we all have to work on it together to make it as streamlined as possible."
>
> And, I've utilized people from all levels of staff. That's another way lately I've been doing it is by committee and having line staff people. For instance, when we changed our treatment planning forms for JCAH, I

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> had a committee, a multi-disciplinary group, and we met quite a while there, getting everybody's input, having people actually do some of those forms. I broke it up into sub-committees, and just utilizing the people to make the changes, helping them take responsibility for it, so that they see this isn't another thing coming from up there and down and feeling so powerless and helpless. You know, we all feel that to a certain degree from what comes from outside. But, if we join together and, like a family, here's how we're going to deal with this problem, it just makes it a little more palatable and keeps morale up slightly. Slightly.

In a variation of the empathy/reality/mutuality approach, another manager explains the importance of helping directors "process" their feelings about problematic GFO auditors.

> One program director says that monitor's really weird. I think directors have issues about someone coming in and evaluating, someone whom they don't respect, but who has power, coming in--so that those have to be talked through with someone. But, I don't think it ever helps to have a monitor be pushed around or disrespected. I just don't think that's helpful. So, I'd rather really process that through with a director.

Live with the Resistance Temporarily

Paradoxically, some managers find allowing non-compliance, living with the resistance temporarily, is an essential strategy to effect compliance. They do so until a compromise solution with the GFO evolves or until necessary change can be implemented in the NPA. These strategies are discussed below.

Until a compromise solution with the GFO evolves

One manager gives an example of a situation in which

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

she decides to say little about staff resistance. She just waits until she creates a compromise solution with the GFO.

> The contact requirement is that the children are seen once a month, that the social worker has contact with the child at least once a month. That's in the Program Assessment. So, our social workers see the children every week. But, it became so burdensome to write progress notes on every single one of those contacts, which is the expectation in a sense, that a lot of people started just putting down the minimum requirement. "This is what they expect. This is what they think is okay. This is what we'll give them. Why should we write more than we have to for them? They're asking for enough already." So, then, you read progress notes sometimes, and it doesn't tell you all the work we're doing. So there's a discrepancy there, but it's more coming from our standards are higher than theirs. "But, ah, we'll give them what they want."
>
> I didn't push it at first. I knew it was happening in some cases and not all. And, I didn't argue because you can only expect so much. And, in some areas, I have to understand what's reasonable and what's not reasonable to expect, and I truly believe that was beyond reasonable. Because those progress notes would become overly burdensome. That was in my judgment. And, that's why I let it go for awhile.
>
> And, then, about three or four months ago, after this has been going on for awhile, I thought about having it all be a summary, the whole worker-child thing for each month, just be a summary, instead of each time making a separate entry. And, I called [City GFO], and I talked with her about it. And, she said she was going to check with somebody up at the State, etc. And, they approved the idea, just of being a summary, listing all the dates in one little line, and then just summarizing what happened that month. So that I presented that to the social workers as an option. And, now it's a legitimate way.

Until change implemented in NPA

Another manager, who assumes responsibility for a problematic program, describes the staff resistance to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

compliance.

> When I came to this job a little over a year ago, the intake was closed, and it had been closed for several months. And, I could say to staff, "You have to see more people." That I would like to, but I didn't do. But they said, "Well, we can't, we can't." And, they couldn't, in terms of it wasn't as if they were sitting around twiddling their thumbs.

She then explains what she decides to do so the staff will be "ready," able to comply.

> What I was able to do, with the change of staff, is bring in somebody as a supervisor and force them to work with them gradually. So, doing a restructuring and providing some internal structure and support for the workers. For example, the supervisor was also to help them problem solve because what I found is, particularly in terms of outreach, people were out there and had been doing, for a long time, their own thing. And, that's very nice if you're always sure it's the right thing, but there're different ways to do things. And so this way not only did they have to relate to somebody else and deal with it. But also it finally give them a chance to relax and say, "Gee, I don't know." So, they could relax and put their attention down a little bit.

While doing this work with staff, she decides to "sort of coast along" with compliance for almost a year. Speaking generally of the effort to have staff comply, she summarizes, "It's really spending a lot of time and energy over the long haul."

Strategies to Effect Compliance: With the GFO

Simultaneous with their strategies within the NPA, managers have two major strategies with the GFO to effect compliance. First, to make compliance possible, they have multiple strategies to learn the game of contract manag-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ement. Second, they have a rich variety of compliance-related strategies to play the game. These strategies with the GFO are discussed in this section.

Learn the Game

For managers, a fundamental, overriding, and ongoing strategy with the GFO is to learn the game. Toward this end, their strategies are to figure out the rules, to figure out the significance of the rules, and to find the right GFO players.[2] These strategies, and the strategies subsumed within them, are discussed next.

Figure out the Rules

Figuring out the rules of the game is often a complex, convoluted process. A manager describes what the person, whom she hires to replace herself as a director, experiences.

> It took a long time when I moved to this job and hired somebody for the Director. It took awhile for him to figure everything out because there's a lot. It's complex for anybody coming in who didn't know it, learning all the different regulations, particularly with [GFO] for the preventive contracts. You can't make a

---

[2]To learn the game, managers do not depend on the GFO. They have a strategy with other NPAs. As one explains,

> I would think that the best way to learn about program is not from reading policy and not by going through this book of policies I'm pulling together from [GFO], but to really talk with [another NPA manager], whom I talked with, and all of us went to in the beginning, because she's been around for awhile and in the system. Talk to people who are living it.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> move without thinking of three different regulations. Before you close a case, you have to give the client fifteen days' notice, and you have to send them a certain kind of letter, and they have a form, different forms have to be filled out in three different ways, and you have to think about the impact on the utilization and all this stuff. And he's managerially responsible for all this so he doesn't have to think about it on each individual case, he has to make sure the supervisors are. And, it just takes a while to learn all the different regulations.

Another manager explains what he thinks is critical for a manager of contracted services.

> I would think you would have to be extremely clear in terms of guidelines that the agency, the funding source, is to make, because often they're very tricky and you get double messages in terms of some of the guidelines.

Managers' strategies for figuring out the rules include attending meetings, determining how to ask questions, preparing for audits, and learning from mistakes. Each of these strategies is discussed next.

Attend meetings

Several managers stress the importance of attending GFO meetings. In order "to establish some kind of very meaningful relationship with the funding source," one manager says it was critical to be,

> attending meetings, receiving the orientation, being very clear in terms of what is being asked in relationship to the program.

Another manager explains that the necessity of attending meetings is continuous.

> When anything new comes out from the City, the Program Coordinator goes to a meeting if there's training downtown. We take advantage of all the training we can get.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> So, I think we try to keep ourselves up on things and to interpret it, and understand how it works.

One manager says that if the GFO does not hold a meeting, and his NPA has questions, a meeting will be requested.

> We ask for a meeting with someone, just to go over, to be clear in terms of what's being asked.

Determine how to ask questions

Figuring out the rules involves asking questions. With some GFOs, managers need strategies to ask questions to get answers. As one manager, with responsibility for a senior citizen center, explains,

> For example, [GFO] is very inaccessible in terms of being helpful. And, their way to help you is, you ask a question, they say, "Yes or no." You've got to know exactly what the question is and how to phrase it. And, there's usually not, "Gee, you're concerned about this, have you thought about doing it this way?" Or, "You really ought to start thinking about planning for [whatever]." It's yes/no.
>
> I don't feel I have good working relationships with [GFO] in terms of the Senior Center. I just find them inaccessible. But, one of the things I do, I just keep plugging away. "Hi, guess who?" I'm just quite like that. And, "Can you help me?"

And, she continues, prefacing a question to the GFO by asking, "Can you help me?" seems to be effective. They then respond,

> "What do you want?" They're very comfortable with that. And, I think it's a personality thing. I think it's a bureaucracy kind of response.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Request pre-audit

Another strategy one manager uses to figure out the rules is to request an unofficial pre-audit by the GFO. As he explains,

> We may even call ourselves and say, "Listen, we would like for you to come and do an internal audit, check us out. We want to make sure we're doing what we're supposed to be doing."
>
> In the drug program, with the field representative, it's a person that we've known very well. We knew that there was a major audit coming up within the next six months. We asked him four months prior to that audit if he himself would come around and review our records. Now, he was not a part of that team that came to audit our records and so forth, but he is the person that we relate to in such a way to say, "Listen, you could probably give us the kind of information we need to know right now to make sure our records are in compliance, so come and do an audit." And, he's done that.

Prepare for audit

Other managers use the audit preparation process as a strategy for figuring out the rules. One director explains,

> In the preventive services program, [GFO] gives us a lot of forms to fill out. The advantage of that is that there are some tools there to use, to help you monitor your own compliance. So that we're not surprised at the end of the year when we have our annual site visit from the City. We know what's going on.

Another describes what she does prior to a monitor's visit.

> When we know that a monitor is coming, and most times we do, we review the contract and review any issues that might come up where there might be problems. And, then the program directors handle it.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Even when a monitor's visit is unannounced, one executive director describes his instantaneous preparation.

> This one from the [GFO] has this incredible knack for coming when I'm not here. She comes on unannounced visits, which is fine with me. I have no problem. But, what do you do? You just try to put your best face forward and try to anticipate what it is that's going to concern them or not.

Learn from mistakes

Sometimes figuring out the rules is retroactive and requires learning from mistakes. One manager describes her experience.

> I guess we're learning. The first year, I thought things would be a little looser, and I didn't know how rigid the requirements would be. I didn't know. We had heard that they would be strict, but we didn't know. And, we also didn't know everything we were supposed to do because there's so much to know. I thought there was only a requirement of one home visit in the first six months and two thereafter, and then I learned last year that was not true. Two is in the first six months. These are the things that you thought you heard in training and then as you put into practice, you learn more of the things.

Figure out the Significance of the Rules

Many managers believe it is as important to figure out the significance of the rules as to figure out the rules. Sometimes, this means figuring out the significance to the GFO as an entity; sometimes, to the GFO staff.

Significance to the GFO

Although her contract requires she serve 110 families,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

one manager explains that she does not and that she figures out that the GFO does not expect her to serve that number.

> We're contracted to serve 110 families. We never do. Part of it is that our cases don't turn over, and I've been trying to get them to look at that because they've never sanctioned us or anything. They're more interested in the monthly figures. As part of the application for funding that you fill out each year, they ask you to do an average of how long your cases stay open and our average works out to about nineteen months. Well, obviously, if they're going to turn over that seldom, you're not going to hit 110.
>
> They were trying for purposes of the [City government] to keep the cost per family at around $2000. To do that, they had to give a number because, again, one of the things you do is you take your annual figure and figure out what your cost per family is going to be, and they were trying very hard at one point to stay in that $2000 ballpark. However, I think they also realized that the cases didn't turn over. They never insisted that if the client really needed services that you had to close or push it out or anything. So that, again, they really looked at the program capacity at any given time, and under 90 percent is not acceptable on their monitoring thing, so that they come and do a visit and they pull a sample of records, and they read them, and they check them for whether they've got the thing they're looking for in it.
>
> And, if a certain percentage fall below, then you have to do what they call a corrective action plan. For two years, we've had to do one on utilization, but I didn't do one this year. I mailed my Xerox of last year's because what can you do if you're short-staffed? You can do just so much. We've already raised our salary scale. We advertise in all the papers. We do word-of-mouth; we go to schools. I mean there're just so many initiatives you can take. And, I felt we documented them all last year, and they're all in process.

Significance to the GFO Staff

Strategies for figuring out the significance of the rules to the GFO staff are both obvious and subtle. One

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

manager recognizes that the GFO is not going to cancel the contract if the NPA does not meet the home visit requirement and the monitor confirms that when he stops "batting away" about it.

> We do not comply with the home visit requirement. Where we don't comply in one program, it's for clinical reasons. We document it. And, if we get cited on it, we simply say we disagree clinically. And, they're not going to cancel our contract because we don't make two home visits. At [another program], we don't do it because people are carrying caseloads of seventeen, and we draw kids from four boroughs, and I can't do it. Managerially, logistically, I can't do it. It also is not appropriate clinically. But, the first line of argument is that we can't.
>
> The monitor knows that. We get cited on it every year. Every year we explain why we can't. He understands why we can't, and we say, "When they give us two more social workers, then we will attempt to meet this requirement." And, so, it's not a great situation, because I get very tired of talking about it, and writing them letters, but there's no place for it to go, and <u>he doesn't keep batting away at us about it</u>.

Another manager explains about "formal" and "informal" rules.

> There's the formal and then there's the informal. So we'll all agree formally this is what we're going to do and then informally we understand this is the reality of it.

He then describes his strategies for determining the "informal" rules.

> It's personality and it's give-and-take. You try it by testing. You find out what is it that they really want, how far are they going to push an issue. Are they really going on the statements that they make or are they making some kind of a show like "I'm in charge in here and as long as you realize it and give me a certain amount of respect and acknowledgement, then fine. Then I'm not going to make life miserable for you." And, that's really what it's really about.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> You have to know what you can't say and what you can say. I remember one time I went down there, and I didn't have my seal. And, so we were just joking, like, "Seal? Do I have a seal? A seal, you know, like the little animal that jumps in and out of the water? You're asking me do I have a seal? Just let me sign this contract?" I would treat it like a joke. I couldn't tell them I had a seal and I didn't bring it. Then they would be required to say, "You can't sign."
>
> And then you try to talk to people, sometimes you can joke with somebody about something and then you can find out if it's a joking matter or not. Or you could suggest something in a joke form.

Find the Right GFO Players

A third strategy for learning the game is finding the right GFO players. One manager describes how she delivers statistics to the GFO for the purpose of getting to know people and has learned to seek out a "human being at the other end of the phone."

> Really, what I do and, again, because we're small, sometimes I'd be downtown myself so I drop off monthly statistics myself. I go in, and I say hello. They come out to monitor your program. In a big bureaucracy, it's the only way I know to get to know the people.
>
> I haven't yet had to go through the fingerprinting. I expect that though cause it is time to hire another [staff member]. I know I'll have to go through it. Last fall, I got this packet of stuff from some City agency about fingerprinting, and I read the fine print. It's something we haven't filed, so I called the number it said to call, and I got somebody who said, "Oh, what do you mean you haven't filed something about fingerprinting?" I said, "Well, I didn't know I had to." I've discovered if I persist usually I can get the right person to talk to. So, she said, "Well, you call so and so. This is terrible." That wasn't enough. So I called so and so. "Oh, my Lord, you call me back when you're going to hire somebody new, and I'll tell you what to do." So, I have all that on my desk, and when we hire the new [staff member], and we're close, I will call them up, and he'll walk me through it.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> It's the only way I know to deal with these bureaucracies, is to find a human being at the other end of the phone who will walk you through it. I no longer get hysterical. I used to. I took it all seriously. But, now I know there're some wonderful bureaucrats in the system who want to help you, and eventually you find them.

Another manager also personally delivers materials to the GFO for the purpose of developing relationships to find the right players. She describes her strategy for talking to the "right player" when the right player is not her assigned program planner.

> I hand-deliver materials sometimes to [GFO] to make sure they know who I am, so I can call them and express a concern and have developed relationships with people down there, people who you sought out, screen out who are intelligent. Just because you have a program planner doesn't mean that program planner is particularly helpful. Sometimes I've heard some other program planner is much brighter, but politically, you have to go to the program planner first, and that's the way it is.
>
> So, you call when you know that no one's going to answer at the program planner's office. Or you call and leave a message, and if she doesn't get back to you, then you can go to the other, "I called and tried to reach so-and-so, but I really need some information now." Thereby making it okay. Because you've got a message there, and the program planner can't feel that she's been gone around. And yet then you can get better, more accurate information quicker by going up the ladder in a way that doesn't set up any kind of negative thing.

Play the Game

For managers, playing the game of contracted services to effect compliance involves diverse strategies with the GFO. First, they are responsive. Second, they use diplomacy. Third, they set limits. Fourth, they exploit the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

rules. And, fifth, they manage the budget to effect compliance. These five strategies are discussed next.

Be Responsive

Asked to describe the way she develops relationships with the GFO, one manager delineates her NPA's strategies for being responsive.

> Through living with them, working with them. We try to be very responsive. If they have a meeting, we make sure to show up. Even if they're repeating something we might already have heard about, we give them respect and show up and pay attention and assume that what they're saying applies to us, too. If we get a request from them, we respond to it. If they want information from us, we provide it. Or if they want us to do something that we don't want to do, we give them the courtesy of a carefully thought-out, polite explanation of what's wrong with their thinking. Frequently it's in writing.
>
> They just sent out this proposal for preventive programs to provide services for the families of boarder babies, and we decided that we would not apply to provide these services, and we sent them a long explanation why. We did the same thing when they did this day care program a couple of years ago. They wanted the preventive agencies to contract to put a social worker to work for a group of five or seven day care centers. We thought it was not a well thought-out idea, and we decided not to apply for it, and we wrote them and explained why.
>
> When they do the contract monitoring, we usually don't agree with everything they say in the contract monitoring, but we take every word of it really seriously so even if there's something in there that might not be very important, if we have a question about it or a concern about it, we ask them about it because we take their reports very seriously. We want to be in full compliance, and they know it. So, I think the people in the City, we've got a reputation for that, appreciate that even though they don't always agree with us or like everything we do. At least they know we're taking it seriously and trying to be in compliance all the time and usually achieving it.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Another manager explains that responsiveness for her NPA means getting the GFO "out of jams."

> It's a good relationship. It's a working relationship. We have gotten them out of jams. We take boarder babies. We take children on emergency care. When they get over-flooded down there, [our facilities] will take kids on overnights for them, which we get paid for, but we try to help them.

Use Diplomacy

Using diplomacy to do what needs to be done to effect compliance is a common strategy. One executive director gives a vivid description of how he "hand-holds" all "these little petty bureaucrats," who do things that "just infuriate me."

> You have to shmooze with them. That's really the word. You have to sweet talk them, be grateful, send them thank-you notes, tell them thank you. Of course, they want to get praise like everybody else and, so, you try to be as diplomatic as possible.
>
> The way I work it, I call the person up and ask for advice, even if you don't need their advice. You try to ask them, "What would they do in this situation? How should you handle this?" So that you get their idea of what to do. When you call them up and you have a complaint, you say, "Well, I know this isn't really your responsibility, but I seem to have this problem and I don't know." Don't openly criticize them on anything that's their responsibility. You have to make it seem like you think it's somebody else's responsibility.

He then recounts an example of his struggles with "not laying the blame on somebody" when the GFO denies payment for new employees.

> They have this incredible policy where, when you get new employees, you have to fill out a security screening form, and you send that into the [GFO], to their screening department that handles this. There're two forms,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> one that's a resume that shows their qualifications for the job and the other asks them, "Do you do drugs? Are you a child molester?" There's no system for that information once it's approved or not approved to come back to me or to go to the fiscal department.
>
> The way their system works is you send in these reports, and then you send in your fiscal report. Now, when the fiscal person gets the time sheet showing new people he's never seen before, he disallows them, and he sends a note to your program officer who's a third person, saying, "Who are these people and are they approved?" And, if the fiscal people that review the sheet have informed the third party that they are approved, then the program officer sends the sheet back to the fiscal saying, "Yes, they are approved."
>
> In the meantime, you're out for a month of getting reimbursed for those salaries. Now, in the old days, we'd write to the program officer and she'd usually give you a temporary okay, and then send a copy of that to the fiscal, and they would know it's okay. What happened was that there were people eventually getting rejected by the screening people and the fiscal never found that out. But, it's ludicrous.
>
> So, I called up to find out why these people were being rejected. Instead of blowing--and it wasn't really the program officer's fault, I guess, but, "Where are these forms? Did you send them?" "Yes, I did." So, then she made me call the screening unit and find out if they had received them. And, then after I'd found out, then I had to call my program officer back and say, "Yes, they do have them. And, now what can we do about this?" And, try to be calm and patient about all this.

Another manager describes her NPA's efforts to "applaud positive things" that the GFO does. She invites GFO representatives to special NPA events provided under the contract. And, she concludes,

> We always tell [GFO] that we thought that they were bad, but since we started contracting with [another GFO], that they were good. And, they laughed. No, we recognize them whenever we can.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Set Limits

In some situations, managers find diplomacy ineffective. Then, a strategy they use is to set limits with the GFO. Until the GFO changed its policy, one executive director recounts what he did when the GFO sent monitors from four different offices to audit one contract.

> We got to the point where we told all our directors, "Don't answer any questions. If anybody comes in, make them sign the guest book and refer to the coordinator of the program. That's the only person that they can speak to. Don't let them look in the drawers or the files or the folders until you've gotten permission from the coordinator."

Another manager tells how she supports her director's setting a limit with monitors regarding their interaction with staff.

> For instance, with the on-site monitors who are here regularly, the director here has taken an extremely strong stand about who they communicate with. There were times when an on-site monitor would be reviewing a record, and they would call in a worker and say,"You mention this. Why didn't you report it to [GFO]?" The director got involved in those situations very quickly, very strongly. Very, very strongly. And appropriately.
>
> The monitor is to speak to her or the supervisor. They are to have no direct communication with workers, except with a supervisor present, and it is not their role to question casework positions. And, we have said that to the monitors, and we have put that in writing to their supervisors at [GFO]. Now, the director was very clear that she would come to me and say, "This is what I'm doing, there may be backlash." And, I said, "You're 100 percent right. We'll support you."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Exploit the Rules

A strategy similar to setting limits is exploiting the rules to effect compliance. Managers describe two kinds of exploitation. First, they restrict GFO auditing to contract requirements. Second, they restrict auditors to their authorized role. These strategies are discussed below.

Restrict auditing to contract requirements

A compliance coordinator explains how she sometimes handles the "ridiculous" problem of whether the GFO or NPA has "planning responsibility."

> If [GFO] places a child, they're still considered the planning resource until they send us the thirty-day UCR and this other form. Technically, that's how it goes. So, at that point, the [GFO] Field Office is the responsible planner. They're supposed to make the visits to the family. They're supposed to do all of the UCR forms, until they transfer planning. They get all their papers together and everything, and they transfer it to us. Now, some agencies have really held [GFO] to that. And, they don't do any family work. And, they don't take over the whole case until that has happened. So that a kid could stay here for three or four months, and they haven't visited the family, and they say, "It's not our responsibility." We have never, ever done that. It's not good treatment.
>
> We'll use it for our purposes when we need to. If Program Assessment comes, there are certain things that they only monitor if we have planning. Well, in those cases, I'll definitely tell them who technically has planning. But whenever it comes to an issue of what's best for the child, we'll do that. So I play with those regulations when it meets the agency's needs as long as it's not going to affect the care to the kid and that kind of thing.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Restrict auditors to their authorized role

One manager describes an ongoing process of restricting a monitor to his authorized role.

> It doesn't ever get worked out. It's never finished. And, it varies from monitor to monitor. One of them is really obnoxious, and he always thinks he can tell us what to do, and that partially is personality. So, it's better because we've taken a stand, and he knows he's going to get his hand slapped every time he oversteps the line.

Another manager explains that she wants to involve an inspector beyond his authorized role, but she discovers he considers what she suggests an encroachment on his authority. So, she then feels forced to restrict him to his role.

> Depending on who the inspector is from [GFO], you may not always have the ability to work well with that person or work in synch with that person. What I had wanted to set up from the beginning was a weekly or a bi-weekly arrangement where everybody came together at the same time and did an inspection of the work and then sat down and discussed it and figured out what the requisition would be for, if there was to be any. And, the inspector is not interested in that at all, said that the requisition of any money is his responsibility, and he'll determine that alone. So from the gitgo what it does is it just separates actions rather than dealing with any discrepancy as a unit.
>
> So, he'll come in. He'll convey X to me. I'll have my own observation. I'll convey that to the architect and to the contractor. And, the architect will come in, have his own set of comments. And what has happened really, literally, is that the inspector is sort of a non-functioning entity in this thing except for processing requisitions that he sees fit.
>
> We were able to determine that if the inspector came on a weekly basis and put in a requisition every time he came for something, that once it started to move, there would be payments every six weeks coming in for this contract, and that was acceptable to the contractor. And, we decided that on an interpersonal level, it would be easier to deal with things between the contractor, the architect, and myself and only address the inspector

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> when it absolutely involved something that he was necessary to because otherwise we'd have endless meetings that would go nowhere. Or, if they did go somewhere it'd be so frustrating.
>
> We had a few talks with him, and we intimated in some areas, where he was just really off in what he was saying because he was mentioning things of personal preference, rather than things that were part of the contract. It was clearly his preference and had nothing to do with building code regulation or anything else. And, he was threatening not to approve the work, and we said very plainly that we would talk to the supervisor if he continued in that mode and that while we appreciated his comments and his interest that he didn't have the right to be withholding money because of how he would have done the job. He backed off.

Manage Budget to Ease Compliance

To effect compliance, the last strategy managers discuss is managing the budget for the purpose of easing compliance. They describe two sub-strategies for doing this. First, they budget a cushion. Second, they eliminate problematic budget categories.

Budget a cushion

To avoid the problem of overdrawing the rent budget and having to use money from other categories to pay for rent, one executive director describes how he is compelled to "guess high" on rent estimates.

> They do a rent survey at the beginning of the year. That's a doozy. You have to project what your rents are going to be by the end of the year and you have leases coming up all throughout the year, and you don't know what the [City regulated] rent allowance increase is going to be so you're sort of guessing that it's going to be 4.3 percent or 6.2 percent or something like that. You guess wrong and you run out of rent money. Then

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> you've got to start using your other money in your budget. So, you guess high. You're off by 1 percent--our rents now are $20,000 a month!

Eliminate problematic budget categories

Another executive director manages away the compliance problem. She explains,

> Managing the budget piece and those monthly CAMFRs was a nightmare. We decided this year that when we got our contract amount from the City, that we would put the whole thing towards salary. We would not put anything into Other Than Personnel Services. The reason for that was it would simplify our own work. When the City auditors come in, the fiscal auditors, it is much easier and faster, to document salary, than this other thing where you have, $1000 for the telephone and so much for the electricity and so much is paid for.
>
> They nickel and dime you to death. So, records that are very hard to keep. Everything overlaps. It is much better. So I wrote a letter to the City with the contract and I said, "Look, we have made this decision. We want you to realize this represents an enormous in-kind contribution from the parent agency."

Summary

The administrative issue of contract compliance was discussed in this chapter. In the first part of the chapter, managers' experience of being audited was described. Then, the ubiquitous, disruptive, and aggravating impact of audits on NPAs was explained. To illuminate the context within which managers develop strategies to effect compliance, their perception of auditors' grasp of the NPAs' reality was analyzed. Auditors are viewed as being on a continuum: inexperience versus experience; form versus sub-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

stance, and responsiveness.

In the second part of the chapter, managers' strategies to effect compliance within the NPA and with the GFO were examined. The key strategies to effect compliance within the NPA are to engage staff in the compliance effort, conduct internal audits, make compliance easier for staff, use requirements to further NPA objectives, and overcome resistance to non-negotiable tasks. To effect compliance with the GFO, the principal strategies were to learn the game and to play the game.

To engage staff in the compliance effort, the strategies managers use are to be part of a circle, not on top of a ladder; develop good working relationships with all staff; involve staff in design of accountability systems; decipher contract requirements for staff; and expect accountability, then supervise for it. To conduct internal audits, managers' strategies are to avoid surprises; supplement, not supplant, supervision; involve yourself in statistics; and enable evolving solutions and problems. To make compliance easier for staff, managers' strategies include displaying contract requirements and performance status and partializing and spinning off task responsibility. To use requirements to further NPA objectives, the strategies managers utilize are to use reporting requirements to focus NPA effort, use the audit as leverage for task completion, and use the audit protocol to meet NPA quality assurance

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

requirements. Finally, to overcome resistance to non-negotiable tasks, managers couple compliance demands with change efforts; emphasize empathy, reality, and mutuality; and live with the resistance temporarily.

To learn the game, managers' strategies are to figure out the rules, figure out the significance of the rules, and find the right GFO players. To play the game, managers' directives are to be responsive, use diplomacy, set limits, exploit the rules, and manage the budget to ease compliance.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER XIII

ADMINISTRATIVE ISSUES: CHANGE

Introduction

In all contracting, an obligation to comply is inherent. In playing the game of contracted services, a seemingly paradoxical obligation to effect change in the contract is also inherent. This paradox is consistent with the paradoxical nature of the contracted services game, in which the rules frequently conflict with reality. So, while managers try to conform to GFO requirements, they simultaneously seek to change those requirements to have them more closely conform with reality.

Managers perceive a problem begging for change when GFO requirements conflict with the clients' needs, the functioning of the contracting system, and/or the capacity of the NPA to respond. They pursue changes in contract program models, contractual obligations and rights, definitions of compliance, contracting processes, and funding levels.

The impetus for managers' effort to effect change is their perception of a problem. However, the mere existence of problems "does not mean that anyone will work on them." Managers act on a problem when the problem is recognized,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

there is pressure to act, and there are the resources required for action.[1] "To gain some control over the problems worked on, a manager must know how to manipulate all three elements. (McCall and Kaplan 1985, 36-39)

To solve difficult problems in contracted services, managers have complex and sophisticated strategies. Since "decision making is as much the management of a process as it is the making of a choice," managers utilize process-oriented strategies to position themselves to have problems recognized, create external pressure for action, and secure the required resources. (McCall and Kaplan 1985, 98) In order to effect specific changes, managers implement goal-oriented strategies.

In this chapter, managers' process-oriented and goal-oriented strategies to effect change are discussed. Reflecting the nature of both the problems and all managerial work, these strategies address both the sublime and the mundane. Some of the strategies are similar to strategies to effect compliance, but their purpose and use are different. Compliance strategies and process-oriented and goal-oriented change strategies do, of course, overlap in practice. And, as change is effected, additional problems are often created. One manager, for example, says she was

---

[1]The resources required for action are "broadly defined as authority, information, expertise, money, and so on." (McCall and Kaplan 1985, 37)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

successful in her fight to have the GFO change a contractual requirement, but "then it screwed up everything else."

Strategies to Effect Change: Process-Oriented

Managers use process-oriented strategies in order to have the capability to bring about change. In some instances, managers adopt them after negative experiences with exclusively goal-oriented change strategies. Three process-oriented strategies are utilized in anticipation of and in preparation for the need for change. First, managers master the GFO rules. Second, they learn the GFO playing field. Third, they get and recognize leverage with the GFO. These three process-oriented strategies are discussed next.

Master the GFO Rules

In order to enable change to occur, managers believe that the contract rules have to be mastered. The strategies subsumed under this general strategy are to anticipate the implications of the rules and to exploit the contradictions in the rules.

Anticipate Implications

A compliance coordinator considers evaluation of the implications of any rule changes to be the biggest problem, and by implication the greatest potential, with contract management. He states the problem, shares an example when

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

he is not alert to the implications, and then explains how that experience makes anticipating implications a key strategy of his.

> The biggest thing as far as managing the contract that has been a problem is knowing the implications of what the changes are in a practical sense. What does it actually mean to implement? Not only in dollars, but in time and energy of the staff. There have been a number of times when things have come down that have not appeared to be that critical a change, but have caused a decent amount of grief.
>
> The old policy with a child in school was that you had to have an interview with a representative of the school twice a year, basically once a semester, unless there was a problem, and then you had to respond within X number of days, and there was all that. A normal, routine regular school, no problems in the school, you still had to have a face-to-face contact with someone from the school twice a year.
>
> Two years ago they added the stipulation of quarterly contact. Now, what that meant and was explained, "Oh, that can just be a phone call." Okay, now we came into a problem. Quarterly. January to March, school's open. March to June, school's open. July to September, school's closed. I heard that every agency got nailed on quarterly contacts with the school because they missed the summer quarter. What does it mean when you say quarterly contact? What does it really mean to implement that? Is the person there to contact? We could talk to a janitor, but that didn't count. It got changed, but for that year, we all got in trouble. It was flagged as something that the agency had not succeeded in complying with.
>
> Now, I look at the wording much more carefully. And, I'm also much more involved in catching the memorandums, the suggestions, the policy papers, that are being sent out for review. The Executive Director now forwards most of those that have anything to do with implementation across my desk for comment. The information is then fed back both to [NPA coalition] and directly to [GFO] or the State so that those types of things hopefully don't come up as often. Or, we're very simple. We'll say, "What do you mean by quarterly? Define. If you meant this, realize this. And, that's not acceptable, depending on how big an issue it is. Or, please modify."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Another manager describes the evolution in her appreciation of mastering the rules and anticipating implications. She says that initially,

> I never read the contract. Who would wade through legalese this thick? I would know what I had to do and that's all I'd bother about.

Then, after participating in a successful NPA coalition lawsuit protesting a requirement that clients' records be sent to the GFO, she explains that she and other NPA managers pay much more attention to the contract and work to build in process.

> There's been a real working on the contract. It's a big boilerplate-type contract that I don't think anybody ever read. And, then all of a sudden we started reading it and really found that it was very much a "you do as we say" kind of thing and there's been a real push toward getting it to be a mutual contract. So that, again not perfect, but each year we've gotten a few more things where instead of just saying, "if you don't do this, we'll close you down," it's more, "if you don't do this, we will discuss with you the reasons why." We've tried to build in process.

The executive director who faced enormous problems in getting changes in a contract for renovation of facilities for the homeless explains, in retrospect, what she would have done differently.

> I think one thing is that we would have asked to review the contract documents, probably at the time where we were compiling the initial material, maybe not filing the initial application, but certainly putting in the work scope and refining what we would do and the amount of money that we would need, and what payment schedules would be so that, as we were moving through this, we were also looking at what our commitment would have to be, and that was just ignorance and not having had the experience.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Exploit Contradictions

By mastering the fine print of the rules, a compliance coordinator finds a legitimate way to violate the rules. His strategy of exploiting the contradictions makes it possible to set change in motion and achieve his objective before what he does legally can be overruled.

> When we come up with a problem that we don't feel that what's in the regulation's in the best interest of the child, how do we make that properly documented in the record? But, more so, how do we make it legitimate? How do we deal with the systems that exist, the rules, the policies, and make sure that they are flexible enough so that we can provide the services that we feel, clinically, are the most appropriate for the child? That happens to be a problem on occasion.
>
> One example is that, without a State exception, you're not legally able to have a child with a discharge objective to parent or relative really after two years. The State says if you can't do it in two years, unless an exception is granted, that there are grounds, you've got to move toward termination. Foster care is short-term. And, you can work with a family two years and, after that, you need special permission to continue to work with a family as the target. And, that's all well and good in some cases, but in many cases it's not. Sometimes we get exceptions that are denied, and we say, "I'm sorry, but we still don't feel it's appropriate to terminate this child." And, how do we then appeal it and go around it?
>
> There's a fair hearing process. There's also the way that I found out once, and after that it seemed to work nicely, which was we take it to court, and we have the judge order that the family be worked with as the discharge target. And, that supersedes State mandate.
>
> There's a clause at the end of almost all the regulations regarding the discharge planning requirements and statutes, which states that "can be superseded by Court order" or, in one way or another, it leaves the Court decision as an out. You're not held responsible for the Court's decision because you can't control the Court. There's nothing that says you can't go into Court and say, "Look Judge, this is the situation. This is what we're dealing with. We would like to work with the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> family for another year given this, this, this, and this reason." And the Judge sitting there, saying, "Sounds reasonable. So ordered."
>
> Then, we still have to document it, and the State sits there and says we have to go into Court and appeal the Judge's decision on the singular grounds that it does not follow State [GFO] Regulations. So that takes a while. How's that for a contradiction? State Regulation requires the agency and/or District to appeal a Court order that is in contradiction to State [GFO] Regulations.
>
> But, it's usually run out of time before it gets back to Court. The Family Court is a very slow process. Most of their actions are done retroactively, especially Family Court of New York. We've had children, twelve, fourteen, sixteen months in care, and their initial hearing, that in theory is supposed to be within about ninety days or 120 days, is then being done, and they're doing a retroactive order of placement, going all the way back.

Learn the GFO Playing Field

The second process-oriented strategy managers employ to effect change is to learn the playing field of contracted services. They find that in order to be in a position to be able to create change, they need to continuously solicit advice from colleagues, create and participate in NPA coalitions, and/or participate in GFO committees. These strategies are discussed in this section.

Solicit Advice from Colleagues

After recounting her experience in securing a contract for the renovation of housing for the homeless, the executive director says that the situation is "crazy" and that

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

you have to talk to colleagues who've worked with the same GFO. Her mistake, she learns, is not believing what they tell her.

> It was a crazy situation. And, I think you just really have to know and talk to as many people who have gone through that process before you as possible so that you know all of the possible pitfalls. And, even then, you're not totally convinced that it's going to happen to you. Because I did talk to a lot of people this time. But, in the end, they're right.
>
> I wouldn't be so laid back at the beginning of the process. If there was a duffing of a particular issue, I'd be much more forceful, knowing how [GFO] operates right now. I think towards the end we got lies and towards the middle we got lies. Whenever there was an issue pending, we had to be on the phone every day. We had to be making at least five phone calls every day to make sure that things were moving along the way they should have been, and I think we would do that right from the beginning next time. And, we'd set up meetings instead of phone calls if there were particular issues that we had right now.

Create and Participate in NPA Coalitions

Another executive director explains that soon after "the industry" of providing community housing and services for psychiatric patients began from grassroots efforts, an organization of all the NPA providers was created.

> One of them had already had contracts, other types of different--Medicaid and all that stuff--so they were a little more sophisticated that way and perceived the need for a professional organization who could lobby effectively with the State around issues like the rent and all that kind of thing.

He describes an organization which, almost ten years later, has itself evolved into a large, effective multi-purpose organization.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> The Administrators' Conference is one part of the year and then there's a Program Conference, where the line staff come and have workshops on direct care issues. And, the Board meets monthly. The [GFO's] Director of the Residential Services in Albany meets with the Board of [NPA coalition] on a monthly basis. The whole organization is divided into a regional approach, which is what the State sort of has set up. There's a Regional Office for Long Island, New York City, Albany, then there's a Central Region, and then there's a Western Region. There are five regions in the State.

He explains the impact of this coalition.

> Major changes that have taken place in formulas, and so forth, have been in large part because this Statewide body has been a lobby with [GFO]. We've made friends with legislators. Every year we go to Albany.

A manager explains that the coalition of NPAs' providing foster care is pivotal in making change possible. She gives an example of the coalition's role in resolving her NPA's difficulty meeting the GFO requirement for meetings between teenagers and their natural parents, despite their lack of contact for years.

> This year they've [GFO] come out with a new category for non-applicability for these youngsters and if these kids refuse to have contact with their families then it's okay.
>
> There's a [NPA coalition] committee that works along with the City on all these compliance issues and they're constantly asking for feedback from agencies and so that's how it came to pass, with a lot of lobbying by agencies through [NPA coalition] with the City.

Participate in GFO Committees

An executive director explains the value she and her NPA derive from her participation on a GFO committee created to make recommendations from the investigation of the deaths

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

of children in the care of the City. She then points out her NPA's commitment to that kind of change-oriented strategy, to "try to improve systems."

> I became a lot more knowledgeable about City systems and the ones that we dealt with. I understood the workings of them far better. And, by the time you've read all the 2221s, the 2223s, and all that, with a case known to [GFO] for several years, you began to see where things were overlooked that shouldn't have been overlooked, where recommendations fell between the cracks, where the legal system had failed, where the health system failed.
>
> For example, a case where a three-year old had died, where the other children were all in foster care, and the baby was coming back to court to make the foster care placement permanent, and this baby had been born in the intervening period, and the worker wanted the baby added to the list, and the lawyer didn't do it. And, the baby ended up dead. Pure failure. You had all the papers. You had the evidence. The worker had asked that that baby be added. It was clear that the baby was at as much risk as the other children, and it was too much trouble.
>
> So, I was able to share a lot of that with the staff here. And, once in a while, the City asks that people serve on other committees or whatever, and we do it where we can. So, we do probably more of that sort of thing than would be normal for such a small agency. But, we feel it's one way we can make some contribution, besides the direct work with families.

Recognize or Get Leverage with the GFO

The third major process-oriented strategy managers use to effect change is to recognize or get leverage with the GFO. Sometimes they have the leverage, but need to recognize it to exploit it. At other times, they act purposely to get leverage. Managers' strategies to recognize and get leverage, first for their NPAs and then for themselves, are

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

discussed next.

Leverage for the NPA

To get leverage for their NPAs, managers describe two major tactics: exploit the GFO's need for the NPA and strategically position the NPA with the GFO. These tactics are described below.

Exploit the GFO's need for the NPA

Most managers are acutely aware of the GFO's need for their NPAs. One, after working for years to get a contract and "get into the system," explains her assessment that her NPA will maintain its contract and that her task is to anticipate what the GFO will want next.

> Now, unless we really, really screw up, I think we have a real sense that these are contracts--foster care prevention, boarder babies, crack, high risk families--that are around for awhile, until the next new thing. Right now, this has been in a for awhile. I'm trying to always think ahead, what's next. It will probably be AIDS moms and AIDS babies or something down the pike.
>
> Right now, the City is beginning to think, from everything I'm seeing, that Preventive Services are the panacea of everything. They know we're not, but they're using Preventive Services as the solution to all these problems. So, I don't foresee funding going away for awhile. Maybe, if there's another fiscal crisis, reduced. Most likely, we're talking increasing, and we're going to apply for more money this year for work with the boarder baby moms.

An executive director threatens to cancel his contract over some actions by his auditor. He explains he feels confident in making the threat because the GFO "couldn't

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

afford" to lose his NPA as a service provider.

> I felt confident in doing it because I knew that they [the GFO] were losing more than us. And, they couldn't afford to have a contract, that provided the number of services that we provide, cancel a contract. They like it to be the other way, where they drop a contract. And, nobody cancels a contract. And, I also let people know that, when I say that, that I never make a threat that I'm not prepared to follow up on. And, I would have cancelled the contract, and then I would have written a press release about why the contract was cancelled.

Another manager explains that one of his NPA's smaller contracts was frozen at the previous year's funding level by the GFO in order to exert pressure on the NPA to resolve, in the GFO's favor, a dispute over property in an unrelated contract. He explains how he knows that the NPA will never try to exert pressure over the relevant contract.

> [This NPA] is one of the largest and best contractors for [this service]. If the City was going to act out and freeze a contract, would they freeze a contract that they knew that they were dependent on the agency because it was one of the largest and best [in that service area]? No. They would freeze a contract that was basically a small contract because we could take them to court if they froze the [relevant contract], because we'll tell them we won't serve your clients.

NPAs also exploit the GFO's need for them through NPA coalitions. One manager explains that when the GFO requires her NPA to provide more and more service, with no increase in funding, she depends on the coalition to fight the GFO because, "It's the only vehicle we really have to deal with it."

Another manager contrasts her individual experience dealing with a GFO regarding one contract with her experi-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ence, through the coalition for providers of home care, dealing with another GFO.

> One of the most satisfying experiences I've had in terms of contract issues has been through the [NPA coalition] because [GFO] came down with all these regulations and continues to come down with them. The [NPA coalition] is formed of all these agencies and meets with [GFO] in terms of responding to the regulations, with questions about the regulations, implementing the regulations. And it's been an incredible, God, quite an experience.
>
> I feel so often what I do is me with the [GFO]. But, [NPA coalition] is not individual agencies with the funding source. It's really all of the contract agencies together, and there are about sixty-five agencies.

She explains that while she feels she "uses a lot of creativity" with contracts, creativity in "how to respond to it, how to deal with it, how to use the contract, how to make it work for me," she believes the NPA coalition exploits that creativity.

> They've been involved in a whole process all along and negotiating with [GFO] in terms of changing the regulations or adding new regulations. For example, this [NPA coalition has] been very instrumental in terms of developing a Home Care Registry for all home attendants. If you're going to hire somebody, all you have to do is call their name into the Registry, and you can find out if they've ever worked at any other Home Care agency. Instead of individual agencies responding, "Oh my God, we're going to have to do fingerprinting; let's plan for it, or let's not do it," it's using our political power and the dollars. This one agency, upstairs, that serves two hundred clients has a four million dollar contract, four million dollars. So, it's just astronomical the amount of dollars in terms of Medicaid home care.
>
> When it first started there were about ten or twenty agencies, and I think [the founder] really believed you get together and you work things out. And, I think because they had so much money, it made it easier for them to get together because they have more at stake and also they have more power. I mean they have money. Unbelievable. You're talking about big, big bucks.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Strategically position the NPA with the GFO

A number of managers describe how they strategically position their NPAs with a GFO. One describes how she prepares to participate in the game with the GFO long before she has a contract.

> We're sort of viewed unusual here in the [NPA] because it's a program that had its genesis grass-roots within [my] department. That doesn't usually happen. And, they always say, "How do you do it?" And we said, "We wrote many proposals for many years that didn't get funded. But each time we sent back a federal grant, you learn a little more." We submitted two or three federal grants before we were funded by [GFO]. We got a lot of private money, but we never got big grants.
>
> The year before we got funded by [GFO], there was an RFP that came out from the City to serve hotel families, and we submitted a proposal for that. Again, using the same models. And, we met with them about that proposal. It was not one of the ones that was funded. But, they began to know us. They knew our faces. They knew our names. We became very knowledgeable and viable, and they knew that we were up there. And, we kept writing. And, those are the things that really set the stage, I think, for us getting both proposals by the time we submitted it.

Asked how she would get the GFO to meet with her NPA, should she have to negotiate another contract with them, an executive director explains that "the ground work was set by what was accomplished" in the first negotiation.

> I think it would be dependent upon what issue we have to deal with at that point. Having gone through this once with them, they might know what to expect next time. By the end, they didn't even want to hear our name. I think they were wiping the ground by the time we did sign the contract. I guess I'm not sure how to answer that because I think a lot of the ground work was set by what was accomplished, even though it took so very long.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

For strategically positioning the NPA with the GFO, another executive director articulates a philosophy a number of managers share: "Be the best agency that they contract with." He explains that being the best "buys me leverage" to set conditions with the GFO.

> My way in dealing with the City agencies is that I'm going to make sure that this agency is the best agency that they contract with. Fiscally, we're going to be beyond reproach. All our audits will be 100 percent. And, that's what they are. Contractually, we'll meet all our contractual levels. And, the quality of the service will be unquestionable. And, that's essentially how we operate. And, we are recognized, by all of our funding sources, as an excellent agency, and some of them look at us as among the best agencies. And, that buys me leverage. I can go down to somebody and say to them, "You can't do that because I won't contract with you if you do that."

The same executive director explains that his NPA's "track record" also buys them "a lot of leeway" for advocacy with the GFO.

> Also, with this whole hassle now that's been going on with the [GFO], I've been able to be a spokesperson and go at it as strongly as I have because of the respect that the agency has with the [GFO]. So, even in spite of the fact that I've basically been one of the two main people in _____ fighting them on it, when the contracts came down, we were one of only two agencies in _____, and I think only three agencies City-wide, that got both the case management contract and the home care contract, which was then presented to us as recognition of the fact of the quality of service we can provide. It would have been very easy for them to punish me for being so vocal and not giving me either or only give us one. So, the fact that we have developed that track record gives us a lot of leeway that can be used at specific points.

Leverage for the Manager

To get leverage for themselves, managers describe two

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

major process-oriented strategies: become a recognized player to the GFO and develop rapport with the GFO. These two strategies are discussed next.

Become a recognized player

Managers use a number of different strategies to become recognized players to the GFO. One manager explains how important this ability will be for anyone replacing her.

> I feel very comfortable, and I think anybody who were to take my job would have to feel extremely comfortable, going between [NPA] and [GFO] and making yourself viable and visible, visible with [GFO]. Very important. You know, I hand-deliver materials sometimes to [GFO] to make sure they know who I am so I can call them.

For other managers, the process of making themselves viable and visible extends beyond the immediate GFO and beyond the present. An executive director stresses the importance of cultivating political connections.

> We've got good political connections around here. I mean I can call [City Councilperson] and get her on the phone or I can call a State Assemblyperson and get them on the phone.

A compliance coordinator talks about how she uses the relationships she has developed over her entire career.

> I have relationships that I've had from the time I came into the field, people I can call up and power people. A lot of things are not done in a nine to five day. When I'm really set on doing something, I call the top person. Or, I call and find out who's in my position.

In the absence of long-standing relationships, some managers make themselves effective players by using their titles. As one executive director explains,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> Oftentimes, if it's something that I really want, I deal with them [GFO] because I find I get a lot more response than if I have somebody from my staff call up. People respond more directly to me because I'm the Executive Director. And, I can get on the phone and call somebody higher up down there.

A compliance coordinator explains how he makes himself an effective player by having the "vague" title "manager," which enables him to "slip" between senior and junior GFO staff.

> When I leave the agency, when I'm dealing with the State or the City, I'm total chaos 'cause they have no idea where that title fits. I deal with a commissioner on a one-to-one level. I deal with case managers on a one-to-one level. I go to meetings regarding a commissioner-level policy decision. I sat on two State Commissions for the [GFO] Assistant Commissioner. I'm also down there doing casework. Nobody really knows where the title Manager fits in.
>
> That was something that [my supervisor] and I had discussed--is that I needed a title that could be used to say I can speak for the agency, but on the other hand, does not seem to be threatening to the people that I have to cajole and work with. With a [City GFO] case manager, I don't want, "Well, I'm Sup #4," and play power. On the other hand, I wanted it to be vague enough where, that if it became a power issue, part of my power was the fact that they didn't know what my power was. It was vague enough. I could slip. So, we came up with the title "manager," which is an undefined title within the State [GFO] structure. And, it's undefined within [City GFO] structure.

Develop rapport

In order to have the leverage to be able to effect change, as part of their game plan, some managers believe it is essential to "develop rapport" with GFO staff. A compliance coordinator says he believes most GFO staff "appre-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ciate me because I use the approach of 'we've got a problem.'" He explains,

> They're used to having an us-them or me-you war with agency people. And, they rarely find someone that's willing to verbally acknowledge their side of the problem.
>
> The system is a very frustrating system. Frustrating from our perspective. As frustrating, if not more so, from their perspective.

With this approach, he continues, the GFO response is,

> Usually fairly good. It depends on whom you're dealing with. Sometimes they'll spend half an hour ventilating on their end of the problem. Fine, I'll let 'em talk. Once they get done ventilating, we can deal with that. At first, they were in such a shock that I was using the term "we" and not "you did it to us again" or "you've got a problem" that they kind of sat in a daze at the other end of the phone and said, "Uh huh, uh huh." They didn't know what they were saying "uh huh" to until they were making commitments.
>
> Most of them have taken it very well because they're tired of getting blamed. And, so many people call them up and say, "You did this. You did that." And, usually, it's not them specifically, and they're tired of being yelled at. And, secondly, they're tired of it being all their fault. So, saying "we" or in some cases when I really want to get some work done and I know I'm on thin ice, I'll say, "I've got a problem and need some help."

He explains that "thin ice" means he really needs something that is a low priority for the GFO, even if his need results from a GFO failure. When he uses "I've got a problem and need some help," he reports that the supervisors laugh that he's saying it's his problem. And, when they laugh, he continues,

> I'll say, "It's your problem. You haven't opened a case. Why haven't you opened a case?" I'm not yelling at them. It's totally different. So, they recognize me by now. A lot of them do. A lot of them I'm now on a

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> first-name basis with, and they know that when I call, it's something important.
>
> And, as developed in the last number of years, I know most of these people by face, by name, because I go to meetings. I keep showing up at meetings, and they say, "You're _____ [compliance coordinator's name]."

Another manager describes her rapport with her GFO auditor and the corresponding leverage this rapport gives her. She has known the auditor since she first started working in the NPA, more than ten years before.

> He's known this agency a long time, and he's known me--so when he comes to monitor, I think he's been [willing to overlook some things]. For instance, one of the things they look for, I just refuse to do. They expect you to keep notes on all your supervisory conferences. I have never kept notes. I keep things in a folder for each worker that I think I need to follow up on, but I don't have the time or the inclination to keep any ongoing, long kind of logs on supervision. I just don't work that way and never have, and I'm not going to change.
>
> But, he doesn't challenge me. And, I think some of it is because they know me well enough and they know the agency well enough that they have some sense of what the quality of work is here. Now, if it was somebody who was really having a pretty rocky program, how they'd handle it, I don't know. But I just refuse. They really do have some dingy things. And, I just refuse.

Strategies to Effect Change: Goal-Oriented

When managers seek specific changes, their strategies are goal-oriented. These strategies are applied to diverse problems, and a wide range of changes are sought. However, their three primary strategies can be applied to any change target. First, advocate within the NPA. Second, exercise leverage with the GFO. Third, persevere. These three

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

strategies are discussed next.

Advocate within the NPA

Sometimes, to effect change with the GFO, managers first have to advocate within their NPA. The director of a small program within a very large NPA describes how she selects advocates within the NPA, how she engages advocates, and how she makes a compelling case for her program.

Select advocates

To select the best advocate for the program, the manager explains that because sometimes a decision has to be made about which of two "politically quite savvy" department heads "would make the best sense" she will "run clearance by both."

> He's politically quite savvy, both within the City and the [NPA]. We go to him if we need to get something from the [NPA]. There's usually a decision between the [head of my department], who has a close relationship with the head of the [other department], who of those two would make the best sense to advocate for us within the [NPA]. So, we run clearance by both the heads.

She says the selection of an advocate is usually based on who has the interest and most to gain and who has the right connections. She then describes how the advocate was chosen for a new program.

> We came up with a concept paper for a program to provide unique drug relapse prevention. Again, a group of people tried to address the problem in a new, creative way.
>
> After we came up with this concept paper, we submitted

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> it to [GFO], and we knew that [this department head] was very invested in this kind of program. And, he was delighted that we had this concept paper, but we also knew that he had contacts with the head of [GFO], from having been on a study group and that [GFO head] and he were running buddies. And, so it was clear that the emphasis for this program needed to be with [this NPA department head], plus it was [his department] that was losing money, and so it was clearly the one that had the most to gain.

To solicit the private match required for another contract, she explains how a different advocate was chosen.

> [Another manager in the NPA] has been recently doing a lot of fund-raising for the AIDS programs here in the [NPA] and has developed some liaisons with people in the [NPA], and we knew that he had a relationship with a [senior management person in the NPA], who then had links with fund-raisers. So, we went to him and said, "We know you're working with Mr. X, and we're really struggling to meet our private match. We've never asked Mr. X to use his contacts, and we know you've now developed a contact with him because of the AIDS money because it was advertised; it was announced that so and so much money had come through. And so, would you pursue it for us?" And, he made the first contact.

This manager goes on to say that it was important to know whom not to involve in advocacy for a program.

> We do have the Development Department in the [NPA] that supposedly helps us out, but they're not really gung-ho about helping us out. In the first year, they never did because [these kinds of NPAs] are going big business, and they thought we were real little. They didn't know what we were doing. We ended up getting into problems at times, but they hadn't figured out how they wanted to handle all these new programs in the [NPA]. In the last two years, everything has to go through Development, everything has to go through Public Relations. And, the reality, in effect, is most [of these NPAs] are much more interested in programs that have sexy appeal, and they're less interested in some of the populations that might be served by these programs.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Engage advocates

Once advocates within the NPA are selected, this manager explains what strategies are involved in engaging them in the advocacy process. She explains that when two different department heads need to be engaged in advocacy,

> Clearly, politically, usually both have to be consulted and involved and made to feel very important.

In order to make them feel very important, she says she uses the head of her department, "who's very savvy politically and knows how to do that in the best possible way." She then elaborates on what this "how to" entails.

> It's a skill that we're all learning here, which is, "Your input is so important. You've been so helpful before. This is what we'd like to do." And, let them take the credit. Know that less credit is sometimes given to the people down the line. That's how the system works. There have been times that we get our credits at different points, but that's what happens. And, that's okay. You just know the way it works. [The head of my department] has been at the [NPA] for twenty-five years so she's seen [this department] grow from four to what it is. Someone who has that kind of knowledge of how [this department] sometimes is in and sometimes is out certainly knows, in ways I can't even begin to explain, how to utilize people and the system and personalities.

Make a compelling case

Finally, the manager describes her "they-had-to-give-it-to us" strategy for advocating for NPA space for the contracted program.

> This space is a wonderful space for us. But, we fought to get this space, tooth and nail. This space had been empty for about five years, and it had been stuffed with old mattresses and stuff. We were fighting with [another department] for the space, and [our department head]

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> fought for us. And, it really ended up with, "We've got the money in hand; we've got the contract; we're ready to start." And, then we got commitment from [an organization] to give us $20,000 for renovation. They couldn't refuse us. They had to give it to us at that point.

Exercise Leverage with the GFO

A second goal-oriented strategy managers use is to exercise their leverage with the GFO. Subsumed in this strategy are four major sub-strategies. First, exploit the power of a NPA coalition. Second, exploit the vulnerability of the GFO. Third, connect the NPA problem with a GFO problem. Fourth, refuse to comply. These strategies, in their multiple manifestations, are discussed next.

Exploit the power of a NPA coalition

To exploit the power of a NPA coalition with the GFO, managers share diverse sub-strategies. These sub-strategies reflect contracting problems for which managers find solutions by acting as a NPA coalition, rather than as one NPA. First, counter divisive GFO funding practices. Second, stress commonality of contracting problems. Third, highlight contradictions between GFOs' requirements. Fourth, educate the GFO about the nature of the contracted service. Fifth, bypass the GFO and go to legislators or courts for relief.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Counter divisive GFO funding practices. In order to get any GFO funds for their NPA, several managers find they have to work through a NPA coalition. One describes the evolution, beginning ten years before, of a coalition of over thirty agencies serving youth in one neighborhood.

> It was founded by six of us. It was really founded on the basis that we were all providing services to youth and also we would be out there fighting for the same few dollars. And, we were saying, "It's enough. Why don't we develop a coalition that supports one another in terms of all of us being able to get some of those dollars?" And that's what we did. It is an extremely impressive organization or coalition. We have met with the top youth-serving people in this State and even at the Federal level in terms of looking at this is a model that can be replicated around the country.
>
> We really started in softball. We started in terms of some [GFO] money being available, and we said, "Let's get together and organize a summer softball league." And, it got started. That's how it started, with like $2500. Everybody wanted the $2500 for different things. "So, let's get together and start a organization, and organize and then we get a change."
>
> Three years ago there was a summer youth employment program [in this neighborhood]. They took the program [away] from the [neighborhood]. And, through our efforts, the program is back. The City had said they would not replace that program [in this neighborhood]. Through our efforts, of our pressuring, our involvement, our calling the Commissioner saying, "Come to our meetings," and the Commissioner coming. And, we're saying, "How come? We have the youth. We're the ones representing the youth [in this neighborhood], and yet we do not have a funded program?" And, meeting with our politicians, saying, "You must apply pressure," and in so doing, we have a program [in this neighborhood] now.

Another manager describes her efforts, through a coalition, to get comprehensive care for older people. She also explains the intricacy of the game she plays in fighting for the services, Citywide, and for her NPA, in par-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ticular.

> One of the committees that I'm very involved with is a group that's part of the mental health system, centralizing geriatrics for all of _____ [borough]. It's a group of people, some in contract with the [GFO], that has been working for several years in terms of identifying the needs, providing services, etc. We have now developed a proposal saying this is the kind of outreach team for ongoing mental health services, not crisis services, we see needed throughout all the City, but particularly _____. We think teams should look like this. We propose this.
>
> That's exactly the kind of team that I would like to see [in this neighborhood]. So, with part of me I'm fighting in terms of this community. Yesterday myself and some other people on this committee met with some people at the New York City [GFO] to say, "This is our proposal; help us implement it." And, there was discussion about, "You should designate one agency." And, I said, "As committee members, we can't. That's not our role. We're an advisory group. We're advocating for all of _____." But when I leave that meeting I can go and fight in terms of [this neighborhood]. That's what I'm saying. I think it's important to keep things separate. And, for me, I'm fighting in terms of all the City, but also in terms of this particular community.
>
> We have a group trying to say we don't want to pick one agency. And we refuse to pick one agency, to say "you're the good agency; you're not bad, but maybe next time." No way. We worked too hard to be a Coalition.

Stress commonality of contracting problems. Often, the most troublesome problems managers have with contracting result from a GFO policy affecting all NPAs. When this is the case, managers feel their only effective recourse is through a coalition.

A manager describes her reaction when the GFO requires yet another service, with no additional funding.

> Every year they add more and more things to be assessed. The big thing this year was life skills, services for youngsters fourteen and older--independent living. And through all of this, through all of the things that they

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> have mandated and asked for and extra services--which I have no problem with that; I think that the things that they're including are important and are necessary--but they've never once added any kind of money.
>
> The big thing now is that they're saying we have to provide after-care services. When the child leaves care, we don't get paid for them anymore, but we're responsible for certain after-care services which we are not getting paid for. And they are now saying that certain youngsters who are discharged from care to independent living have to be followed until they're twenty-one years old. With no money. Well, I'm berserk about it so I'm really up to my Executive Director to get together with the other Executive Directors through [NPA coalition] to do some fighting about this. I just think it's outrageous.

Another manager describes what occurred in a previous job, in which she was responsible for a contracted service for the deinstitutionalized elderly. The GFO required documentation of institutionalization, and this was extremely difficult.

> With the elderly, they couldn't remember, maybe because they were paranoid. So, then you try to get exceptions, waivers for that population. It was a battle. So, you could only count the people who met the exact criteria.

She explains that waging the "battle" with the GFO was

> Through coalitions, other agencies working together. A recognition that it wasn't just one program's problem.

Highlight contradictions between GFOs' requirements. When the common problem results from contradictory requirements between levels of GFOs for the same contract, managers also turn to coalitions to highlight the problem to get a change.

> We have recently, through [NPA coalition], been trying to work out something on homemaking, where [GFO] has insisted that homemaking service has to be re-authorized every three months, and they ask for considerable mate-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> rial to do so. With the kinds of families we work with, things just don't get that much better in three months. You really have to see them as a long-haul, and so [NPA coalition] has gotten some material from the State that the State requirement is only six months.

Educate GFO about the nature of the contracted service. When the State [GFO] is forced by the State Department of Budget to develop a new model with specific criteria to evaluate community residences, the NPA coalition is pivotal, according to an executive director, in educating the GFO about the nature of the service and thereby influencing the development of a new program model.

> The first step was to get [GFO] people out of Albany and around to see what the agencies did. Because they really had no idea. They were still sort of thinking of [GFO for the retarded] board and care kind of model--make sure the people don't smash the windows out and that's pretty much it. When, in fact, there is a lot of therapeutic work that's going on even though we're not therapists--supportive counseling and all. Most of the good agencies do a lot of that and really are the central point in somebody's life. They're working with the clinics. They're working with how do people get into school and job training programs. None of that was understood at the State level. And, definitely the Division of Budget didn't understand it.
>
> So, the cost of these programs--they really were comparing them against something like what was going on in [GFO for the retarded] or a board and care operation in California which had no parallel to what was really happening. So, we set up a couple of task forces and then we had the State people go and visit programs with somebody from an agency, and we'd go to a different agency. We spent two days at the agency like two outside observers, one of whom was a State person and one was a community residence person. Because the State person may not know what they're looking at. Plus, it allowed us an opportunity to share some ideas. The State was curious. They were truly interested.
>
> It was very informal. It wasn't an inspection or anything like that. This was a fact-finding effort as a prelude to designing a model for our field because we

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> were left over with this borrowed model of this [GFO for the retarded]. So out of that came the new model--an interim model--and then they had a new model. And, something was reconstituted. That's when the rent was broken out as a separate piece. And, a lot of documentation went into the cost of housing, facilities. Insurance was another huge issue. And, they developed a three-tier system--scatter-site, supportive apartments, intensive supportive apartments, and a supervised residence. And, they wanted to deal with more dysfunctional people from the hospitals, to take the pressure off the State system--and gave us more money for more structured programs.

Bypass the GFO: go to legislators or the courts for relief. For many managers, a key goal-oriented change strategy through coalitions is to bypass the GFO on contracting problems and go to their legislators or the courts for relief. One manager explains that preventive services programs in different boroughs have "formed coalitions, where they kind of band together".

> They've done a lot with their local legislators around issues of advocacy for families and preventive services.

An executive director explains how coalition involvement with legislators is his only vehicle for increasing the salary of his direct care staff in community residences for the mentally ill.

> This year we had a legislative lobbying day. The big issue was direct care salaries. $16,000 is what we can pay now. We formed a coalition with a lot of other nonprofit provider groups to document the wage discrepancy between what we can pay, what local governments pay, and what the State pays. And, we were asking for a parity of some sort. Because we were losing staff to these other sources.
>
> We started with [GFO] because they do their budget request, it goes to the Governor, and then the Executive Budget comes out, and the Legislature approves it. We lobbied all the way through, and we got four million

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> dollars in the budget, which will equate to, maybe anywhere between seven hundred dollars and two thousand dollars. We don't know yet what, on a per head, per person basis. It's a beginning.

Several managers in preventive services refer to the importance of the lawsuit, brought by a NPA coalition against the GFO, to try to change the requirement that client records be sent to the GFO. The suit does result in the desired change; moreover, the impact of that change strategy on managers is profound. One manager describes her memory of the Federal Judge during the case and the ripple effect of that lawsuit on NPA managers.

> I can see him still coming right up out of his seat when the State's attorney contended that anyone who accepted public assistance--and if you're accepting a service paid for by public monies that's accepting public assistance--automatically loses their right to confidentiality. I can still see him peering over the bench saying, "I have a little problem with that, Counselor."

> There were seventeen agencies that went together into court, and we were one. And, I think a lot of it was that [the law firm handling the case] was certainly a most reputable firm, did all the work pro bono and, we didn't go in as a bunch of rabble rousers. We went as a highly organized, professional group.

> That [lawsuit], too, focused everybody on the contracts and on some of the things that the public sector was asking us to do. It just heightened everybody's awareness. I think there've been several things--the Wilder suit [regarding sectarian agencies' criteria for intake in contracted services], the confidentiality lawsuit--we've just become a little sharper in really looking at what we're about and really working with the public agency.

Exploit the vulnerability of the GFO

A second goal-oriented change strategy managers

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

use when they exercise leverage with the GFO is to exploit the vulnerability of the GFO. Managers perceive the GFO to be vulnerable to public pressure, political pressure, law, and oversight by another GFO. Their strategies to exploit these vulnerabilities are discussed next.

Vulnerability to public pressure. An executive director exploits the GFO's vulnerability to public pressure by implying that she will "make a public hew and cry" and "embarrass them" if they try to shut down her NPA's Developmental Playroom because it does not meet the Health Department requirements for a day care license.

> We have always maintained, truthfully, that our Developmental Playroom is not a day care center. It's only open mornings. The mothers are right around. It had another function. It's not a day care program. But, the regulations have been re-written, of course, with all the scandals in day care. So that, by now, we should have a day care license.
>
> It's physically impossible for us to meet all the stipulations. For example, we're supposed to have kiddie-size toilets. Well, we're renting space temporarily. There's no way we can do that. So, they've come. They have looked at it. They understand the bind we're in. We meet the basic program requirements. With six staff with twelve children, we have the right supervision, etc. So, we've reached a compromise. They're certainly not going to close us down.
>
> It makes me uneasy. Technically, they could. They come and they visit every six months or eight months. They haven't given us a license yet. We applied for one a year and a half ago. They have on their staff some very good people who come out, and we said, "Obviously, we wanted to be in compliance." So, the lady who came then, who was an old pro, put through all the papers, and then it turned out that the Certificate of Occupancy couldn't be amended because there was no Certificate of Occupancy because the building was too old. So, we hit a kind of stalemate there.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> What can you do? Really nothing at this point. But, we did have the Fire Department inspection. And we meet the basic safety requirements, we know, to our satisfaction and their satisfaction. It isn't the last word. And what any of us want. We're not happy with it. It's the ground floor of a brownstone. We've been hunting for space. Why doesn't the City give us space? That's a bigger question.
>
> We have to keep negotiating. Every six to eight months, they send someone. And, one person's an expert in refrigerator temperatures. Somebody else cares a lot about the backyard. Basically, they know that the children are not in danger. The children are wonderfully cared for. There's a lot of nurturing and stimulation going on that would not be taking place otherwise.
>
> They want to shut us down? We will make a public hew and cry. We'll embarrass them if that's what they do. They are aware of it. But, I haven't had to say it. We have said, "Where do you think these children would be if this little playroom weren't here?"

Vulnerability to political pressure. One manager, who had worked in the GFO before taking a job with the NPA, describes the vulnerability experienced by the GFO when NPA coalitions took (or when the GFO was afraid the coalitions would take) their problems to legislators and the Governor.

> [GFO] perceives a large group of people who may be upset and where there may be manifestations with the Legislature or with the Governor's office. And, they're afraid of being seen as inflexible, incompetent.

Another manager explains that embarrassing the Governor is the strategy that results in an increase in the budgets for the displaced homemaker programs.

> This year we had a whole strategy, and we wrote budgets in December based upon what we needed, and we asked for a lump sum based upon what we needed, and we got it. That is the power of the displaced homemaker network Statewide. They're very effective. They have very good relationships with the Legislature. They're a favorite program of the Legislature. They did embarrass the Governor a couple times last year. They went to public

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> hearings and asked him why he hadn't put increases for displaced homemakers in his budget. He was so concerned about employment and the welfare cycle and here he had a very cost-effective program, and he wasn't supporting it. The Governor doesn't like to be embarrassed. So, that's one strategy.

Vulnerability to law. Sometimes the leverage the NPA has with the GFO is the GFO's vulnerability to laws beyond contractual obligations. One manager explains that her attention to the legal implications of her NPA's contracts has increased dramatically.

> In the last eight years, you've gone from essentially having the contract agencies be responsible for their own screening to having a variety of screening mechanisms that are required. [For this GFO], everybody's got to be cleared through Central Registry. [Another GFO], everybody's got to be fingerprinted. [Another GFO] instituted a self-reporting thing, "Are you a substance abuser? Do you have a criminal record?" And, if you have a criminal record, then they do a check within New York State.
>
> And, as those have been implemented, we have had to struggle over their substance, because in some instances they've been really inappropriate and sometimes they've been illegal. [GFO] put out an initial questionnaire that was demanding self-disclosure from employees that was not legal. So, you cannot function without a very good attorney anymore. There are some days when I feel like I'm just talking to attorneys all the time.

She goes on to describe a problem with the GFO's requiring that all employees hired under the contract use the GFO's time clock "so that they can have accountability for where our employees are." She is adamantly opposed to this requirement.

> First of all, I will not institute an accountability system for one program that I don't have for every other. Second of all, we work in the schools earlier and later and in evenings and on weekends. The office isn't even open.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

She registers her opposition prior to the signing of the contract and thinks the requirement is eliminated. However, she explains that it is not and that she subsequently has to threaten a lawsuit to get the requirement changed.

> I had a contact at the [GFO] talk to the Auditor General's office. I said, "If you disallow $500,000 of personnel expenses because we didn't have a time clock, it's going to be a little critical." Then, I found out that they hadn't put it in the contract of the program I had sort of negotiated in tandem with, so I said, "Go ahead, disallow. We'll sue you for unequal treatment." So, that took care of that problem.

Vulnerability to oversight of another GFO. Related to the GFOs' vulnerability to the law is their vulnerability to the oversight of other GFOs. As a compliance coordinator explains,

> The contract says that we'll follow State and City regulations and what do you do when the two disagree?"

He then goes on to describe "a nice time when we refused to agree with the City."

> On a particular case, we had a child where we were informed that we had UCRs due on X, Y, Z cycle, and we were submitting them on the wrong cycle. And, we were to bring our UCRs into compliance with the City cycle and if we did not, if we were not willing to change the dates, then we'd have to write new ones. But, we had to bring them into compliance with the cycle that they were following in the City so that they could continue everything.
>
> We informed them that we refused to, in that their cycle does not meet the cycle established by a CID [Case Initiation Date] as defined by the State of New York in State legislation. The definition of the CID is you have four different reasons for establishing the case initiation date, and everything cycles from that date. And their date does not meet any of the four dates that they have already provided us for those four events, the earliest of which was such and such and, therefore, all of our paperwork is cycling from that date. "And we

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

will not violate State Law in order to bring our record in compliance with yours."

They got upset. Spent two years being argued over. It happened that two years in a row Program Assessment pulled it as one of the records for review out of their random selection, and two years we appealed the fact that we refused to accept responsibility for not having UCRs done in a timely manner and all these other things that we were getting nailed with in Program Assessment on grounds that they were comparing it to their time frames, the City's time frames, which were illegal. And, we had letters to the New York City Commissioner and the Assistant Commissioner and we had system documents, and we could verify.

And, it got to the point where we informed the Commissioner. We sent him a nice little letter informing him that we object to being held responsible for not violating State Law. And, that we would want them to be aware of the fact that at this point they are violating something like seven different areas of State Statute, and his personnel are ordering us to violate them as well, which we refuse to do. And, we listed out everything and we documented everything and that if this case gets to the point of going back to court, which it is due because the 392 is expiring, which is the authorization for the children to be in care, that we will have to notify the judge of the problem that we are having when the case is under review, because that will be one of the issues that comes up. And, we refuse to provide false information to the Court and, therefore, we will have to notify him of your office's violation of State Law.

Oh, did we get telephone calls. We sent that Certified Mail. We got the receipt. Before we got the receipt, we had seven phone calls from his office, Director of Field Services office, Director of the field office involved. All these people had gotten letters; most of them had also gotten calls. And, the basic thing was, "It's all messed up. We're looking into it. But, it's really a mess. So, it will take some time." And, that had gone on for two years. We had continued to send UCR forms in, according to our cycle. They continued to yell at us that we were off cycle. For two years. It was resolved in less than a week. The following week we went to court.

It ended up that the Director of the Field Office ordered them to close the case, re-open it the next day with the proper cycle information. That was the only

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> way they could get it to come in line. Get it closed, do an administrative closing and re-opening of the entire case where it's something like seven children involved, across three different agencies, to get anything to come out to be where it belonged, cycle-wise, because it was so fouled up.

Another manager describes a contracting problem which is resolved by exploiting the vulnerability of the Mayor to the oversight of the New York City [governing body], with its power to approve contracts.

> The Mayor decided the contract agencies should hire welfare recipients, and they slipped that into the boilerplate, about the 26th of June. So, don't ask me how I'm supposed to hire welfare recipients or where I'm supposed to put them or what, with no additional money. It's not like I've got an open line to hire. I'd be happy to hire. Half of [one of our programs] is people coming off of welfare, and actually we do hire a lot of them.
>
> So, we, a group of people, went down and sat at the [City government meeting] 'til four in the morning to get some modified language that would not put us at risk, that would give us outs.

Connect the NPA problem with a GFO problem

NPA managers seeking a change often need to find a way to negotiate with the GFO. The third sub-strategy for exercising leverage with the GFO that managers use is to connect their NPA's problem with the corresponding problem for the GFO. This strategy is consistent with the literature on negotiation."[2]

---

[2]The importance of ascertaining and addressing the other side's interests in a negotiation has been documented by the research of the Harvard Negotiation Project. See Roger Fisher and William Ury, Getting to Yes: Negotiating Agreement without Giving In (New York: Penguin Books, 1981),

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

A manager describes how his belief that the GFO is "asking too much" and his perception that "they felt the same way" results in a gradual, eventually dramatic change in reporting requirements--from daily process records to twice a week to biweekly to the current monthly report.

> The State drug prevention program was another example. The requirement at one point was there was process recording required five times a week, so every day. But, I mean every day. Could you imagine? So, we have tons of paper, and they come in here to audit and they're going through this paper and I said, "That's ridiculous. Let's work on something." We went through this, and they said, "Fine." It's finally gotten down to a point now, they said, "Hey, listen, once a month."
>
> I think it changed from both of us. I'm sure they felt the same way. They were coming reading records. And, we would pull out a stack of records like this on a kid because 90 percent was process. And, in some cases it wasn't even reading. They're looking at meeting days and they're, "Oh, you missed such and such a day." They haven't even read content, but they're reading days.
>
> Every place they were going in terms of auditing they were saying, "You only have three days here. We're saying you're supposed to be recording five days." That kind of stuff. I said, "But that's not realistic. The kids are not here five days a week. We may have a three-day-a-week program. We're saying they're not in the drug program five days a week. We have another kind of program that they can be a part of that is not part of the drug program.
>
> Eventually, we then emerge and say, "Let's make it twice a week." We cut it down to twice a week, and they're saying, "That's fine. Kids may be into other kinds of

---

41-57 and Roger Fisher and Scott Brown, Getting Together: Building a Relationship that Gets to Yes (Boston: Houghton Mifflin Company, 1988), 64-83. For a discussion of "the need theory of negotiation," see Gerard I. Nierenberg, The Art of Negotiating: Psychological Strategies for Gaining Advantageous Bargains (New York: Cornerstone Library, 1968), 81-107. See also, Stephen Holloway and George Brager, "Implicit Negotiations and Organizational Practice," Administration in Social Work 9 (Summer, 1985): 15-24.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> activities. Twice a week, with attendance on the other days. All right." So, then, every other week. Last year, they came out with once a month.

A compliance coordinator describes the effort involved in getting the GFO to change its payment procedures for foster care agencies. These procedures, requiring verification of the actual home or building a child is in for a period, rather than just the name of the NPA, are dysfunctional for both the NPA and the GFO. Though the NPAs face severe cash flow problems because of the procedures, the problem may be even greater for the GFO, whose staff is being "buried." The urgency of the problem for the GFO is evident in the steps its staff take to implement the change.

> One of the problems with the State system is it used two levels to compare a facility location. And, if they did not match, you did not get paid. Two different places. We said, "Let one be a generic at the agency; the other be the actual facility, the actual building the child is in. Why do they have to have the same building number? As long as it agrees to the same agency, you're paying the agency, and, we're dispersing the funds. Why do you need an exact number match?"
>
> And, when we're dealing with four hundred numbers for this one agency, when you're getting an exact match, every time a child moved temporarily from bed to bed, we wouldn't get paid. Every time a foster parent went on vacation and we moved a child to another home and then back for a two-week vacation, what would happen is he'd get transferred over on one system, but not transferred back. So, then, after the child came back, the entire time afterwards, we were fighting to get paid because we have two different numbers on the system.
>
> We fought it through with the City, and we got the State to agree that a generic code for the agency was acceptable. It was supposed to be implemented July 1st of last year. July 1st rolled around and case managers were still using facility-specific information on both systems. August 1st rolled around and the voluntaries said, "Hey, what is this? You made a promise. It isn't

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> going to help your fiscal system and our fiscal system. We need the money. Our cash flow is going down the drain. You're getting correction forms at a rate of sixteen thousand a month to your bill on seventeen thousand children. You need to lower your forms so that you have a staff left and not buried."
>
> And, then the Commissioner said, "Effective August 15th, every case manager will put on WMS a generic code for foster boarding homes and if they don't, I want to know about it on a case by case basis." And, he informed State-Mandated Services that he wanted every entry of the purchase of service information on WMS monitored, and he was to get a report. About the 20th, we were running about a 50-50 ratio of facility-specific versus generic. By the 25th, we were at 98 percent generic.
>
> But he had to lay down the law, and he sat there and he walked into a meeting with his directors of the field offices and said, "That's it. Okay, [to each director], you had,"--let's say--"one thousand POS's updated; 489 of them were done with facility-specific information and not the generic. I want to know why. And I want you to do something about it. And, you also tell the people that they can go back to their records, go back into the system, correct it, and it's on their own time." He wasn't going to pay for their mistakes. The union had a fit. And, his reaction was, "If they're playing on the computer and not doing their job, as far as I'm concerned, they're playing electronic games. I'm not paying for their games. I'm not paying the time for them to play games."

The manager explains the Commissioner has problems with the union over his edict.

> But, he got it cleaned up. They negotiated that. The end result was that, within ten days, we were getting the information that was supposed to be on the computer, rather than the old information.

Refuse to comply

The last sub-strategy managers use to exercise their leverage with the GFO is to refuse to comply with contractual requirements. Their refusal is not impulsive, but

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

calculated. Because of their confidence in their leverage with the GFO, managers' refusal to comply is done with a sense of virtual certainty that the GFO response will be in their favor. This sub-strategy has four variations. First, refuse to contract when the funding is insufficient. Second, refuse to comply when a requirement conflicts with clients' needs. Third, refuse to comply when a requirement is irrelevant. Fourth, refuse to comply when the anticipated impact of compliance on the NPA is unacceptable. These variations are discussed next.

Refuse to contract when the funding is insufficient. One manager explains that her NPA has a "wonderful working relationship" with the GFO through "a lot of informal working" and because the NPA's Executive Director is "very politically active with everybody." She also says that "it doesn't hurt" that the President of the Board is an individual with significant political influence in the City. In the context of this leverage, when she comes to the NPA, she refuses to contract when the funding is insufficient.

> [This NPA] has underwritten [this program] by a great deal of money. One of the services of [this program] is financial management services and that's been completely underwritten by philanthropic dollars. And also [this NPA], because of who it is, is seen as a big, wealthy organization, but it's having its own problems. When the [GFO] would make a contract with [us], they'd say, "You can pick up some of the salary." And, [we] would say, "Okay."
>
> And, one of my feelings is, "Okay, if you're going to contract with us, then you're going to pay for it." So, I've made the [GFO] pick up more, which means there's more government money in here now. So, this program is

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

less underwritten by [the NPA].

As new contracts are discussed with the same GFO, she reports that she says to them,

> "Look, we're changing the rules. You're going to pay for it. You want us to do it; pay for it." And, they pay for it because I think they recognize that they have not paid their fair share in the past.

Refuse to comply when a requirement conflicts with clients' needs. The executive director who says all his GFOs view his NPA "as an excellent agency" and "that buys me leverage," gives an example of the leverage his NPA's excellence buys him when he refuses to comply with the GFO's requirement for the dates of the contracted program when the requirement conflicts with clients' needs.

> Just recently we worked out our contract with the [GFO]. Contract can go from November 1st to April 30th. But, we didn't get an increase over last year, so somehow you have to cut service. So, rather than cutting the number of activities that we offer or the number of staff or the quality of the services, I just reduced the program, front and back. I started it a few days later and ended it a few days earlier and ran it in between without skipping.
>
> Basically, they said to us, "No, it has to start November 1st, and it has to end April 30th. And, why don't you just take, like every third Tuesday, and not have program?" And, I said, "No, I will not do that. I'm offering something to parents that work, and skipping every other Tuesday doesn't help them, but if they know the program starts November 7th and ends April 20th, they can plan that from November 7th to April 20th that they've got it. And, I will not enter into a contract with you that requires me to do that." And, they said, "Okay."

Refuse to comply when a requirement is irrelevant. This same executive director explains how he uses his lever-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

age when the GFO will not allow any changes, including staffing patterns, in the first month of the contract.

> I projected one person who's going to do both drama and arts & crafts, and I can't get that one person. And, I hire a drama person, two days a week, and an arts & crafts teacher, three days a week. That's in violation of the contract because I have to get that budget modification, and I can't do it in the first month of the contract, which is when you should be allowed to do it. So, I go ahead and I do it anyway. I won't go to them first and say, "Can I do it?" because they're going to say no. I'll do it and put it in place, and then say to them, "You want me to run this program? I couldn't hire one person to do both jobs." Or, sometimes, I do even better with saying, "I'm going to hire the best possible person for the position and that was the only way I can do it." And, they'll go ahead and approve it.

A compliance coordinator describes her NPA's leverage and how she exercises it with the GFO when she is harassed about what she deems to be irrelevant issues.

> We are [this NPA], and we are the best in what we do. We're not some dipshit poor agency. So, we take an affirmative, "Listen, this is [this NPA] talking. This is what we're going to do, blah, blah, blah." So, it's a position of power.
>
> With [the GFO], I'm not always nice. Some pisher gets on the phone with me, an MSW three years, and starts to tell me about a contract, I'm going to say, "Look, take your contract and shove it. I don't need the aggravation."

Explaining that she and her NPA have a reputation with the GFO for quality work, a manager cites several examples where she feels the goal of a GFO requirement is valid, but the implementation is irrelevant, so she refuses to comply.

> The fiscal auditor comes, and one of the things that he checks is whether there's a signed application in every record. It's ridiculous, because the Office of _____ is already getting it. They do a sample. I won't let him near my records. So what I do--I learned this from one of the other directors: he asks for the monthly progress

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> report. They're so uncomfortable with it. They don't know from the case records. They don't want to know. He'll just read out a name, and I will open the record to the page and just show him it's been signed by the worker and signed by the client, and then I close it. He never has it in his hand. Because I'm not going to turn over our records to the fiscal auditors. I've never had any problem.
>
> They also go through the personnel records, which the Office of _____ also does, except I won't let them near my personnel records either. I just feel it is none of their business. But, all the Office of Contract Monitoring is really interested in is if you have hired people who have the right educational qualifications, which I think is a perfectly fair thing for them. So what I do when I hire is ask everybody to give me a Xerox of their diploma, and I just give [the auditor] all the diplomas, and he doesn't have to go upstairs and go plodding through the files.

When the GFO requires additional information on the monthly progress report, she explains that she refuses because the request is "ridiculous." When she then understands that they need the information to advocate for the programs and cannot get it from their own staff, she works with them to develop an acceptable alternative.

> They wanted us at one time to list every case referred through a Field Office that we were turning down, and we said no, we wouldn't do that, that was ridiculous. First of all, if we're not accepting the case, we have really no right to know that information. It's confidential. And, we said, "Besides, ask the Field Office. They're the ones referring the cases." And, they said, "But, we can't get that from the Field Offices." And, we said, but you don't need their names. We can give you the numbers.
>
> So, they accepted that we would report it just as a numerical thing without having to list by name the referral. Because if I can't take a case, I don't take down all the information about the case just to please them. It's a waste of the referring person's time and mine.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Refuse to comply when the anticipated impact of compliance on the NPA is unacceptable. Confident in the GFOs' positive judgment of her NPA, a compliance coordinator explains her refusal to comply with a requirement that she feels will "be the last straw on the camel's back."

> We're moving along in a dilemma now. We're trying to match two very different systems. The [GFO for social services] is very different from the [GFO for mental health] system, which I correlate with JCAH because they're the same in my mind. So, we're trying to meld those different systems and it creates a little craziness, for instance, in the forms, in the timing of the treatment plan.
>
> Some people do both, and they do them almost separately, which is insanity. I saw one agency where they had all their schedules, one was for the [mental health GFO] system and one was for the [social services GFO] system. And, they were conferencing kids all the time.
>
> One thing I did and, luckily for me, the regulation then changed afterwards, is I said, "I'm absolutely not going to change this agency around to have treatment conferences every sixty days." That was the JCAH requirement. And, we did them every ninety days for PAS and [social services GFO]. And, I said, "We're going to be out of compliance. Tough. I think it'll be the last straw on the camel's back. This agency will be in treatment conferences twenty-four hours a day."
>
> And, I left it like that. I said, "We will not be in compliance." The next JCAH Manual came out, and they had changed it. And, I said, "Thank God." But, sometimes, and that doesn't happen very often, I'll say, "Screw it. We're not going to meet that standard."

Persevere

Perseverance, the third goal-oriented strategy managers use, seems the simplest conceptually, but is perhaps the most difficult to execute. They just do not give up when

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

they want to resolve a contracting problem. As one executive director explains,

> As far as dealing with the City goes, I think it's just mostly patience and perseverance and not giving up on them, not letting them write us off or not take us seriously. It's perseverance mostly and being willing to go up the line, up the ladder--and I do that a lot more confidently now than I used to.

There are three sub-strategies managers use to persevere. First, wear down the GFO. Second, work up or sideways in the GFO bureaucracy. Third, withdraw or threaten to withdraw from a contractual obligation or from the contract.

Wear down the GFO

One manager, who has to fight with the GFO for authorization to create a personnel department because they "did not understand what it was like to run an agency" or how important the personnel function was, says she prevails because, "Eventually, I wore the people down."

The executive director of the NPA providing housing for the homeless explains the negotiation of the contract for the renovation loan is eventually successful because, "We didn't give up." She continues, "It took a lot to convey what was not satisfactory to us in the contract." And, then she describes what "not giving up" meant during this "horrendous process."

> There was a lot of resistance on the part of [GFO] staff to even make some of the changes or consider some of the changes that we were suggesting. And, again, I guess some of it was related to not wanting to get involved with Corporation Counsel. I think others were a matter

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

of, "Nobody else has questioned this before, so why the heck are you raising it? Just sign the contract, and let's go." And, they didn't want to be bothered. They want that contract signed, and they want it now.

We, through our own contacts, made direct connection with the Corporation Counsel. And pressed them that some resolution be brought to this. They don't get to it right away, so more leveraging was needed to get them to address it in a short period of time.

We had many phone conversations where I was involved and we had all the attorneys involved and had members of our Board involved. But, we finally realized that the only way we were going to get this accomplished was--to put them on the line is--in having a meeting. And, we had to do that about two or three times in order to get the stuff accomplished.

I think a lot of our reason for being successful in that area was the assistance that we got from the Mayor's Office on _____. And, they really helped us set that up and to work with the [GFO] to look at that. Our first meeting with them was hours long, and it was a lot of mashing of teeth, and at the end, we had agreed on a re-draft of a certain part of the contract. And, the only thing that was going to happen was that it was going to go off and be typed and sent to us. And, so we ended the meeting in what we thought was good faith. And, we were very foolish.

And, when they told us it was ready, and that we could come in and look at it, we first requested a copy before we walked into the room. And, we got the copy, and it was a totally different draft than what we had talked about. So, then it was time for our attorney and myself to go in and sit down with them, and we had another long meeting where we didn't let them go out to lunch, which killed them, until we got the thing resolved.

I think a lot of it in the beginning, especially, was that they didn't want to respond. And, so the thing just really didn't get addressed when we thought it was being addressed. That was a real learning situation. Even when we went to closing--we got there, and we almost didn't close. There were some riders in the contract that we had never seen before. They all of a sudden just arrived on the day of the closing. We had to take time out of the closing to start reviewing documents, to see what impact they had on the rest of this.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> Yes--it was really--it was absolutely crazy. And, again, they're very frustrated. Attorney for [GFO] is walking in and out of the office. She herself was not a very responsive person even prior to the closing, in getting all of the documents compiled so that we were going to be ready. It was really a horrendous process. It really was.

Another executive director says he finds that by being "a pain in the ass" of the GFO he is able to "short-circuit" extraordinarily long payment delays.

> Our last government contract is a State grant that we get through the Member Initiative's part of the State Budget through New York State [GFO].
>
> The fiscal year for the State starts April 1st. The earliest we've drawn down our advance on that contract is November. November. So that's already seven months into the contract before we even draw down the advance. I was talking to a friend that runs another agency. He still has not yet drawn down his funds for '86-'87, which ended April 1st. So, he's had to advance then a whole year, and now he's into the next year, and he still hasn't drawn down.
>
> That grant for us is $50,000. And, it's money that we've got to come up with other places. So, it's fund-raising money and it's unrestricted monies and a few cents here, a few dollars there.
>
> That grant is for a variety of senior services, our transportation, outreach. But, these are people that are on staff. We have a driver on staff. We have an outreach worker on staff. We have a project coordinator on staff. We have to pay their salaries. We can't tell them, "Well, we haven't drawn the money down and we don't draw it down till November." And, as I understand, we are, for whatever reason, we've got ourselves into a track that we're one of the early ones that draws down. This guy that I was talking about is not the exception. Rather, we're the exception.
>
> They just don't get their act together. Our money was approved in the Budget so it's approved after April 1st, to start with, or around that time. I haven't even gotten a letter yet from the State [GFO] telling us that we've been approved and let's start the contract negotiations. And, what I have to do first now--I wait for them to send me that letter with a dollar amount, then I

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> submit a proposed contract to them, and then from that point on, from the point they get my final contract, it takes about three to six months for them to process it, get it registered, get it through the Attorney General's office, and send us the vouchers. And then from the time they send us the vouchers, and we voucher for the advance, it's about another month.
>
> So, I've been able to short-circuit that by just being a pain in the ass. Basically what I've done with them, have worked out with them, is where they'll send me the vouchers before it's registered. We'll submit the vouchers to them. They'll hold it, and then the day they get the registration number, they write it on the voucher and start processing the voucher. So, we save a couple of weeks that way.

He explains how he is "a pain in the ass" and learns how to have his NPA's paperwork attended to first.

> Just keep calling, writing. I send all the information back to them overnight delivery. And, I make sure that if I get the paperwork one day, it's in the mail back to them the next day, overnight delivery. And then I call them. And what happens, I found, is when you call them, then they look for your papers. Your paperwork gets pulled from the bottom of the pile to the top of the pile. So, it's basically just that kind of thing.

One manager describes how, through "endurance" and because the GFO is "not used to being beaten on consistently," NPAs are able to get changes in the contract "which give us latitude and flexibility."

> Maybe it was also because we just had endurance, and they're not used to being beaten on consistently. And, the [GFO Director] knows that we're for real and that we've been around a long time. And, in general, he is sympathetic to CBO's [Community-Based Organizations]. He doesn't think that they're out to rip off the Board. He thinks that they really do contribute.
>
> So that when the crunch finally came--I mean it took a year and a half--I think that he exercised some leadership around let's make this work. Some people were out to make it fail, and he ultimately let it be known that he was not going to allow that to happen. So that's why I think that they listened to him.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Work up or sideways in the GFO bureaucracy

Persistence for many managers means a willingness to "work right up the line" of the GFO bureaucracy. One executive director explains that she is initially reluctant and thinks it will be a "waste of time" to "go to the top." But, she says,

> I don't hesitate now to work right up the line. Or to say to a social worker, "If that unit isn't going to work, if that worker isn't doing his job, call the supervisor right away, then call the Sup II, then call the Sup III. And, if that doesn't work, we'll go to the top."

One manager explains that it is never sufficient to register complaints with the NPA's assigned monitor.

> In dealing with the City, the people you deal with on a day-to-day basis--obviously you talk to them on the phone, and you tell them what your complaints are--but then we always take things farther and write letters and ask for meetings.

Another executive director explains his strategy in "calling up the ladder" to get approval for an item purchased and paid for in May, but delivered in June.

> They also have a rule that you can't buy consumable supplies during the last month of the contract, so you have to buy them during May, as opposed to June because they don't want people doing what I mentioned, which is waiting till the end and spending all the money. Of course, you do it in May, instead of June.
>
> Of course, I had the problem of trying to use up all my supply money. So, at the very end of May, I had ordered an SRA reading kit. So, I submitted this thing, and I got into this big fight about when I had purchased it. I said, "Look, here's an invoice dated in May; here's a check dated in May, so I bought it then." And, they said, "No." Somehow, it said on the invoice, "Invoice Date," and then it had "Delivery Date" was in June. So, we had this big go-around about when I had bought this.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> I just got that settled. I kept just calling up the ladder until I finally got somebody who was high enough up to say, "Fine. This is no problem." The problem is that so often you have some little person who's really intimidated and just all involved with "this is what the rule says' and they can only read this, so they're not going to make any decision.
>
> It was the third person I called. It was my person and his boss and then his boss above that to get it approved. I always try to move up the ladder to whoever you can find. I find people at the top are much more reasonable and have more latitude to respond to whatever your problems are. Sometimes they want you to write them a letter, but usually they'll be helpful over the phone. That's what I've found.

Asked whether his "move up the ladder" alienates the GFO staff on the lower rungs, he explains,

> That's just the system. As long as they don't have to take responsibility for it--that seems to be the big thing.
>
> So I was horrified the other day when with that contract thing, I called the Area Manager to ask him what happened and how I should proceed with it. And he, while I was on the phone, he's giving, at the person, "You got that contract and you didn't do anything, did you? I've got the Executive Director here on the phone." And, he's yelling at the person, "You got it on your desk, and you didn't do anything, did you?" And, I thought, "Oh, God, I'm making friends now." When he said, "The Executive Director, I've got him on the phone" I'm like, "Oh, no."[3]

For some managers, working sideways through the GFO bureaucracy is as important a strategy of persistence to

---

[3]If a study, similar to this, probed GFO managers, it would be interesting to consider whether this outraged GFO response was spontaneous or was a strategy (known to the subordinate) to elicit exactly the reaction it did in the NPA manager.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

effect change as working up.[4] To illustrate this strategy, a compliance coordinator describes the "different routes" he uses in handling a typical problem--the NPA cannot get the GFO to open the case required to get a Medicaid number for a child who needs surgery.

> It would first go to the caseworker who would try to get hold of the [GFO] case manager. Then, it would go to our supervisor to deal with their supervisor. Their supervisor goes to their Sup 2. Our supervisor will go to their Sup 3. But when it gets up above that or, especially if it's dealing with the system, then it gets thrown over to me. Because I have different routes.
>
> I will not go through a supervisory level. I'll either go to the director of the MILS unit at the Field Office or I will go to one of the Assistant Directors of the Field Office or there're other ways around the system which we have developed where, even though they may not be able to enter it, when you have the Assistant Director come down to the Sup 4 and say, "There's a medical problem with this case. Get the case open. I don't care who does it. You get it open." It gets opened.
>
> I use a lot of top-down practices where if I see a consistent lack of response, I'll go right to the top, and have them tell it. First of all, usually when I get involved, there's not the time to sit there and simply take notes. And, secondly, I find out I get less flak that way from [GFO]. If they've said no and then get countermanded by their superior, they take that personally. While if I jump them, go to their supervisor--I'm a manager, and that title doesn't fit--so I must be up there in an executive level somewhere so, therefore, my peer would be the Assistant Director of the Field Office. And, then they would take the message and, "Oh, okay. I'll connect. I'll get that case open. No problem."

This same compliance coordinator also talks about using a "back-door route" to try to resolve problems. This

---

[4]See Robert E. Kaplan and Mignon S. Mazique, Trade Routes: The Manager's Network of Relationships, Technical Report Number 22 (Greensboro, NC: Center for Creative Leadership, 1983).

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

route involves contacting "people that we have a rapport with" in, for example, computer or management information units without responsibility for the immediate problem.

As one manager explains, working sideways in the GFO, if the NPA has enough "clout," often includes efforts with the relevant politicians. She reports what she does when the funding level for a contracted program is insufficient and what she might do if her NPA had more "clout."

> I called people up. I said this is really not acceptable, and I think we made the case for why we should get funded. And, I followed up with [the GFO monitor], said that I would, and who I would cc the letters to. We generally follow an above-board process in battling out any issue that comes into play. Other agencies do follow political strategy, a much more political strategy, if they've got a lot more clout. If it's a City issue, get to the Borough President, get to their City Councilman. In general, that's not our style. I don't think we would have the clout to do it. So maybe it would be our style if we did.

Withdraw or threaten to withdraw

A sub-strategy of the perseverance strategy of managers is, paradoxically, to withdraw or threaten to withdraw from a contractual obligation or from the contract. They perceive that following prolonged, unsuccessful efforts to get change, the act or threat of withdrawal is useful in breaking through GFO resistance.

An executive director recounts the sequence of events with the GFO that led her NPA, despite "a lot of anguish," to withdraw from responsibility for a family served under

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the contract with the GFO.

This was a family clearly overwhelmed for a host of reasons. Any mother would have been overwhelmed. Medical problems, housing problems, violence problems, not drugs, but everything else. When we went in there, what we thought was, this is a fairly typical case of assembling the resources a family needs. Putting a family worker in for awhile and getting a nurse involved with a medical team for medical follow-up, getting the clinic appointments sorted out, getting one family health provider, getting special schools for the kid who needed it, special medical care. It was a real nightmare.

So, we had a social worker, a public health nurse, a family worker, lots and lots of case conferences on it, psychiatric conference. And, having assembled all these services, something was not working. So that what should have worked wasn't. It was going the other way. Clearly, there was another kind of problem in the house. The more services that were provided, the worse things got. And there were many services from different service providers--hospitals, clinics, schools, day care, ourselves--an abundance of people.

So, about a year and a half ago, we started to say we needed a conference, to get all the service providers, and [GFO] Protective and Preventive and talk about what should, what could be done. The services weren't being used. So, after months of meeting--and, I'll tell you it was really something down there--there were representatives of at least six agencies. And, [GFO] had a representative of [GFO] Legal to talk about taking it to court. And, at the end, the idea was to take it to court, to mandate the use of these services. Not to remove the children, but clearly there was a terrible neglect. So, that was in June of '86. Somewhere, it got put on the back-burner of Legal and wasn't happening.

And, the thing got worse and worse and worse to the point that a year later or ten months later, we were going back saying, "We must remove the kids. We are going to close the case. We can't responsibly stay in there. You've got to do it." And, eventually it was done.
So, that was to me kind of a symbol of what can happen with an overwhelmed system. One of the things that we learned was that where we would expect that when these kids are in terrible danger, you think they're going to pay attention to us, but things happen because they have no place to put the children. They say, "Oh, [this NPA]

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> is in there. Nothing's going to happen." Many, many agencies are saying, that if there's a good service provider in there for Preventive, the City attitude is, "We can sort of relax on that one because they're in there and they'll see to it, they'll handle them. They're not really going to pull out." We actually had to close this case and withdraw from it.

Having been "told we were the best contractor" in the borough, "which buys me more leverage," another executive director explains how he uses the threat of withdrawal to have his GFO fiscal officer changed after repeated attempts to work with her fail.

> We had a fiscal officer that was completely screwing up. She was disallowing things that made no sense. We'd go back. She'd tell us one thing on the phone and do something else.
>
> I wrote them a letter, and I said, "I want to come down." I went to the Director of the Fiscal Department. I sat down with him, and I said, "Either you remove her from our contract, or I will cancel my contract. I cannot do business with you this way." And, essentially what happened was I found out that other people were complaining about her. Nobody put it in those terms. And, she was eventually fired. And, we now have a fiscal officer that we can work with, and we don't have those problems.

Yet another executive director explains that it seems to be only the threat of withdrawal that finally makes the GFO understand the seriousness of her NPA's position.

> If it's important, you have to just insist and be willing to walk away from the whole contract process altogether. And, we did consider that as an option. I forget at what point in the negotiations it was, but I remember a conversation with our contact at the Mayor's Office, and it was the first time we had ever stated this, but I said to her on the phone as we're going on a particular issue that if this was going to be the way that it was, then we would have to reconsider our position. And, that we would very possibly not proceed. And, that, I think for the people in the Mayor's Office, was a very frightening prospect. And, one that they

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

didn't expect, and I think it made them realize how serious we were about the points that we were raising.

Summary

The administrative issue of change was addressed in this chapter. Since the contracted services game is characterized by conflicts between the rules and reality, managers seek to change contractual requirements to have them conform with reality, at the same time they endeavor to comply with those rules. Managers' process-oriented and goal-oriented strategies to effect change were analyzed.

In the first part of the chapter, managers' process-oriented strategies to effect change were examined. To develop the capability to effect change, managers' strategies are to master the GFO rules, learn the GFO playing field, and recognize or get leverage with the GFO.

To master the GFO rules, managers' strategies are to anticipate the implications of the rules and to exploit their contradictions. To learn the GFO playing field, managers' strategies are to solicit advice from colleagues, create and participate in NPA coalitions, and participate in GFO committees. To recognize or get leverage with the GFO, they seek leverage for the NPA and for themselves. To get leverage for the NPA, their strategies are to exploit the GFO's need for the NPA and to strategically position the NPA with the GFO. To get leverage for themselves, their strate-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

gies are to become recognized players to the GFO and to develop rapport.

In the second part of the chapter, managers' three goal-oriented strategies to effect change were considered. First, advocate with the NPA. Second, exercise leverage with the GFO. Third, persevere.

To advocate with the NPA, the strategies are to select advocates, engage advocates, and make a compelling case. To exercise leverage with the GFO, the strategies are to exploit the power of a NPA coalition, exploit the vulnerability of the GFO, connect the NPA problem with a GFO problem, and refuse to comply. To persevere, managers' strategies are to wear down the GFO, work up or sideways in the GFO bureaucracy, and to withdraw or threaten to withdraw from a contractual obligation or from the contract.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER IX

ETHICAL ISSUES

Introduction

In the previous chapters, ethical issues permeated the discussions of the contracted services' game, managers' cognitive maps in playing the game, and the administrative issues of compliance and change. However, extracting the ethical dimensions of what managers do, without sufficient consideration of the world in which they must function, would have been prejudicial and misleading. And, while the chapters on political issues which follow this one are also replete with ethical concerns, discussion of ethical issues at this point seems both an appropriate postscript to the earlier chapters and a necessary preamble to the subsequent ones.

There are many explanations of ethics and ethical, both in philosophy and in social work, but for this analysis the following definition, by the author of a study of ethi-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

cal behavior among business managers, seems apt.[1]

> For me, ethical has to do with a general conception of right and wrong in the attitudes and actions of individuals and the communities (institutions) of which they are a part. (Toffler 1986, 10)

The significance of this definition is its dual focus on individuals and institutions. To comprehend the ethical issues managers experience with contracted services, it is essential to understand not only their "general conception of right and wrong," but also their perception of the conceptions of right and wrong held by their NPAs and by the GFOs with which they contract. When the "general conception of right and wrong" of manager and NPA or of manager, NPA, and GFO coincide, "attitudes and actions" appear to be based on this shared conception, even if the conception conflicts with contractual requirements.

For managers, the line between "right and wrong" is crossed when what they do is for, or results in, personal gain. However, to benefit clients or, in some cases, the NPA or GFO, they do not consider it "wrong," and indeed may consider it "right," to "effect the illusion of compliance," which, baldly, is to lie. Often, they feel that the "craziness" of the contract gives them no choice and,

---

[1]For explanations in social work, see Charles S. Levy, Social Work Ethics (New York: Human Sciences Press, 1976); Frederic G. Reamer, Ethical Dilemmas in Social Service (New York: Columbia University Press, 1982); and Margaret L. Rhodes, Ethical Dilemmas in Social Work Practice (Boston: Routledge & Kegan Paul, 1986).

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

indeed, sometimes the GFO encourages and colludes in the lie.

The complexity of "right and wrong" for managers is obscured by the simplicity of the manager's charge.

> The basic criterion of judgment affecting the ethics of social organization executives, like the basic criterion of judgment affecting the ethics of any practitioner of any occupation in any organization, is the expectation that that which one is assigned or committed to do in an organization, one will do. (Levy 1982, 66)

Although managers believe and act on the belief that "the bottom line is we must comply with the contract," compliance can have an extremely broad interpretation and "that which one is assigned or committed to do" is typically multiple, contradictory, and ambiguous. This chapter explores what, under these conditions, managers say they do in their effort to effect the "right."

In the first part of the chapter, managers' perspective on their commitments, of what they are "assigned or committed to do," is considered. Then, since their accounts of ethical issues emerge in the context of their discussions of philosophical and operational conflicts, the next two parts of the chapter examine their management of these conflicts.

Perspective on Commitments

In undertaking a job with responsibility for clients, managers assume a commitment to those clients. In undertak-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ing to work with those clients under the auspices of a NPA, managers assume a commitment to the service philosophy of that NPA. In undertaking a job in which the NPA has contracted with a GFO, managers assume a commitment to the GFO to deliver the service in accordance with the terms of the contract. However, as one manager explains, "There are always dilemmas. There are ethical dilemmas that come up all the time."

In this part of the chapter, managers' perspective on their commitment to clients, their NPAs, and their GFOs are discussed. Sometimes these commitments are compatible; often, they are not or appear not to be. For all managers to some degree, and certainly for all managers of human services, dilemmas emerge from incompatible commitments.[2] However, the uniqueness of the dilemmas for managers relates to the contracted service. As a manager explains, "The illusion of contracts is that everything is clear and defined, and it's not true."

---

[2]In her report of empirical research on business managers' ethical, "tough choices," Toffler (1986, 17) reports that,

> Competing claims--being "pulled in two or more directions"--was frequently cited as an identifying feature of ethical situations. Competing claims appear in a variety of guises: conflict between two or more personally held values, conflict between personal value(s) and the value(s) held by another person or the organization, conflicts between basic principles and the need to achieve a desired outcome (a means/end conflict), and conflict between two or more individuals or groups to whom one has an obligation.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The question this chapter addresses is how managers reconcile incompatible, or seemingly incompatible, commitments when they resolve philosophical and operational conflicts. Which commitment is honored first? Sometimes, it seems this reconciliation and resolution is almost automatic for managers. At other times, they agonize over the choice and risk involved. Therefore, the final section of this discussion of managers' perspective on their commitments is an examination of their perspective on choice and risk.

Commitment to Clients

One manager says that for her and for her NPA, the commitment to clients always takes precedence over the commitment to the GFO.

> It's never been an issue. I think that that's always been the philosophy of this agency and it's certainly been my philosophy, and I've always been backed-up about that by the Executive Director. That's just always been the philosophy of this agency, and it's always been our orientation from the time the Program Assessment began, that we'll do what we feel we have to do and what we feel is right. And if we fail on this, we'll explain our views to the City. We'll just have to deal with it from there. But, we're not going to do what we don't feel is in the best interests of the child, send the child home sooner than we really want to just to meet a particular deadline, a particular date. So, it's never been a problem.

An executive director explains how he exercises his commitment to clients, in the face of seemingly rigid intake criteria, in a truancy prevention program.

> We'd like to be more flexible, serve more kids, not restrict our services to a rigidly targeted group. One of the problems there is the initial group is chosen on

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> the basis of statistics from the previous year. So, if you have a kid who's screwing up this year, but did fine last year, the kid is not in the project. Or a kid that's suddenly, for whatever reason, doing fine now [can still be in the project].
>
> There are some ways of adding on people. We've negotiated. So that does happen. And, also, one kid, we just go out and do what we're going to do whether he's on our list or not.

A compliance coordinator says, "You're dealing with people so sometimes the contract is meaningless." She gives an example of what it means to "think of the quality of the care of the child first."

> The actual contract itself seems so benign, and it tells you what you have to do and what the [GFO] will do, that kind of thing. And, once in a while, you have a very difficult kid, and he doesn't fit into any of these things. And, it basically boils down to what, human to human, is going to work out, forgetting what it says in here.
>
> We had a child who was constantly going AWOL. He was from either [county] or [county]. He was going down to 42nd Street, and we were really concerned for his safety. We had him on one-to-one here, and he was still gone sometimes. And, we started asking the [GFO] out there, "Please re-place him. Please--whatever the recommendation was." And, it didn't happen for quite a while.
>
> Now, it says in here very clearly that they have a certain number of days, and then they have to take responsibility back. But, you're dealing with people so sometimes the contract is meaningless. And, it comes down to reality. What can we really do?
>
> Eventually, they took him back. And, they re-placed him. But, it didn't happen in our time frame, and it didn't happen in the contract's time frame. So, we weren't going to just go and bring him and leave him on someone's doorstep. I think some agencies do that. I know some agencies do that with the City if they take an emergency placement kind of thing, and they don't have any responsibility in an emergency, this might be an overnight or whatever. But yet if somebody says, "Listen, we just don't have that to provide," or whatever,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> they'll all just get their little van and take the kids out and leave them there. Now, some people might argue, "That's fair enough. That's our responsibility and it ends right here." And, then some people say, "Well, what about the kids?" So, I think those are differing ways of operating. And, we do think of the quality of care of the child first.

Commitment to the NPA

In relation to contracted services, managers talk of their commitment to the NPA's philosophy regarding the provision of services, regardless of funding source. One manager stresses the importance of that philosophy's being congruent with the contracted service. She describes how the primacy of the commitment to the NPA affects whether a proposal to provide a contracted service is even submitted.

> First of all, if there's an enormous discrepancy between what one feels should be going on and what's going to be demanded contractually, I don't think the agency should enter into the contract. For instance, here's an RFP for something that the [GFO] wants. They're putting out an RFP for employment services for at-risk youth. They are prescribing everything. We're not going to go after that because, in a sense, we're just really working for the [GFO] in that. There's no programmatic input from our point of view. We might be asked to implement a whole structure that we don't believe in, and we're not going to do it. There's just no point. So, we make decisions about what kind of money to go after, in part based upon how much people are contracting with us because they think we've got some expertise and they want us to do our thing, and how much they are simply giving us a boilerplate and saying you deliver it this way.

Another manager explains how his Catholic NPA, under the Archdiocese of New York, handles "a hot topic right now," "one of the interesting Catch-22s where we're walking

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

a very thin line" between the NPA's philosophy and the GFO's contractual requirements.

> The thin line is meeting the City's requirements without getting the Cardinal upset because we're dealing with mandated training in planned parenting and use of contraception from the City and the fact that contraceptives are not recognized by the Church and are against, very specifically against, the teachings of the Church. So, there is a slight conflict there. So far, we have been successful in walking the gray line--in the medical aspects of contraception being discussed as an option and how that is dealt with. And, we have, in some ways, gotten around it by using referrals and outside training, things of that nature. But, there are some difficulties, and it's a very sensitive area within the agency as far as how do you train.

After describing his efforts to organize a coalition of NPAs to effect change from the GFO, a manager explains how the commitment to clients and to the service philosophy of the NPA takes precedence over a commitment to the GFO for rote contract compliance.

> Absolutely. I don't know how you could not. Advocate, sure. But, not really political. Advocate, sure. I mean that's the road. Absolutely. And that's the way I view it and that's the way the agency also views it, that we have a responsibility to the families that we're serving, and it will do us no good to provide an excellent in-house service if we're not conveying and really advocating for others outside, for sure.

Commitment to the GFO

In addition to their commitments to clients and their NPAs, managers have a commitment to contract compliance. One manager explains that she may know contractual requirements are impossible.

> But, in general if it's in the RFP, the position of the public agency is, "It's in the RFP. Deliver it."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

To meet the commitment to "deliver it," this same manager says that in preparing contract proposals she tries, in effect, to minimize conflict with her commitments to clients and the NPA.

> In general, in terms of program content, we are very careful to try to describe what we do in the contract in a way that is descriptive of what we do so that there's not a discrepancy. That makes it much easier. When there is a discrepancy--you say one thing, but you're really doing this, that's when there are problems. But, in general, we really try not to do that.

Another manager describes what he does when he realizes he will not be able to "deliver it."

> We just started a recent parenting program and it's really focused at the homeless. But it's a parenting program, and we said that we would serve forty parents. And we've had a problem recruiting parents. But we've called the funding source and said that we have a problem. We're nowhere near the forty. We have presently nineteen, although we've only been in operation two months. We have presently nineteen. But, we're going to have some trouble in terms of that. But, no. I'm not, and I guess it's not just me, it's the position of the agency, that we would not want in any kind of way to be reflected on us in terms of we're just taking money. If it's not real, if it's not doable, we need to raise it. If there're some problems and concerns, we need to address them. But we would not budget it.

One manager, on reading the question in the interview schedule about manipulation of budget and service statistics, says,

> We would never manipulate budget and service statistics to accommodate unrealistic expectations. If they're too unreal, we'll stop providing the service. I think we have more leeway to do that because we contract with multiple agencies.

When a NPA voluntarily subsidizes a contracted service, the GFO typically is uninterested in those funds. A

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

manager explains that her NPA augments contracted salaries and provides extensive in-kind contributions. However, those figures are not reflected in the contract budget because the GFO does not request them. She says, "We've always played the budget very square," but understands that some NPAs do "some real manipulation."

> I understand and I don't know, I've never pursued it, but it is suggested that agencies have done some real manipulation with their figures to put more into salaries than they have. I never pursued it because, one, we don't do it. In fact, I do our budget and then give it to our comptroller to review, and he approves it and everything. But, we've stuck very much to very straight--if this year, for instance, they're allowing 5 percent increases for Other Than Personnel Services and 1 and 1/2 for Personnel Services, we just did that right across the line. We've always played the budget very square. And, I think maybe in the long run that's kept us from having problems.

An executive director explains why he discharges his commitment to the GFO by distinguishing between providing the service and how the service is provided. His commitment is to the former, not the latter.

> There are a lot of gray areas that I live in. And, I think that they force us to do it by their regulations. My main concern is they're giving me X amount of dollars to provide X amount of services. If they want me to tell them that I do it this way, I'll tell them anything they want, as long as I know that I'm providing the services. So, essentially, to me, the one rule that we have to live by is that we provide what we're contractually obligated to provide. If we do it in ways that exist outside of the normal contract, it means I have no problem with that. If we have to make certain changes, again, I'll do that.

In a seeming corollary to "the one rule," he explains that he also makes a distinction between reporting statistics

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

that accurately reflect the number of people served and reporting statistics that accurately reflect how the service is provided. Again, his commitment is to the former, not the latter.

> Statistics we don't play with. The statistics that we report are a true reflection of the numbers of people served and what not. That's one thing that I don't play with. How we get to that though, if service doesn't 100 percent qualify or fit it, then we'll mold it or shape it or what not.

Choice and Risk

Inherent in the resolution of conflicting commitments is the necessity of making choices and assuming risks. To understand the ethical issues managers face is to examine which commitment they choose to be primary, at what degree of risk, in every contract-related decision they make. In the discussion of their management of philosophical and operational conflicts, which follows this section, managers' choices and the related risks are often implicit and must be inferred from their action. In this section, some of their specific comments on choice and risk are considered.

The compliance coordinator in a large NPA explains that his NPA's attitude toward the many problems of contracting is that they are "the price of doing business."

> It's interesting. They're all problems. Everything you've named and more. But, somehow I think the agency's attitude has been that those problems are the price of doing business. So that none of them stand out as extraordinary or threatening to the organization.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

From his experience working for a GFO, he reflects on the choices he saw NPAs make when they perceived the "price of doing business" to be too high.

> There are all sorts of examples of that--ranging from the philosophical, which is the Archdiocese saying that we'll pull out of the system if you make us provide abortion or sign a statement about homosexual rights or things like that, to the financial. There were agencies that did close down, because they felt that they could not meet all of the government regulatory requirements on the budget that we'd allow them, to--I don't know what the right conceptual word is--to agencies that really struggled with government regulatory requirements on the grounds that they felt that they were inappropriate or missed the most important things about their level of, the kind of care they provided. And, there were agencies that were closed down when I was at [GFO]. I would argue that they richly deserved to be closed down, but they would argue, I'm sure, that government was monitoring the wrong things to prove to them they were really doing a lousy job. So, you can take that anyway you like it.

One manager explains that the choice is constantly over which fight to wage.

> Everything can't be a confrontation. You can't say, "That's stupid," even if it is, or you'll alienate everybody. You just have to learn to live with it. You have to pick and choose which issues you're going to fight on.
>
> Some of the requirements on reporting are unbelievable, so ingrained it's not going to change. You can argue over [GFO] regulations. In [another GFO], there's rigidity because the funding's richer. You can't argue with them. You'll argue yourself into decertification.

Another manager explains the implications of choice and risk in deciding to violate a contract, presumably with the GFO's knowledge.

> Any space that a youth program uses is supposed to be cleared and inspected by the Department of Health. Now, I've had the former Executive Director of the [GFO] say that if the Department of Health ever inspected, you

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> would close down about 80 percent of the youth programs. It is in there. We are liable for that. If anything happens in any of these spaces, forget it. We're done. Close it up.

She explains how the decision is made that the NPA will proceed, despite the risk.

> Ultimately, [the Executive Director] would take responsibility for that. Whenever I'm aware that we're assuming that risk I tell him. "_____, I just want you to be aware that we are not in compliance with the contract."

Management of Philosophical Conflicts

Given the game playing of contracted services, the cognitive maps of managers, and their perspective on commitments, it is not surprising that they encounter philosophical conflicts. Defining philosophy as "the most general beliefs, concepts, and attitudes of an individual or group," there is no reason to assume that the philosophy of managers and their NPAs will be congruent with that of a GFO. (Webster's 1988, 883)

Managers describe three kinds of philosophical conflicts, with the second and third being variations of the first. First, GFO contract requirements conflict with the NPA commitment to clients. Second, the GFO service model conflicts with the NPA service model. Third, GFO legalism conflicts with NPA professionalism. Managers' management of these conflicts--the choices they make and the risks they assume--is discussed next.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

GFO Contract Requirements versus NPA Commitment to Clients

Contract requirements can conflict with the NPA commitment to clients at every stage of the contracting process. One manager explains that, despite current clients' needs, her NPA chooses not to enter the funding stream in employment training because it is "placement-driven" and will force the NPA to offer the service to different clients.

> You've got to cream so you can place. So, we haven't done it because we don't want to do that. We know that many of the young people we work with would not qualify. They wouldn't meet the literacy requirement. We also know that both the young people and the adults, we could not necessarily place them quickly enough and meet objectives. So, that we would as an agency be distorted into servicing a different population than the one we naturally service and that we would have to move away from. So, we have made that decision to not go into that funding stream. Now, we may at some point feel that we can and that we have other options for whatever, but up to this point we haven't felt that way.

Another manager makes a different choice. She explains why she feels she has to apply for a contract, despite serious philosophical conflicts.

> I had no choice politically but to apply for that $38,000 line, to add onto this program one worker. That's all it could be for this program, because you talk $24,000. We wanted a $30,000 level experienced person for that job, and with fringe of 25, fringe is almost 25 percent. Politically, we had to write a little blurb saying we wanted to apply for that $38,000. I had to politically because the [NPA], if we're not going to get that big concept paper, [has to pursue the available funding from the same GFO]. I told you we came up with this big idea. We had $410,000 there, so we said, "Why not? Why not?" Can't do it for less. But, they come back with saying, "We'll give programs $38,000." Now, ironically, they want this $38,000 to do almost everything that we said for the $410,000. So, politically, we had to apply for it because the [NPA]

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> has a big boarder baby problem. We have an existing preventive program in the [NPA], and it makes sense for the [NPA]-based preventive program to get this money for boarder baby services. We had to do it because [GFO] already knew we were interested because we already submitted that big contract plan, and we had to do it.
>
> But, ethically I had conflicts and so did everyone else. We saw it as just a Band-Aid, the most ridiculous thing for them to say $38,000 for adding on for a worker to help alleviate the boarder baby epidemic. We know that one worker could ultimately only serve 10 patients, because they said they reduced the caseload. We know that these are families who would need long-term services, at least two years, we're finding out with all our other families. That would be ten families for two years. That would serve the boarder baby problem for two months, and then after that the boarder baby problem is going to go right back up.
>
> So, it was like, this is really buying into the preventive programs trying to address the boarder baby problems, and we don't want to do that. But, it's sort of like saying, "Maybe with that worker something else could be done creatively. Or, maybe the boarder baby problem will go away in a year for whatever magical reason, and you'll have this worker on staff, and they're not going to take away maybe, who they'll let you do something else [with]."

She goes on to describe the discussions she has with her staff and supervisor about the necessity of applying for this contract, despite knowing that it is going to be "the most ridiculous situation."

> Did we really have to apply for this? You have to sit back and giggle, and you say, "Who in their right mind would want this job?" [GFO] is requiring increased home visits by this person. Obviously, they say in the letter, outreach in the community. These are going to be crack moms with cocaine babies who are vulnerable developmentally, probably born with certain developmental vulnerabilities, mothers who need to be hooked up with drug programs. It's not saying that we're going to do the drug treatment. They're going to say we're going to link up with the drug rehab programs, which are non-existent or if they are existent, they're over-used --who won't share information with you anyway because it's federal guidelines that you can't share information

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

about drug treatment because drug programs are funded by federal monies, and you can't share information about drug and alcohol treatment. These people, who can't handle seeing one person and developing a good, heavy-duty relationship with one person, are being asked to maintain certain accountability requirements with a preventive worker, a minimum of two contacts per month, and the drug treatment programs have their requirements. You know that you're setting it up in some way to have the most ridiculous situation.

We talked about it. And, we talked about it saying, "So, who in their right mind would want this job? Hopefully, some ex-drug addict; who's gone to social work school; who's really got some commitment to working with people who use, knows like the inside of her heart, inside of her head; some combination of somebody who has a couple years of wanting to do that kind of real, tough street social work, going into buildings that are crack buildings clearly a lot of times. As we sat there writing this last concept paper, the two-page thing, we said, "Dumb MSW." So, whether we can find somebody for that job, we don't know, but that's why we put it in at the $30,000 level, not at a beginning worker level. We wanted to be able to attract somebody who maybe was attracted to the $30,000, too.

One manager describes the conflict that emerges when "you start out with one set of assumptions and then the bureaucracy changes."

Now, in lots of situations, however, you start out with one set of assumptions and then the bureaucracy changes. That certainly has happened with [GFO]. It was a much more generic, preventive services deal with the families who came through the door, kind of service, when we started fifteen years ago. Once you got the Child Welfare Reform Act, you began to have to label clients according to certain categories of need, and it has radically changed the way we operate. It forces us to label problems in terms of whether or not this is a mandated case when the person walks in the door. Is there substance abuse? Whatever the range of problems.

So, rather than being a community-based presence and where families can come in and they don't need to be told that because of their situation their children are at risk of foster care. So, it certainly changes it. Now, sometimes in moments of frustration, we say, "Do we really want to be in this business with [GFO]?" At the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> same time, it's the only funding stream in child welfare. So, if you're going to be in child welfare services, non-residential, you've got to take [GFO] money. So then, you have to understand the contractual requirements and be willing to abide by them. And, then also engage in systemic advocacy to try and limit the really negative aspects of the regulations. And try to shape the directions that they take it. And, that takes an enormous amount of work and there's some success.

She goes on to describe the NPA's biggest success in trying to resolve a conflict.

> Our most success was when the Child Welfare Reform Act was enacted, and there were all kinds of things around accountability. [GFO] wanted us to turn in all confidential records and have them monitored centrally. And, our agency, along with several others, sued on the basis of client confidentiality. And, we won. And, as a result, the only cases where we have to turn in records are in situations where kids enter foster care or there is a finding of abuse and neglect, and then they are monitored centrally. So, we have paid monitors who come out here and read the records, and in an agency our size, where we've got 180 active cases at any one time, we have a couple monitors out here two or three days a week. But that was a very important victory.

She explains what would have happened if the NPA had not been victorious in this situation.

> I think we would have closed. I don't think we would have kept the contract because there was such strong feelings, both on the part of the Board and the staff.

A compliance coordinator talks about her dual resolutions of the conflict between the NPA's treatment philosophy and the GFO's funding criteria. In one situation, she mandates adherence to the GFO requirements. In the other, she encourages flexible interpretation of those requirements.

> With the State Classification System, the State [GFO] wants to see how disturbed your children are. That's how they're going to determine what your rate of payment

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

is. And, yet, our philosophy here has always been build upon the strengths, accent the positives, reward the positives. That's what the whole program is all about. And, now you have this other part here which is only looking for negatives.

And, here I was stuck. Absolutely stuck. And, I was fighting with people, arguing with them all the time here because I was trying to develop a way to highlight the negative and get all that negative behavior in writing, in the record, so that when the State comes they will see that and know how difficult the children are here. And, I got tremendous resistance from people. And, I had to stand firm on that one. I had to say, "No, we're not going to change this. This is the way it has to be. We have to list these negatives." And, this became part of the daily log in the cottage. So that it was just an area where we were absolutely stuck.

It doesn't match with our treatment philosophy at all. It just doesn't match with our treatment philosophy. Period. And, I became very adamant about it, and I didn't even flex enough to give room. I didn't even give them the option of including the positives and the negatives in what we were doing. I became rigid. Rigid in that example.

But then when the questionnaires came from the State, before they actually came to read the records, and they wanted to know all this information about the children. Ethical comes into things like they ask you if he was hospitalized six months before he was placed at [the NPA]. So, is that day hospital or do they mean in-patient hospital? And, that's where you push it. You go for whatever you can get. Without outright lying. I mean that's where I absolutely will draw the line. And, I never, ever, would ask anybody here to do that. And, I told them that. I said, like with Program Assessment kinds of things, "Nothing's that important, to get to that point. But, whatever you can do within the guidelines, that's okay." So there's constantly that dilemma of the irrationality of the system, the moral standards of your agency, your job to keep yourself afloat--and then how you match them.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

GFO Service Model versus NPA Service Model

Conflicts between GFO contract requirements and the NPA commitment to clients sometimes emerge as conflicts between the GFO and NPA service models. Because of the distinctiveness and significance of this kind of conflict, it is addressed separately here. Two examples are cited. In the first, the NPA eventually prevails, not only in having the GFO accept its service model, but in allowing a variety of models under the contract. In the second, the NPA neither prevails with the GFO nor abdicates its service model.

The first manager explains that after being funded for a number of years through foundations, her NPA's program solicits GFO funding for preventive services. However, at that time, the GFO model for preventive services is different from her NPA's model.

> The thing that was different about this program, which the City had to accept, and it took some doing, was that this is a health model, not a social work model, that we operate under. As the City had set up preventive services contracts, this was social work. And, no matter what else you give, basically your core staff were going to be social workers. This was a place which had operated out of a public health model. The core staff here were public health nurses. We have a social worker, usually, on the staff, but the focus is always health, health promotion, holistic, family health, focus on health not sickness.

She then explains the GFO's social work model and how her NPA's model differs.

> It was on a more narrow, a medical sickness model or a social work diagnosis of problems model. I don't talk that language. I don't talk either of those languages.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> My whole background is in education.
>
> We did up for the City, at one point when we were a year into our contract, we did up a description of the difference between the two models. What we understood as the social work model, as interpreted by [GFO]. And, I'll tell you, that's a wonderful social work model. But, one clear example was, the focus of the social work model, as they interpreted it, would be clients come to the office to talk to social workers. A social worker makes a certain number of required home visits, but the client basically is expected to come, and counseling is the basic service. In the health model, especially public health model, the home is seen as an equally important service site. And, as this place had been operating, the first person who was hired was not a social worker. It was an early childhood specialist, who's still here. And, what the City had to accept with us was that our family caseworkers were going to be childhood development specialists, public health nurses, social workers, adolescent workers, advocacy workers, all very qualified, all with Masters' level or higher degrees or more than one, but depending on the nature of the family's problems, we would decide who would be the family caseworker. And, the public health nurse would learn to use a UCR, that was the thing from our side we had to fight. Public health nurses were used to another kind of paperwork.
>
> We have a philosophy where the family is seen as the focus, the family, not just the individual, the parent. And, the home is seen as an essential service site. So, that it can be more important for the social worker to go and spend a few hours in the home seeing, in fact, why things are the way they are there, working with the mother in that setting. Certainly, for a child development specialist, it's fine to talk here at the Center about alternative methods of discipline, time-out, for example. But, you go into a home where there are twelve people in three rooms, and you start to see child development issues a little differently. So, we just had a different perspective.

Despite these differences, the GFO contracted with this NPA. This manager's guess is that they did so because they were "desperate" to provide the service and needed more NPAs to do so. However, she explains that from its initial desper-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ation, the GFO--as a result of both joint NPA efforts and the effectiveness of her NPA's contracted service--broadens its service model.

> I guess they were desperate. I wasn't here at that point, but I think they were getting a little desperate. Now, that's my interpretation. The City was experimenting reluctantly.
>
> We were the first agency with a health model to be funded, and at the same time, I know [two other NPAs] were putting in a proposal. They didn't get funded. That's why the next year we said to some of the other health model places, "Let's get together and talk about what is special in our approach and go together to the City and see if more of us can get funded." And, we did that and that's where we got this paper. We sat with our staff and then we talked out the differences between the two approaches. Basically, I think also the City saw after a year or so that, in fact, this model was as effective. That, if anything, we go overboard.
>
> Now, we're on our fourth contract year. So, the City by now was contracting with a lot of other kinds of agencies, and they would really say, "Tell us what you're offering, how it works, and as long as you meet the State contract requirements." Certainly, our UCR's are no worse filled out than those done by social workers. But, basically, I think that what public health nurses have often felt is that their value is in the public sector. A public health nurse is a very astute observer of family dynamics, family functioning, if they are trained in that matter. So, I think one of the things that was special about our entry into the preventive services system is we brought a very different structure to it.

An executive director explains her reaction when the GFO announces a new service model designed to provide care for the frail elderly who are not eligible for Medicaid. Although longtime advocates of services for this population, she and her colleagues are horrified that the program will segregate the poor, who are eligible for Medicaid, from the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

not-so-poor, targeted in this new program. They are also enraged that the service design is dysfunctional for both groups. In her NPA's model, integrated case management services are provided to all income groups. Despite the conflict, the NPAs reach an agreement with the GFO that will allow some accommodation of the NPA model within the GFO model.

> All of a sudden, last September, I got wind of this thing called _____. Nothing was said to me officially until about November, when I got called by my contractor in the City and she agreed it was a lousy program, right from the scratch. I got the material on it and I almost flipped. It was generated by the Governor's Committee set up for home care. A bill was slid through the Legislature last summer with no fanfare and no knowledge to anybody, and the Legislature set up this program. And, as the Legislature does in New York State, they put a lot of regulations in. It's a horror. Our objections to it are several. And this gets into the mechanics of it, too.
>
> It separates the poor. All people eligible for Medicaid home care must be directly referred to the Medicaid Office, which is supposed to do the case management also. Now, that means a client who's been a client here will no longer be case managed by us or handled by us. Medicaid is supposed to do it. Now, the Medicaid regulations for home care stink. And, they don't know anything about housing, about landlord work, about finances. They will shift somebody that's dipsy right over to [GFO protective services for adults], which is even worse. And, the whole thing is terrible. People who are off are supposed to be shuttled to [GFO protective services for adults], which has no concept. I mean they're just not very professional.
>
> We had strong objections to separating the poor from the other people, and we won't go along with it. I have no idea what percentage of our clients are Medicaid-eligible. There's a hell of a lot. And we treat them no differently than anybody else, and they need the management more than other people do.

She then explains some of her objections to the GFO service

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

model for clients eligible for the new program.

> The case management agency would ostensibly case manage. The requirements for the case management were a college degree and one or two years experience. Case management requires rather well-trained social workers. And, case management, if you're going to do it right, means you've got to have one hell of a lot of knowledge and not if you get a housing problem, shift it off to somebody else. You don't put old people through separate places for services outside. It will send them up the wall. And, people who need home care are pretty goddamn sick and fragile. We're not talking about your healthy person that still has brains and ability with them, that can do a lot of things if you just give them a guiding hand or explain something to them.
>
> [GFO] is saying that providers of things like meals on wheels, other concrete services--the client would have to go to these other agencies to get them done. Ostensibly, the case managers would do it. But, how the hell are the case managers going to have time? There're too few case management agencies.

The implications of this program for clients who have been served by her agency are major, and a fight is waged to be able to continue service to those clients.

> Let's say a person had been with us for years. If we didn't make some special arrangements, which we're going to be making, that person would be taken without our knowledge and we would not know what's going on and that person would lose the contact, the personal contact, they've had for so many years with us. And, if one of our clients goes into the hospital, they would never notify us. We would never know it, that all of a sudden she was a client of another agency.
>
> This area really gave the City a headache, and we finally, and they, agreed that we would make some internal arrangements. We were not going tc give up our Medicaid cases under any circumstances. We have no intentions of doing that. Neither will [the local designated case management NPA]. They have no intentions of dropping their Medicaid patients, because we think that's very bad, that's separating the poor from the not-so-poor. And, that's wrong. That is very wrong.
>
> We finally worked out a deal with [the case management NPA]. They don't want to take our cases under any

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

circumstances. They don't want to touch [another NPA's] cases under any circumstances. So we have to work out some kind of an arrangement, and it's going to be very clumsy and very difficult, that we will retain case management of our cases, which means that the hospitals are going to have to notify us and not [the case management NPA], or if they don't, [the case management NPA] is going to have to call with every client they get from the area we cover to see if they're our cases. And, this has yet to be mechanically worked out. It's going to be very messy.

The chief objections I have are the split in service between the rich and the poor or the poor and the not-so-poor and the complicated method of handling this --instead of saying, for example, "You do case management anyway. We'll give you the money for it if you do the formula," and that would be it, which would be the simple, decent way of doing it. But they want so many records in Albany, that the City has to sit on these agencies and review and monitor and go over all the paperwork and with the requirements that you must totally review every case every so often and the paper is just too thick; the forms are too complicated, and you'd need somebody just to do those forms.

See how it all ties into a horror scene. From the clients' point of view, from our philosophical point of view, and from our practical point of view, it's just impossible. We're going to keep on with [our service model]. We're not going to change our operations one iota. Now, if we have to fight Medicaid, we'll fight Medicaid. We have to fight them anyway. If we have to fight with every agency and every hospital in town about these, we'll do it. I think it's going to fall flat on its face sooner or later, and I think we'll get back to the concept that we originally had and have had for well over ten years, and that is unity of service with the client.

GFO Legalism versus NPA Professionalism

For many managers, conflicts between GFO contract requirements and the NPA commitment to clients emerge as conflicts between legalism and professionalism. A manager captures the essence of the dilemma.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> If you have a rule and a regulation--if you're legalistic, the rule says this. However, the disadvantage is you become very dependent on them. What does that mean in terms of professional judgement, professional values, professional decision making?

It is in the management of this conflict between legalism and professionalism that the issues of choice and risk are often the most potent for managers.

The same manager describes her struggle with one of the contract regulations for providing home care to the elderly.

> The regulations get tighter and tighter in terms of home care, and one of the regulations is that the person receiving care has to be self-directed. And, that can mean a lot of different things depending on how you interpret that.
>
> If you're not able to direct your home care worker, you are not able to receive care because you are not self-directed. So there has to be somebody else, like a family member or so, who would be responsible. It's an issue of responsibility and liability. So, many times, the home care agency will feel that someone needs assistance, there are no nursing home beds available, and maybe the person in some way has indicated that they don't want to go to a nursing home, but maybe it's not so clear. The person has a small one-room apartment, does not want somebody there twenty-four hours a day. I would question whether people should have someone twenty-four hours a day.
>
> And, yet, you're concerned about the person's safety. If, for example, the person was frightened at night or something, how would they get help? Would they know to go next door? Even though, innately, they would know to go next door--I believe that--how can they convince you as the interviewer, "Yes, I know that if I'm in danger, I go to my neighbor?" You say, "What would you do?" "Well, I don't know." "Oh, non-self-directing, we cannot provide care." So, I think regulations like that are becoming more of a problem than a help. The whole question of safety. How do you know they're going to be safe for twenty-four hours a day? I'm not safe twenty-four hours a day.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> I think that's the issue. That's what I'm trying to figure out because some of the workers are really struggling with this, their liability. "Suppose something happens, and I've assumed the responsibility for putting care in there, and I've only put somebody in there eight hours?" It's a terrible tragedy you live with, but maybe you could be sued, I don't know. So, I think the liability issue is becoming very great in home care particularly.
>
> Because you've made a decision, and you were not supposed to put somebody in there if you do not feel that person's safe. "If a plan cannot verify the safety of that client, how could you possibly put somebody in there only four hours, when you know the other twenty hours that person was at risk?" My feeling is you put the person in. But, how do I, as an administrator, ask staff to do this? I could say, "Do it." But, I couldn't. But, how do I deal with their concerns, in terms of responding to the contract and the regulation? See, one of the issues is I'll take a lot of risks, struggle a little bit with it, but I know what I'm doing and why, and I justify to myself. But, I don't feel that I have the right to necessarily require other people to put their sense of value, whatever, on the line.

As part of her effort to try to address this issue with staff, the manager plans staff training around the meaning of self-determination. Another manager describes a similar problem under contracts to serve the retarded. She believes there's "no dignity of risk" anymore.

> We're especially concerned about the liability question. Everybody's so concerned with, for example, "I go to sexuality training, and what if we teach it and somebody goes out and rapes somebody?" Clients go out into the environment, there's no dignity of risk anymore. We're afraid to risk allowing the person to live independently. I remember what I did when I was young and what we allowed people to do, putting clients into an independent situation. If we travel train, "Maybe we shouldn't have travel trained? Why did you travel train if he went out and got killed?" So, therefore, now we're holding everyone's hand because everyone's scared. There's no dignity of risk when in the community and that's the whole point.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

An executive director talks about the conflict between legalism and professionalism as it manifests itself in case recording requirements.

> The question of what to write in the case record, where it's a question of illegal activity. After all, drug abuse is illegal. What do you write in your case record? There's no easy answer to it. You don't write everything always.
>
> It would come up probably in a team conference or a supervisory conference or a worker is filling in the supervisor. She says, "Huh, I think there is something here. I'm not ready to put it in the record yet, but I need to check it out more." I think the [solution] on many of these things usually is good professional judgment. That part of supervision is very important. An inexperienced worker can write down impressions, for which there's no real [proof.] You don't have to list all your suspicions. You don't have to write them all. It's enough to check them out. Make a note to yourself somewhere. But, don't put them in the case record. You weigh it. And, that's what we're here for.

Several managers relate a conflict between legalism and professionalism around the requirement to report suspected child abuse. One explains that the GFO is "under a lot of pressure" regarding suspected child abuse, but that the issue for professionals is "a sticky wicket."

> Whether you should report a case for child abuse. <u>That's a sticky wicket</u>. We work with very high risk families, and you really have to make some judgments sometimes. If there are obvious things like you arrive and the kids are home and there's no adult, of course, you've got to report that. Or, if you see a kid who's bruised or something like that. But, if you get into a little more esoteric things about is indeed there food in the refrigerator or isn't there? If you're working on the mother around issues of household management and budgeting and proper food shopping, and you're calling her in at the same time, it can get to be very difficult. Or, if it's an older child who still you wouldn't approve of being left alone, but the child isn't at quite the same risk, and the mother's home in a half an hour later because she was detained at the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

clinic and she thought she'd be home in time. Those get to be very tight ones.

We've been pretty careful about it. We do a lot of training in-house about what should be reported and what shouldn't so there were only two. One was one where the incident had happened so many months ago, and we had said that we felt that the issue was resolved and it shouldn't be reported. They [the GFO auditors] insisted. We called Albany. They wouldn't take it. So that solved itself. And the other one was one where we had called it in and Albany wouldn't take it. We were very concerned about a case. And they called me in and we chatted about it for a few minutes. This is last year, not this year. And, they agreed with us that it should be called in, and they were going to try to call it in themselves.

Another manager says her NPA takes the position with the GFO that there is a "line" a GFO auditor cannot cross.

There are judgment decisions; we make them. And, that's the line. It gets battled out in terms of a discussion, and he can write some sort of comment that reflected the disagreement with it, but ultimately no one has ever come in.

However, she explains that reporting of abuse and neglect is different and a "terrible area."

The only place where they can say you must do is on whether you report abuse and neglect. That is a terrible area because the Law really requires that if I suspect it, I report it. The Law is extremely broad, and reporting doesn't do anything, doesn't produce service. It doesn't necessarily produce a quality investigation, but it just blows up a case. So we try to exercise some judgment and assume that risk.

The reality is that we know if that judgment is questioned in a particular case, and if we report in a record that abuse has taken place, we are legally required to report it. And, we have to even if we don't think it's indicated, even if we do not think it's the right thing to do, even if we think it'll have very negative effect. We have no choice. But, in other areas, maybe we report a lot of neglect, and they say, "Well, don't you think you ought to initiate a neglect, too?" We just say no at that. We may re-review it if

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

they're raising questions.

Management of Operational Conflicts

A significant reason that the management of contracted services becomes a game is that contractual requirements frequently conflict with operating realities. In these instances, managers must not only choose among their commitments, they must reconcile the requirement with the reality. Managers talk about making this reconciliation in three ways. First, yield to or violate the contractual requirement. Second, as the NPA, effect the illusion of compliance. Third, in collaboration with the GFO, effect the illusion of compliance.

In deciding how they will reconcile contractual requirements with reality, managers must also decide how and in what way to involve staff in these decisions.[3] One manager explains that she wants workers' primary concern to be, "How do I make what I'm doing effective?"

> I am aware of contractual requirements. Directors are aware of contractual requirements, but workers, line

---

[3]None of these managers speak of involving the NPA Board of Directors in these decisions. The extent to which individual managers make these kinds of choices alone and their reasons for doing so merit further research. Certainly, if the management of contracted services requires unacknowledged deceptive practices, the managers' decisions do not meet the "test of publicity." "Moral justification, . . ., cannot be exclusive or hidden; it has to be capable of being made public." See Sissela Bok, Lying: Moral Choice in Public and Private Life (New York: Vintage Books, 1978), 95-112.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> workers, supervisors--what they're struggling with is how to make whatever they're doing work for the people. And, yes, they bump into the contractual stuff some of the time, but a lot of the time what they are struggling with is how do I make what I'm doing effective. And, obviously, that's what you want to maximize.

Another executive director says he is "ultimately responsible" for "manipulations in the contract," which the contracts "force us to do." He sees no choice but to involve program directors in this manipulation, but says he will never involve line workers.

> What I'll do with the program directors--I'll explain to them why it's being done that way, and they'll submit the forms, but I sign off on the forms, so I'm ultimately responsible. Of course, I will explain to them why it is. And, it works for them, too, because they're the ones that have to go out and hire supervisors and do that. So they understand, I guess, essentially. I don't see that there's any other way to do it. And, I see that the regulations, in a sense, force us to do it.
>
> For any manipulations in the contract, we don't involve the line workers. I think that's a real mistake. You can't ask a line worker to lie for you or to fudge statistics.

Other managers involve all levels of staff in effecting, perhaps not lies or fudged statistics, but the illusion of compliance. Intrinsic to managers' reconciling contractual requirements with reality are their decisions about involving staff, implicitly or explicitly, in the reconciliation. Managers' three ways of reconciliation are discussed next.

Yield to or Violate the Contractual Requirement

Managers' decisions to yield to or violate the con-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

tractual requirement are considered a single way of reconciliation because, though polar, these decisions are unambiguous. In effect, managers decide either to ignore the conflict with reality and comply with the requirement, often because compliance is closely monitored, or they decide to violate the requirement, usually because they perceive they have no choice and the GFO concurs with that assessment.

After explaining the irrationality of the strict, audited contractual requirements for testing in her NPA's literacy program, a manager explains her decision to yield to the requirements.

> There's no way I can deal with that. I argue about it, but I have to pick the places that I argue. I haven't been terribly active, for instance, in advocacy around literacy issues. I've got a ton of issues there. The cost per instructional hour is way too low. We get forty-four dollars an instructional hour. It pays for about two-thirds of the real cost. But, that's a fairly small contract. I simply do not have the time. [You have to pick] where you think the most important battles are. We have wanted to do literacy for a long time. We, again, made the judgment that even though the prescriptions were difficult and there were some things that we didn't like, it was better than not doing it at all. So we do it.

Also deciding that yielding to an irrational requirement "was better than not doing it at all," another manager recounts a decision he makes.

> We run a Saturday program at one of our facilities. It's a hotel, and we're taking kids up to [our center]. We felt that during the month of February, when it's probably the coldest and probably more snow, that it'd be extremely difficult to get kids to get on the subway or walk up to the subway and take them up and then walk across town four or five blocks. So we said we would like to rent a school bus that we can take to the hotel, pick the kids up, and take them to the place.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> And, the [GFO] said, "It's fine if you run a school bus, provided you go somewhere other than to the center. For example, if [you were] to pick the kids up and to take them to the center and to have the bus there to bring them back, we would not approve that. But, if you pick the kids up and stop by Central Park and stay there for a half an hour and then go to the center, we'll approve that." So, we ended up not getting the bus. We said, "Never mind." Because that way we will have to indicate where we've gone. We're only talking about four Saturdays, but where we've gone on those four Saturdays, other than directly to the center, in which we've indicated that we're picking the kids up to bring them to. Now, it decimates your enrollment during that month because it's very difficult. If this program started at ten o'clock in the morning which means you're getting the kids up at nine o'clock to say, "Let's get on the subway and ride up and then walk across," you're not going to get too many kids that's willing to do that.
>
> We just felt that in the event something happened and we were not stopping in Central Park, there was no sense in us putting down that we're in Central Park. We went from the monitor to his supervisor to the Borough Director, and they would not approve that. I'm sure we could've probably pursued it further, but it was time for us to start the program. And, the other thing is, we had to sign, so what you're signing is the contract, so the contract is sitting on the desk until that part has been worked out, and they had gone over it and these are questions that they're raising before we could sign this contract. So they're saying we can't sign off on it until we're clear in terms of what you're going to do. So we say, "This is what we want to do." And, that's not good enough. So, we could have held out as long as we want, just that the program would have started without the funds.

A compliance coordinator explains that when the "rational route" doesn't work, she will "go along, as long as it doesn't hurt somebody."

> If there are easy ways to comply, I do. Like the issue about the ethnic identity in each record. We'll come up with a simple solution. So, we had the recreation department twice a year list the events, put a check next to each boy's name, and then it gets filed. So that we would come up with the simplest way we can and satisfy them. We tried the rational route. It didn't get anywhere so we'll go along, as long as it doesn't

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> hurt somebody. Like I said, that's where I have to evaluate. If it's something that's really going to hurt the agency in some way, then I'll say, "Okay, we're not going to do that." But that doesn't happen very often.

When managers reconcile contractual requirements with reality by blatantly violating the requirement it seems to be with the knowledge of the GFO. An executive director describes how he decides to loan money from one contract to another.

> The [GFO] performance-based contracting has been a disaster. It's been in operation now for two years; we had a one-year break-in period. Going back three years, when we vouchered every month, we knew at the end of the month the money would come in, and generally it came in. They've not yet gotten their systems down so we've had tremendous cash flow problems with the [GFO] contract. We just collected now, I think it was about $7500 that they owed us, from the contract two years ago. They've had cash flow problems, and they expect us to be able to get by on those problems.
>
> So, generally what we do is we borrow against other contracts or other funds. Deposit our own monies in to get those contracts started. And, then the catch-22 is that you're not allowed to do that. So, at the end of the year when their auditors come in, every year we get faulted for commingling funds. But, then, the [GFO] says to us, "Don't worry about it. That's okay. We know you have to do it." So, what they're saying is, "On the sly, go ahead and do it." But again, in our audit, it shows up every year that we're doing it. So, they've taken no steps to insure that we have the money to start the contract.
>
> It's not good management. It's something that we shouldn't do, but that we're forced to do by these contracts.

The problem of insufficient cash flow from contracts can lead to a different kind of commingling of funds, in violation not of a contract, but of the intent of other-than-GFO funding. Some NPAs do not have sufficient contract

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

funds, at any one time, to have commingling funds as an option. In the absence of loans from other sources to cover cash flow problems or in the absence of sufficient contract funds to cover the cost of a service, managers sometimes feel forced to appropriate funds, raised from sources other than GFOs, for purposes other than those for which the funds were raised.

One manager explains that while "private money" provides the only opportunity to have any flexibility in programs, it has to be used as "general operating money" to cover the deficits in contracted services, even though it is raised "under the guise of other things."

> I think that the latitude comes in trying to pick your funding stream and also in trying to go after some marginal money which gives you a little bit of flexibility. The public funding streams are pretty prescriptive. [GFO] and [GFO], in youth services, and now the drop-out money is the most generic so it gives you some flexibility, but not enormous, not enormous flexibility.
>
> So that I think that the real opportunities come by pulling in some pieces of private money to enhance or support. The problem with that is that a lot of the private money we raise really is general operating money. It's done under the guise of other things. It's general operating money. We have deficits now in many of our community-based programs.

As the NPA, Effect the Illusion of Compliance

When contractual requirements conflict with reality, managers describe an ambiguous ethical zone between yielding to and violating the requirements. In this zone, managers decide, as a NPA or in collaboration with the GFO, not to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

violate the contract, but to effect the illusion of compliance. In this section, three ways managers, as the NPA, effect the illusion of compliance are discussed. First, record as if in compliance. Second, comply by re-labeling. Third, orchestrate the audit process.

Record as if in Compliance

Given their commitments to clients, their NPA, and even the GFO, some managers decide that, given the realities they face, the only way to manage a program is to violate the contract, but record what occurs as if it were in compliance. An executive director explains that he reports activities as specified in the contract, even if they are not.

> Let's say, we're scheduled to have this activity, and I can't hire a person for that activity, but the kids say, "Oh, we'd like to have this [other] activity." I'll go ahead and hire that activity, and we'll just report it as the other activity. And, I have no qualms about that because I'm providing the service, and my sense is they're making me do that because, really, what I should just have to do is call them up, tell them I'm doing it, and write a letter. And, I'm still getting the service that they want, youth involvement.
>
> Also, we'll schedule trips. They want youth involvement, but we have to project our trips before the program starts. The kids come in. They go, "Oh, we don't want to go to Rye Beach. We went there last summer, and we hate it." I'm not going to say, "Tough, you've got to go to Rye Beach." We'll have a meeting, and I say, "Let's go to Sunken Meadow." Okay, we're going to Sunken Meadow, and we just go ahead and do it. It's in violation of the contract.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Before he has the computer capability to generate the statistics the GFO requires in the time he has available, another executive director says he just "made them up."

> They had an elaborate numerical count that had to be done quarterly. I just made them up. The actual count for activity was fine. But, what they wanted was unduplicated count by day. We had a variety of services which involved informal counseling. So, say somebody saw a kid during the day over here and then the kid went and played basketball in the after-school program. Then, their names would come in, like here's a list of kids that got counseled for this week or whatever. Here's a list of kids that played basketball. You'd have to sit down and for every day go over and see if there was a duplicate count. You couldn't just count up like there were fifty-four kids that signed up for homework help this semester. You were supposed to give them, day by day, what the actual number of kids served [was] and make sure there was no duplication. So, we couldn't do that. Now, we have a computer, the computer can actually do that. It sorts through for every day for each thing and then it can tell you actually how many different kids.

In this same program, he explains that he avoids having to record contracted activities as occurring when they do not by not writing the records if the GFO does not request them. And, in a variation of recording as if in compliance, he writes the contract program proposal with elements of what will occur, omitting significant additional elements.

> In fact, a lot of what we do is counseling. We have this whole truancy prevention thing that we put in there, that fits in very difficultly because it's a whole different kind of thing. Rather than having this little group meeting, you have individual encounters with the kids. But, luckily, they don't really monitor too much. And, so what I do is just write down--actually, we don't do anything--I'll tell you the truth; I've never done anything except turn in the attendance. I don't have anything written up on what we do in that program. It's just one of the things that no one's ever bothered me [about], so I'm not going to.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> In reality, it's part of my classroom program and see, that's the other thing, that sometimes you get twisted about what it is. I've really each year written it a little more realistically about what they do, but they're really paying for the second teacher in my classroom program. And it's a truancy prevention program and they do home visits and they do things like that, but really the person is a teacher. But I don't think they really want to pay for a teacher with [another GFO's] kids. And that's part of the problem, too. Sometimes you want to get things that you don't think they're going to approve. So, I write up as an outreach worker, write up about the part about them doing home visits, and stuff like that. They do. And they do individual work, and I write it up more realistically, like saying, "They're going to do individual work with the kids in the classroom; they're going to make home visits; they're going to make the referrals for the kids who have problems." All that is real. I just don't say, "They're also considered a teacher and have to teach two classes during the day."
>
> I don't understand this. They never, ever, ask to see this program or to meet these people. They always are just happy to go over and see my after-school component 'cause that's what they think of as [GFO] program. They go over there, and they see the little kids getting homework help and doing arts and crafts and playing basketball; and so, we have a program. We also have employment counseling that they've never really asked anything about. I wrote up a thing about helping kids prepare for college. They've never asked anything--to my knowledge--they've never asked anything about any of that.

Another manager reports that she believes reporting expenditures as if they are in compliance, when in fact purchases are used for other than the contracted program, is "part of the game." She explains that this practice is not a dilemma, because "everybody has to do that."

> We run the program for the first six months with almost no OTPS. We don't spend money. We don't have any money to spend. We've got to wait till the money comes in. So, we stockpile office supplies and your activity group supplies and stuff as much as possible, knowing that cycle. And, you bill against the [other] contracts where you can. It's generic categories so if I have to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> buy snacks [I can]. Some of the funding streams are quite flexible so you can do it. And, that flexibility is critical.

She expands on the nature of the reality of convoluted funding procedures.

> [This GFO's] the worst. If I hire somebody on a line--we had $20,000 in it. I hire somebody, and I have to pay them $22,000. Until I do a budget mod, they will only reimburse at 1/12 of $20,000. You have to spend in certain categories on the [GFO] by the end of May, can't spend in any program categories in June. It takes six weeks to process a mod so I do the last mod on that contract the middle of March, expect it May 1, and most of the money has to be spent by the end of May. If I have a staff person leave after the middle of March, I'm finished. There's nothing I can do. No way to recoup the money. You try to anticipate. You lose some money. There's nothing you can do about it. You try to plan as best you can, but people, things change.

She then summarizes her attitude about using purchases made with funds from one contract for another program and her perspective on the "enormous latitude" in this area despite the emphasis on accountability.

> We do that. I think that's part of the game. I think everybody has to do that. So, I don't even consider that [a dilemma]. The bottom line is, you see, if I was to buy supplies at the cost of hiring personnel. The core of these programs is personnel. You can run it all without any supplies if you had to, if you had decent people.
>
> So, where the dilemmas would come would be if, for some reason, we were diverting money into supplies, and we weren't staffing a program. Let's say, for instance, that we were very tight, hypothetically, in a series of programs, so I decided to keep a position open in drop-out prevention and take that $20,000 in accruals and put it in the supply category so I could buy supplies for all. That's a hypothetical. I would have problems doing that. If we can't fill the position, really, which of course a lot of times you can't, that's one thing. To consciously leave it open, we haven't had to do that. I mean it's not inconceivable that we couldn't. But, that would be a very difficult decision

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> because I would know that I was reducing staff and that that was reducing service delivery. I would get by the contract because, particularly in that contract, the way we've got it structured, we deliver. But, I know that kids would be getting less.
>
> But, there is enormous latitude in this. On the one hand, the irony is, in my view, that they're getting more and more into accountability, but there are enormous possibilities for fraud. If you want to de-fraud, it's not that hard to do. Because in many funding streams the accountability is paper-driven. You don't necessarily have to see what's going on. So, you can have people who are not really in jobs full-time. You can divert. In order to demonstrate expenditures, you need receipts. It's not hard to get receipts.

Comply by Re-labeling

A second way managers effect the illusion of compliance is to re-label an existing practice in the NPA as the practice required under the contract. A compliance coordinator explains that "everybody in the world does it."

> Another trick is to take--and everybody in the world does it--to take existing processes and re-label them as part of the quality assurance process. So that, for example, we're required to do patient care monitoring, which basically means looking at cases that are problematic--that's simplified a little bit--and subjecting them to scrutiny that's outside the normal run of supervision. Everybody does that.
>
> So, you take the existing case consultations, and you make up a form for it, and you say, "Okay, whenever a worker says to the office director or the chief psychiatrist or whatever it is, 'I'm running into real problems with this case, would you please give me a consult?' would you please check off a very simple form?" Presto, chango, we'vre done case review monitoring. And, that'll get refined and made more sophisticated over time, but that's another way to try to keep there from being a consult stretch.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

In order to effect compliance, another compliance coordinator describes how, during meetings, she has staff change roles and become another committee.

> We're in the Executive Committee. I say, "Now, we're going to need a Quality Assurance Committee. Okay, everybody." We try to streamline as much as we can, because obviously the regulations just keep tumbling in so.

Another manager relates a more subtle re-labeling process. Her NPA plans to take a program 100 percent funded by one GFO and have staff in that program supervise a program funded by another GFO by re-labeling the unpaid overtime in one program as paid time in the other program.

> What we're going to do is work out very detailed time schedules. And every amount of time that a couple of supervisory people spend on this program, they'll clock it in some way, indicate what they were doing, and make sure that their hours for the day are thirty-five hours plus that, so that if [the original GFO] comes in, they can't say, "Hey, how come you're using our dollars [and serving] somebody else in the program?" And, that's crazy. Absolutely crazy.
>
> Is it a problem? It's going to be a major problem. It's going to be a nightmare. But, it's trying to do something within crazy guidelines. We do it because we want to provide service to the community.
>
> To be within the letter of the law we will document exactly the hours spent outside [the original program]. From my point of view, I work 2000 percent anyway, so I was going to do it, and I would be very clear, and I'd have to find a way to document it, but because I'm clear--I mean I don't believe we're in anarchy--but there's no question in my mind that we should do it.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Orchestrate the Audit Process

The third way managers effect the illusion of compliance is to orchestrate the audit process. A manager explains the question she asks herself and what she decides to do after being faulted in previous audits for insufficient client contacts.

> How could I get these cases off the stats in July cause I know that [GFO] chooses their cases for monitoring from the July stats? So if we're not meeting the requirements, and these are cases we're going to close anyway, let's close them in June. See? So, get them off the stats for July 'cause I know they take the cases for July, and I said that to my staff, "Better look at your cases da, da, da, da. If they're on the caseload in July, then they're free game for audit, and if they're not, they're probably not going to be picked up this go-around." 'Cause I know they'll look. I just know. I've heard now for two years they look at July - August stats. They're not going to go to cases before. This is the other fiscal year. They're looking next fiscal year. It takes two years to figure that out. They don't tell you that. So once you figure that, then you know that.

An executive director describes how he orchestrates the GFO inspection of community residences for the mentally ill.

> We make sure, because they go to all the apartments. They'll want to see them neat, clean. They want to see food in the refrigerator. Like who's got an apartment that looks like that? Right? So, we make sure that it's neat, clean.

In Collaboration with GFO, Effect the Illusion of Compliance

In the ambiguous ethical zone between yielding to and violating the requirements, the NPA sometimes effects the illusion of compliance in collaboration with the GFO. The

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

conflict between contractual requirements and reality is frequently so blatant that collaboration appears to be necessary if the service is to be provided. As one executive director explains,

> There's the formal and then there's the informal. So, we'll all agree formally this is what we're going to do, and then informally we understand this is the reality of it.

A compliance coordinator explains that this collaboration with the GFO to effect the illusion of compliance is a semantics game.

> There's a lot of semantics in the game. And, I use the word game very specifically. It's changed very little in the way we do things here, as much as the way we word things.

Managers describe two variations of this semantics game. First, the NPA records "the way we do things here" in GFO terminology. Second, the GFO records those "things" as if they were in compliance.

Record in GFO Terminology

The compliance coordinator who conceptualizes the collaboration with the GFO to effect the illusion of compliance as a semantics game explains how his NPA records punishment of children so it will be acceptable to the GFO.

> I've had difficulty with the Confidential Investigations Unit of [GFO], which is the unit that investigates abuse, neglect within the foster care system--allegations of anything from sexual abuse to neglect to corporal punishment. The State Law is very, very specific, that basically any physical contact is illegal, as far as punishment. It's more of a reward system. Really, the only punishment you can do is ignore 'em. And,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

there's a lot of theoretical basis behind that in the sense that many of the children have done negative behavior because it gets them attention, and that is their way of getting attention because they never got attention for positive behavior. So, by punishing them or reacting to them when they do negative behavior, you're still feeding their old lifestyle modality.

So, State Laws are very, very picky on what you can and cannot do. And part of it is how you word it. You do not deprive a person of his allowance--you do not give them the bonus. You cannot ground a child because it denies them socialization. On the other hand, if you don't allow them two hours of time out above and beyond their eight o'clock [that's okay]. Rather than saying, "You're normally out till ten, but because you were bad you can only go out to eight today," you say, "You're only allowed till eight, but because you've been good, you can stay out till ten tonight." Same difference.

He goes on to explain how he learns about this semantics game.

Getting burned. Looking at my hand and wondering, "Okay, now the City slapped me or the State slapped [me] for doing that wrong. What did they cite? They cited this. What does that mean? What is the wording? Is there any other way around it? And, okay, well, next time we'll word it this way and see what happens. Oh, they accepted it that way. Okay."

And, then he describes how he involves the entire NPA staff in playing this game.

We approach it as a game with the case managers, with the supervisors. We say, "Look, we're working with you on a clinical level. You get at least an hour's supervision, if not two hours supervision a week, plus group, plus in-service training, plus monitoring. So, we know what you're doing, plus your records are read. So, we know what you're doing and we know that clinically we're doing what we want for these children, which is what's in their best interest. Now, how do we play the game so the City doesn't sit there and say we're doing it wrong?"

And, we literally put it out in in-service training: it's a semantics game. How do you word it to get as much credit as possible? To give you an idea. If you sit there and go out to a house and take the child from

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> that house to the natural parents' house, deliver them, and then come back to the office, talking all along to everybody involved--that's one interview. You sit there and you write it as, "I went to the house. At the house, I interviewed the foster mother and discussed this. I also talked to the child and discussed X, Y, Z. During the drive, I further interviewed the child and talked about X, Y, Z and R. We arrived at the natural parents' house and at the natural parents' house, we talked about A, B, C, and D, and we discussed with the child D, E, and maybe some of A." Putting it in that way, listing out your locations, you've now got instead of one interview with the foster parent, with the child, the natural parent--you've got an in-house interview with the foster parent, an in-house interview with the child, a out-of-house interview with the child, an in-house interview with the natural parent, and a natural house interview with the child. So you're now up at seven interviews instead of three. Just by how it's worded and by defining where you were each part of the way. It's a semantics game. You've still got the same information. All you just said is where you were when you talked.

If staff are bothered with the "pickiness" of the GFO requirements or with the necessity of playing the game, he recounts how he responds.

> We explain how the law works that you have to interview the parents, natural parents in the home, X number of times, as well as total interviews. Foster parents have to be interviewed so many times at their houses, as well as total. And, the child has to be interviewed so many times at each of those places, plus total. And, by wording it this way, you get credit for each of these areas. And, we say, "Think of it like a jigsaw puzzle. You've got X, Y, and Z. You've got all these little pieces that you got to put together for a jigsaw puzzle to make it complete. They've given you all of these little pieces that you've got to do. If you happen to have four of them that came out of the box together, why not put them in together? Do you want to take them apart? Is your purpose having fun with filling out the thing or is your purpose getting the puzzle done? And, you've got better things to do with your time. If your job is just to get the puzzle done and then work with the kids, let the four stay together and just put 'em in as a block. Save you the time."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Asked if the GFO acknowledges the game aspect of compliance, this manager responds, "Sure."

> [GFO] Program Assessment Coordinators and Supervisors sit there and say, "You haven't learned to play the game yet on this one."

He then shares an example of the GFO's teaching his NPA to play the game.

> We got penalized because we had too many transfers of children between foster home and foster home. This wasn't this time. This was last time. We now play the game.
>
> The [GFO] Supervisor said, "You haven't learned to play the game yet, _____. You've got to realize when you transfer a sibling group, one child has a problem. The rest are transferred to keep the sibling group together. That way they're exempt from being credited against you. It's only one instead of however many children there are. To reunite siblings is one of the grounds for not inclusion as a penalty point. Reunite siblings does not have to be at different times, like one child moves and then move the others a day later. You can move them all at the same time, and it's reuniting the siblings. Only one has the behavior problem. The rest are being reunited at the same time. You've just got to word it right, _____."
>
> That was a Supervisor of Program Assessment, which is probably one of their stricter auditing--that's a monitoring and auditing unit--which is the nitpicky unit. They keep themselves in business by finding fault, and that's their job. And, they've got some real pains in that unit who could care less what you have to say. And, you can appeal what they come up with, and you go through a hearing process, and then you get a final review that then goes before Office of Management and Budget and affects your contract very greatly. And, that's how the agency's rated so it's a very powerful review. And, we've done reasonably well. We've done very well as an agency.
>
> The thing we find funny is that we get the line workers who are going over every detail in the record and trying to find anything that's been missed. We get supervisors telling us we're not playing the game right. And, then we get an appeal. So, we sat there and we took his principle, appealed all of the sibling transfers going

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> on at the same time, and we went through the record and we said, "Okay, it was Johnny whose behavior was the reason for the move and his two sisters and one brother were also transferred to reunite the siblings as a sibling group." And, they accepted the entire stack of appeals that way. And, they re-evaluated us and gave us a much better rating on our rate of transfer of children because those children were now excluded from the rating on the percentage of transfers.
>
> It's all a game, not all, but [a lot]. Now, there're some very, very serious aspects to it also because the concept behind what they're asking for has reasonably good clinical validity. The way they go about monitoring it, requiring the documentation, it's now turned into a one-upmanship game. I can document it better than you can find the errors. There are some agencies that may need to have this type of review done. There are many agencies that are at the stage now that it's, "Okay, who can play the game better? Who can read the mistakes between the lines? Okay, you-didn't-dot-this-'i'-so-it-doesn't-count routine." And, that's what gets us frustrated because we're using so much time to play the game, rather than provide services to the children.

An executive director relates another version of the semantics game. She explains that the City GFO is reimbursed by the State GFO for 75 percent of the cost of her NPA's contract, if the clients served are "Mandated" as opposed to "Optional." She explains how she learns about this reimbursement ratio.

> The only way I'm aware of that was once--you have to put the "Family Needs Service, Parent Needs Service, Child Needs Service"; they're either in the Mandated category or the Optional category. If you had a family it turned up was [in need of] services, but there was really no risk of placement, you put down Optional for a family, a new family. And, you have a call so fast from downtown. "Can't they be Mandated?" I said, "Well, sure, they could be, maybe. If things really got much worse, the kid could be removed. But, we didn't think it was a factor." "Oh, please put Mandated. Change it." And, I said, "Why?" "Because if it's Optional, it doesn't count."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Another manager explains her attitude toward the semantics game as it affects her ability to get new staff positions.

> Quality Assurance I had to talk them into. They said, "What is this?" I said, "It's like a supervisor." My attitude is, "You call it what you want to call it, and I'll call it what I want to call it." And, I'll functionally use the position the way I need to, as long as there is direct functional involvement. Because they wanted to argue with the internal title, I now call it Supervisor/QA because they want to call it a supervisor.

Record as if in Compliance

The second way a NPA and GFO collaborate to create the illusion of compliance when contractual requirements conflict with reality is to have the NPA record as if in compliance. In the "recording as if in compliance" discussed earlier, only the NPA is aware of the illusion. Here, the GFO collaborates with the NPA in the illusion.

One manager describes what happens when the GFO, which contracts with the NPA for an intergenerational program, says it is only funding the youth portion of the program and refuses to allow the senior citizens in the program to go on a bus trip funded by the GFO.

> We've been funded to provide an intergenerational program. And, it wasn't much money; it was ten thousand dollars for six months and, you figure, an intergenerational program. And, what came up was that, at some point we would like to take the kids and the seniors on a bus trip. And the [GFO] is saying, "Why? Who's paying for the seniors?" Said, "But it's one bus." [And, they said,] "Well, seniors can't go on our bus."
>
> We had to go down and fudge in terms of how we're going to take a bus load of kids to, let's say, Hershey,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> Pennsylvania, which we're not going, but to Hershey, Pennsylvania. Then say, "Fine, then we will only take the kids. There're twenty kids that would be on a bus that can seat fifty. We're taking a half a bus." So, they were willing to accept that.

He explains that even though the GFO monitor knows that the NPA is going to take the seniors in the empty seats on the bus, "he just wanted to hear" that the GFO is only funding the bus for the youth.

> In other words, he's saying, "Our funds are geared to youth, and we realize that you're doing an intergenerational thing. We will view what you're doing in the relationship to intergenerational is in terms of training and prepare the young people so we're funding that piece, but we're not funding the entire thing." So, let's say that with senior citizens what's important is to have a meal or something. And, we wanted to incorporate that. Well, no, we can't get involved in that because they're not youth. Although kids and seniors are eating, it's a no. "We [GFO] will only feed the young kids."

Another manager explains what the City GFO advises her to do when the State GFO eliminates funding for tutoring and recreation.

> The State took out tutoring and recreation, but we do spend money. We call it "respite services" or "engagement services." And, again, [GFO] Office of _____ said, "Call it something else." They know it. They know what it's going for.

One executive director reports an unusual variation of GFO and NPA collaboration to effect the illusion of compliance. The GFO pays him on a GFO "janitor line" while he is developing the NPA for psychiatric patients in the community.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

A manager explains the collaboration between her NPA and the GFO regarding the contract budget.

> I work really in two sets of figures--one is the real salaries we pay and one is what my budget shows, that are official figures. It hasn't become an audit issue in the last couple of years because there's enough turnover that I still stay within the bottom line. I had wondered about it because the auditors had approved it. They're aware of it. The [GFO] Office of _____ is aware that our salaries are a little higher than what we're actually showing on the budget. They're aware of that.

Another manager talks about what happens when "funding guidelines are not set up in terms of what the program actually is funded to do."

> For example, the funding guidelines were set up because it was a de-institutionalized population to provide creative, innovative programs based upon particular community and population needs. So, people did all kinds of interesting models that got accepted. And, then funding stream came in and said, "Okay, you get funded under, say, case management; you get funded under day treatment; you get funded under this."
>
> And, people said, "Wait a minute. How do we fit within these guidelines?" And, that was an ongoing struggle.
>
> We found ways to count it under certain things. For example, one worker's time and everything she did got logged under one thing called case management. Regardless of what she was doing. Everything she was doing fit within that rubric. Like she would do groups, but they would be in terms of entitlements or resources and so forth.
>
> You find all kinds of ways to maneuver. It's not that you can't tell them you're going to do it, but you figure out how to do it.

She then relates the GFO's response to her illusion of compliance.

> "Okay. Call it whatever you want." My sense is that most government contracts don't really care how you do it as long as you can justify to them because then they

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

can justify it to somebody.

SUMMARY

In this chapter, the ethical issues that emerge in the management of contracted services were discussed. Managers' perspective on their commitments was examined. Then, their management of the philosophical and operational conflicts in contracted services was analyzed.

Managers have three major commitments. First, they are committed to clients. Second, to their NPA. Third, to the GFO. These commitments are not necessarily always compatible; and because the manager must frequently choose which among them will be primary, the related issues of choice and risk were addressed.

In the discussion of the management of philosophical conflicts, three kinds of conflict were examined. The GFO contract requirements conflict with the NPA commitment to clients. The GFO service model conflicts with the NPA service model. And, GFO legalism conflicts with NPA professionalism.

At the beginning of the analysis of the management of operational conflicts, involving staff in the management of these conflicts was discussed. Managers make three kinds of decisions about these conflicts. The unambiguous one is to yield to or violate the contract. The second two kinds of decisions are ambiguous: as the NPA, effect the illusion of

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

compliance by recording as if in compliance, complying by re-labeling, and/or orchestrating the audit process. Or, in collaboration with the GFO, effect the illusion of compliance by recording in GFO terminology or recording as if in compliance.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER X

POLITICAL ISSUES: NPA ACCOUNTABILITY TO THE GFO

Introduction

Like any game, contracted services can be played by many types of players with varying levels of skill on different playing fields, but the rudiments of the game are the same. Therefore, in addition to grappling with administrative and ethical issues, effective managers must also come to grips, for themselves and their NPAs, with the game itself. The essence of the game is the political aspect of negotiating and implementing service contracts. In this chapter and the two that follow, these political issues are examined from the perspective of managers.

The political issue which is closest to the administrative and ethical issues of contract management is accountability. GFO accountability systems are broadly defined as all contractual requirements and the means of enforcing them. As indicated in all the preceding chapters, this accountability, while theoretically clear-cut, is extraordinarily ambiguous. This ambiguity reflects the symbiotic relationship between the GFO and NPA. (Weissman 1981, 41-42) Each needs the other, just as any game to be

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

played requires an opponent (one or a team, others or self, people or obstacles.) Therefore, understanding the NPA's accountability to the GFO requires understanding the interactive nature of that accountability. The NPA accounts to the GFO and, inherently, the GFO accounts to the NPA.[1]

So, in this chapter, the purpose is to go beyond what managers say they do to effect compliance or change or ethical practice and to consider their perception of the meaning and impact of this accountability for both the NPA and GFO. First, managers' perception of the GFO perspective on NPA accountability in the game of contracted services is discussed. Second, their perspective on NPA accountability in the game is considered. Third, the impact of GFO accountability systems on the NPA is analyzed. Fourth, the influence of the NPA on GFO accountability systems is examined.

GFO Perspective on NPA Accountability in the Game

One manager succinctly states her perception that the GFO views the game of contracted services as a GFO-

---

[1]Recent research emphasizes the inadequacy of public administration theory to address the GFO/NPA relationship inherent in contracting and other GFO tools creating third-party government. "To come to terms with these new forms of public action, therefore, new theories and concepts will be needed. Instead of command and control, such theories will have to emphasize bargaining and persuasion. Instead of the clarification of directives, they will have to stress the manipulation of incentives." (Salamon 1989, 13, author's emphasis)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

controlled game.

> Another problem in contracting with the City is that you're not truly contracting with them as two equal parties. The City says, "This is the game. If you want to get in it, sign our contract."

Another manager exclaims that the superior legal power of the GFO in the game is frighteningly explicit in contracts.

> What is in the boilerplates of these contracts is unbelievable. It's unbelievable. We have no standing in any of these relationships. We are at total risk. They could cancel the contract, just like that. We fight the most difficult aspects of the boilerplate. But, when I read the boilerplates, they scare the living daylights out of me.

The same manager goes on to explain what in the boilerplate about the GFO position on NPA accountability she finds most objectionable.

> They always put clauses in around their right to ask for any information whenever they decide they want it, in whatever form they want it and that if we don't comply, they can cancel the contract. And, information requests are costly. You change an information system, it's costly. The public agencies never think about that.

She gives an example of these GFO demands for accountability.

> The [GFO] has changed our reporting system several times in the first two years of this contract. We started out, they wanted an individual monthly statistic on every kid. Then, they dropped that [and wanted aggregate statistics on kids in attendance and services delivered]. And, now they've re-instituted it again. So, we change, and we're trying to computerize it. So, those are the kinds of things. Public agencies take action. They never think about the cost to the contractor of the actions or of the requirements. It's just not a question that ever enters their mind.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

An executive director explains that he really understands the GFO's view of its power in the game of contracted services when he sees its handling of the contract negotiation process.

> It was crazy. Fortunately, I wasn't involved in the day-to-day discussions, but stupid things happened towards the end, after they had reached the agreement. It was, "Well, I should be able to check this over and sign it in five days." They dragged it out at the end, even knowing that we were suffering and that we were having severe cash flow problems. They didn't care. That was of no consideration to them whatsoever. They said, "These are the problems with temporary organizations when they're trying to affix themselves to permanent organizations."

After bemoaning the absurdity of a GFO's efforts to hold the NPA accountable for the contracted program, a manager discusses another dimension of the GFO's perspective on NPA accountability. The GFO is concerned about accountability for a contracted program. But, when the program design is ameliorative and does not address the cause of the problem and/or there is no GFO accountability for the cause of the problem, the GFO's program accountability efforts seem trivial.

> One of the big problems with this whole truancy prevention program thing is that we're like an add-on program. And, the problem is that they're not really spending time and money evaluating how the system works and what that has to do with kids not coming to school enough, succeeding. What they're implying is all the problems are the kids' problems. Because the kids are screwed up, that's why they're not coming and doing well. In reality, of course, there's a mixture there, but none of the money's being spent on that. And, so the system's generating more and more drop-outs and truants while you're over here trying to do something. And the problem is it's going to last three to five years as a program per se and then what's going to happen? You've

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

helped those kids that are coming through while you're there. And, then you're gone. The system's going to be just the same.

NPA Perspective on NPA Accountability in the Game

The GFO may perceive itself (or, perhaps more accurately, legally position itself) as all-powerful in the game of contracted services. However, as has been and will continue to be discussed, the GFO is not all-powerful in reality. One reason it is not omnipotent is that the NPA perspective on its own accountability is quite different from that of the GFO. And that difference in perspective affects the way the NPA perceives and plays the game and, therefore, the power distribution in the game itself.

In this section, five dimensions of the NPA perspective on its own accountability in the game are discussed. First, use GFO funding for NPA purposes. Second, define GFO-funded staff as NPA employees. Third, be accountable first to the NPA purpose. Fourth, maintain a higher standard of accountability than the GFO. Fifth, strive to seize the initiative for accountability from the GFO.

Use GFO Funding for NPA Purposes

A manager explains that the GFO perceives itself as using the NPA for the GFO's broad purposes but that the NPA perceives the GFO's role much more narrowly. The GFO role is viewed as broad by the GFO; narrow, by the NPA.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> I think obviously from the public's perspective, they are obsessed with accountability, and they do view the contract agencies as working for them, as their agencies, agents in delivery, in delivery of service. So, they would emphasize their power in the contracting relationship, the appropriateness of their exercise of that power. From a contract agency point of view, the public funds enable us to do what we are incorporated to do, and it's enabling and facilitating. So, to oversimplify it, they view their role in the broadest, and we view it in the narrowest. And, somewhere in that, we have to work it out.

She goes on to define what she believes the job of the GFO to be, which differs from the GFO belief. Then, she says the most significant, "enraging" manifestation of this difference in perspective occurs when the GFO demands increased service or increased accountability with no increase in funding.

> I think their job is to get us the money and let us do what we do and hassle us as little as possible. Insure that we spend the public money. I'm not saying don't make sure that we do what we're supposed to be doing, but do it in a way that is appropriate, that doesn't impact upon our service, and with a consciousness of the cost of accountability. And, they just think that we work for them.
>
> So I think that that's a difference in perspective, and I think that the issue gets most difficult around funding levels. When you have funding streams that don't go up, that don't increase relative to cost, they make increased demands either in terms of service delivery or in terms of reporting, and then think that you're self-serving when you ask for more money, it's pretty enraging.

Define GFO-funded Staff as NPA Employees

The NPA perspective on its own accountability is quite different from that of the GFO in other fundamental ways.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Employees hired under a contract, even if they are 100 percent funded through that contract, typically view themselves as NPA, not GFO, employees. As one manager explains,

> The monies come in from these two grants, but we are [NPA] employees, whose funding source is [the GFO]. That's not unusual in a large system. Therefore, my staff are [NPA union] employees. They have [NPA union] standard salaries. We're required to participate in [NPA meetings]. I do [NPA] evaluations on my staff, with a six-month probationary period on my staff that's required for all [NPA staff] in all departments. Ultimately, my boss, if there were a management dilemma, could--because it's separate funding, she couldn't leave my program without a staff--she could probably decide to switch staff from my program to another program, and take another staff into my program, at management's prerogative. I mean, this is [NPA] staff.

Be Accountable First to the NPA Purpose

That these GFO-funded NPA staff consider themselves NPA employees both reflects and heightens the NPA perspective on its own accountability. As one manager explains, the NPA has its own "mission" and "programmatic concept" and the contracted services game is just imposed on that. Her objective is to be accountable to the NPA purpose and to make the game work for the NPA--to achieve its purpose.

> Whatever I do contractually is driven by a programmatic concept and so it feels to me like still the most important thing is a sense of what the mission or the direction and the purpose of the particular programs are. Why do we want to do this? Why is this important and what are we trying to achieve? Can we do that? And, then, this is the jungle gym that they're going to put over us that we have to try to do it within, without.
>
> I do think it's program-driven, and that even though a lot of my time is spent on the contractual stuff, the time that's spent is insuring that the contractual stuff enables the program to do what they need to do or what

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> they want to do. Because you not only need to conform to contractual requirements, you need to conform with why people want to work with and why [the NPA] started doing this stuff in the first place. And, in a sense, a coincidence between that purpose and what we're doing is the first, is the most important thing, and then the conformance with the contract is secondary, which is why we have never gone after money just to go after money.

Maintain a Higher Standard of Accountability than the GFO

Not only do managers consider "coincidence between NPA purpose and what they're doing" primary and "conformance with the contract secondary," they also believe they hold the NPA to a higher standard of accountability than the GFO. As one executive director explains,

> I think we look at most of these contract requirements as minimum. And, we would expect to exceed those minimum standards. We would hold ourselves accountable to at least the minimum and go beyond it. And, I think what legislation is intended to do, and regulations, is establish a minimum.

Again and again, managers express, in different ways, what one states simply, "We're concerned with more than paper compliance."

> We're committed to providing a very high quality, professional service, and we don't consider that complying with contracts is sufficient. We feel we have, in some ways, some higher standards. I think it's very hard to monitor and administer for quality because it's intangible, so we just try to do everything very thoroughly and hire and retain and train good staff and look for people with very solid social work skills. But, we also take very seriously the responsibility that we've been given to administer millions of dollars in tax levy money.

When their NPAs meet the GFO standards for accountability, managers do not consider that sufficient.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> Administratively. We're pretty fine there. I don't think we're fine. There's a lot of ways it could be better. But, they think we're fine.

An executive director defines that higher accountability as "freedom to do the thing the way we think it should be done," and she describes the price of that "freedom."

> If it isn't going to be paid for by [the GFO], then we have to be willing to cover it from somewhere else. It can sound very conceited to say we want the freedom to do the thing the way we think it should be done. You can only do that if you are very self-critical, and you're very connected to other groups that keep you professionally on your toes. This work is professionally very challenging. I think it's one of the things that keeps our staff, that it is professionally challenging, and we put a lot of emphasis on in-service education, freeing people to go to conferences, to workshops. We really try to keep right up there.

Strive to Seize the Initiative for Accountability from GFO

Several managers talk about their desire and/or efforts to change the game by seizing the initiative for accountability from the GFO. Asked what change in the GFO would be of greatest assistance in her work, one manager responds,

> Money. M. O. N. E. Y. We have this much money. You use this money to buy whatever services you need in your community. But obviously you've got to be accountable. And, we have to develop some kind of accountability mechanism, unit of service. But, I don't have any problem with unit of service, cost, accountability. I think it's about time social workers deal with that. I think that's why we're being held so damn accountable now, because we have not done it in the past. So, that I have no problem with. But, it's like you're told what to do, within what boxes, and how you're going to account for it. I think we need much more flexibility.
>
> I think what's happening is the funding sources have defined what the accountability is. That's what hap-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> pened. And, people have either rebelled against it or continue to rebel against it or have just said, "Okay, that's the way it is." And, that should have never been allowed to happen. We should have led the way in terms of defining what accountability is. For example, the whole thing in case management. If social workers don't grapple with this issue, we are going down the tubes at case management at like two dollars per unit of service. It's going to mean, "Hello, turn on your home care, please. Thank you. Goodbye."
>
> And, that's exactly what's happening because it's being seen as a gatekeeping function. It's being seen as a way, I feel, of de-professionalizing social work. It's like, "Okay, you have the clinical social workers over here, maybe we'll reimburse them. And then you have the other case management social workers who, they argue, "You need a haircut? Here, why don't you call Joe down the street? He does a good job." And, that's what drives me [crazy]. Somewhere we've missed the boat, and we better reclaim it because it's a way of providing a lot of service, a lot of units, and it's cheap.

Another manager describes her involvement with a NPA coalition's effort to develop a self-evaluation system which can be used to demonstrate to the GFO and legislators "what their money is buying."

> Foster Care, they've been around a long time. It's an older, more traditional service. I think the young upstarts in Preventive came in kind of hot shot, wanting to kind of very much prove their programs were valuable, and I think they learned a lot from Foster Care. They're trying to avoid some of the pitfalls of the outside kind of criticism. But, there's been a lot of work on really looking at what kind of information we can report. I mean, it's to our best interest to see that there's good hard data and to work with [the GFO] around how do you collect that data and what data is pertinent and what isn't. So, there's been a lot of really working with them. It's really been very interesting.
>
> One of the things that we've [the NPA coalition] been working on for a long time without much success--and I think may actually produce something--is some kind of a self-evaluation tool. Again, trying to avoid [what happened] when foster care began to really be criticized so broadly. They had a lot of things laid on them, such

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> as PAS [Program Assessment System] and all these child indicators, and you had to hit certain things.
>
> And, I think that what we were trying to do is--if we could develop self-evaluation tools, first of all, we could evaluate ourselves and see where, indeed, there were shortcomings and where services could be strengthened. But, we would also be able to gather some data for outside sources to really look at what is their dollar buying in preventive services because that's one of the criticisms you hear: "We don't know what our money is buying." Well, they should know. But they're really not collecting data. I know what their money's buying. I know what it's buying. But it's true, I don't think what I know is being translated into the right kind of data to have meaning for legislators. So that we're really trying to develop something, and this last effort I think is perhaps finally going to produce something.

Impact of GFO Accountability Systems on the NPA

As with so much in this game of contracted services, the impact of GFO accountability systems on the NPA is paradoxical. On the one hand, managers perceive the GFO systems as a force for mediocrity; on the other hand, as a force for improvement. Sometimes, they perceive that the GFO systems compel, and thereby enable, fundamental changes in the NPA. At other times, they perceive these GFO systems as requiring changes, but superficial, burdensome ones. In this section, each of these impacts is discussed.

A Force for Mediocrity

According to a compliance coordinator, who worked for a GFO prior to his current NPA position, GFO accountability systems can be a "powerful force for mediocrity" among NPAs.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The GFO systems can "lift the bottom and lower the top."

> Government contract monitoring, which is something that I've been involved with now on both ends, is a powerful force for mediocrity, and I don't mean that in quite as pejorative a sense as it sounds. What it tends to do is lift the bottom and lower the top. That when government comes along and says, "You've got to meet these standards," it's inevitable that people's behavior will be to narrowly meet those standards, particularly since audits are generally not very sophisticated. And, for the sake of a public contracting process, which is under a great deal of scrutiny, you need to use objective or quasi-objective measures, which don't allow a lot of room for discretion by the auditor.
>
> So if the thing says, "You must do A, B, and C," even if you're running a clinical program which you think meets the intent of doing A, B, and C, you're going to stop and you're going to make sure that you do A, B, and C exactly that way. And, if you don't do that, the first time you get the audit result back that tells you that you're out of compliance because you did A, B, and D, you'll change. So programs that were poor have a real incentive to get their act together, at least enough to meet those standards. Programs that were strong tend to divert their resources from whatever it was that was making them strong in the first place towards doing A, B, and C. And, it tends to create a good deal more homogeneity.

The impact of this "force for mediocrity" is, he says, the reason that strong, effective NPAs rebel against GFO accountability systems.

> And, to me that is the explanation of why agencies like this one and the stronger agencies in the system have tended to be the ones that were most perturbed by government regulations. Because they've often felt like, "Gee, we're doing a good job to start out with. If they would just come in and look at our work, they'd be satisfied with that and then they'd go away and we could keep doing it our way. And, instead we're going to lose something clinically in order to do it."
>
> There's a good deal of naivete to believing that, and I think people have largely gotten past it, but I don't think the impulse that's beneath it is entirely wrong.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

He concludes by saying that the "saddest and hardest dilemma" about the contracted services game is that "auditing is absolutely essential and that it will also have some counterproductive effects on strong organizations."

> I think it does promote mediocrity, and it has to promote mediocrity at some level because, after all, from government's point of view, the most important thing the government has got to do in buying a service is to make sure that the service meets a minimum acceptable level. It is wonderful to have a terrific program. But, if you had a choice between a terrific program and a program where kids are going to die in a fire tomorrow or two mediocre programs, you're going to pick two mediocre programs without thinking about it for very long. And, that to me is, in some ways, the saddest and the hardest dilemma about this business, that you know that the auditing is absolutely essential and that it will also have some counterproductive effects on strong organizations.

Force for Improvement

Paradoxically, at the same time GFO accountability systems are a force for mediocrity, they can be a force for improvement, in both weak and strong NPAs and in the entire service delivery system. Essentially, a GFO operates as a force for improvement because it grades on a curve. The GFO holds NPAs to account based on their "relative performance" to other NPAs, not on "predetermined standards of achievement." (Webster's 1988, 317)

Managers clearly perceive that GFO standards are not all equally important and that GFO accountability systems operate on that assumption. Indications that this is how GFO accountability systems operate are varied. As one

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

manager explains, GFO regulations may far exceed the possibility for compliance.

> The retardation regulations are two inches thick. Technically speaking, you can never meet the regulations. You cannot be out on the key indicators, but you would never get no deficiencies. It would be impossible.

Another indication that a GFO grades on the curve is that it may stop holding the NPA accountable for a standard that no NPAs can meet. A compliance coordinator describes his NPA's reaction to GFO penalties for high staff turnover.

> Sometimes we'll have problems where people throw up their hands and say, "I don't have any control over that problem." We get a problem with a social service audit: they think our staff turnover is too high. We know that our staff turnover is too high because we don't pay high enough salaries, and we can't afford to and for seventeen other reasons and that staff turnover in the whole profession is extremely high. There's a lot of resistance there. People feel like this is nonsense. We can't control this. Why are you bothering us? Let us go run our program and try to keep staff by having a good program, not by making up some action that we really don't think is going to make a difference.

Another manager relates what she did about the same problem and how the GFO subsequently stopped rating NPAs on staff turnover.

> They take a percentage. They look at how many people have left, and they give you a grade on that and they say, "Too many staff have left; you failed on staff turnover." And, I brought them back the improvement plan. I didn't really write an improvement plan. I said--"Look," I said, "I can't even address this issue; this is a Citywide problem; it has to do with all the mandates that you're giving us, including this ridiculous thing that I'm doing right now." I didn't quite say it that way. "And, the poor salaries that you pay us." Hopefully, this will be addressed by some legislation passed to try to give some more money to staff, which we still haven't gotten. And, I said, "Once we get that money maybe then things will improve, but as

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

far as having anything further to say about this, I don't."

They sent that back to me with a list of things to do, actually to try to do to improve it, and I said, "We've already done all those things." Calling up other agencies and finding out what they have. I said, "We've already done those things. We've already done those things. We've already done those things." I think one thing they suggested was having exit interviews, which we don't have. I said, "Fine, we'll have exit interviews." But, I just thought it was ridiculous, I really did.

They just said, "We can't accept this. You'll have to write something else." So they called me up and they said that they were putting in all these things, and I sort of vented a lot of my feelings about it, but I knew that the person I was talking to was not anybody who really had any kind of authority or whatever. So I, when she said, "I'm putting down the following things - four out of five of them," I said, "We've already done those things and so I'm not going to go and do them again. Period." And that was acceptable. She said, "All right, I'll just write down here that it's already been done, that it's in place and that you've done it." And that's how you sort of settle up on some of those issues.

But, now they're no longer rating turnover because it's such a horrendous problem. I'm sure there wasn't one agency that passed for staff turnover last year.

Sometimes the GFO grades on multiple curves. This is manifest in its realization that it has homogeneous standards for heterogeneous services for diverse population groups. A compliance coordinator explains that while her NPA never meets a key GFO requirement, the GFO does not care.

Regarding the discharge cohorts, for instance--the whole issue with the City that children should be discharged within twenty-four months, if their goal is to return home. We have never met that requirement, and we'll write and tell them every single time that we don't intend to ever meet that because we're dealing with the most emotionally disturbed children in the whole system,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> and it just ain't going to happen. So, yet every time we have to respond, and we write an improvement plan, and we'll tell them this is ridiculous, "When are you going to stop bugging us with this?"
>
> They understand. Somehow, they haven't gotten around to making different requirements, different expectations, for different kinds of programs. Everybody gets treated the same. So, we keep going through the motions, and we respond like everybody else does. The bottom line is that everything's not relevant to everybody equally, but yet that's basically how it's set up.

She explains how she knows that "they understand."

> I assume that that's the reaction because when we have meetings sometimes they acknowledge that, "Yes, we did talk that we will someday think about having regulations apply specifically to different program types." So, it's a vague acknowledgement. And, then in actuality, my assumption is that if there were something that really bothered them, that didn't come back satisfactory, that you would know about it. That they would make it an issue. It certainly has happened at other agencies, where they come back and they monitor and close intake. Over the years, that kind of thing has most definitely happened.

A compliance coordinator explains that accrediting bodies can affect the curve of the GFO accountability systems.

> In order to be eligible for Medicaid funding, you have to be JCAH accredited. And, every mental health agency wants to be eligible for Medicaid funding. It's such a normal part of their world that I don't know whether they even think about it very much. And [the GFO] has incorporated in a lot of its own regulations things that come from JCAH so that they now have a whole section about quality assurance and utilization review in their own requirements. And, everybody's reading of that is that they don't take it very seriously in terms of something to monitor because they assume that if you can be accredited by JCAH for your quality assurance program then you can damn well be accredited by [the GFO].

Initially, this same manager says he thought the accountability system of the accrediting body was a sig-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

nificantly more powerful force for improvement among NPAs than GFO accountability systems.

> The thing that's so unusual about accreditation is that JCAH has a particular theory which is very different from government. In government, the theory basically is usually, we'll set a level of acceptable services, and what you've got to do is keep coming in above that level. And, we're fine. JCAH's theory is, "We are going to keep the mechanical rabbit running in front of you in our never-ending quest to improve the quality of care." So that--and this really takes some getting used to for me--the standards are always changing and always becoming more difficult to meet. And, it's never like you can rest on your laurels. They're always saying, "Now you should do this instead." And, to the extent that the standards become not real measures of clinical quality, but just more requirements, they drive everybody absolutely up the wall.
>
> But, let me give you a specific example in quality assurance. The best quality assurance program in New York State is run by a facility called _____. It's the place everybody goes. I [visited there] when I got here. Everybody goes to talk to [the person], who runs it. Terrific place. They got contingencies on their accreditation for quality assurance from JCAH this year for not having done something that we will not even be able to think about doing here for three years. At a level of sophistication in their process that they were up to because they'd been doing good work for five years in this area. And, we won't be up to it till we've been doing good work for three years.
>
> Now, that issue was never mentioned to us in our audit. Because somehow JCAH knew that we're not there yet. "We're giving you a hard time about getting your basic program running and implementing it properly. We'll bother you about that next year." So that, it's a very strange process where it's never like you can be the best and therefore it's okay. There's always something more to achieve in a given area, and that's a very different take on how you're monitoring services. It takes a lot of getting used to.

On reflection, however, this manager concludes that the GFO he worked for really uses a similar accountability system.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> We did do it in a funny way, but we never announced that we were doing it with the Program Assessment System for foster care, which is not a popular favorite in this agency or many others, but since I had something to do with it I'll cheerfully talk about it. Because we did look at system-wide data, and we were generally comparing how each individual agency was doing in one area to the average of the system. And, since with all the pressure for reform in foster care at that time, the system was consistently improving, in effect we were doing the same thing. If you stayed the same from last year to this year, and last year you had been sort of right around the system average, we probably wouldn't have bothered you about it last year because we were sort of going after the folks who were at the bottom. But, this year [if] the system got better and you stayed in the same place, we would come back and say, "Hey, something is wrong here."

He then describes how the GFO's grading on the curve works.

> In the Assessment System, there was a lot of effort--there is still a lot of effort--to measure outcomes in terms of primary discharge of adoption of kids in foster care and also some basic case processing things, like the intensity of social work done with the family and the child. So that we were looking at things like, in what percentage of cases do you meet some standards for arranging visits between the family and the child and really make them happen, which is really important in foster boarding homes, as well as really other foster care [facilities].
>
> The system as a whole was below the standard. So that to say we are going to give problems to all the agencies that are doing unsatisfactory work in this area would have been crazy. We would have been beating up on the whole system, and you would have frittered away all your energy. So instead, we picked up the bottom of the group.
>
> And, we couldn't grade on the curve publicly because the [City governmental body] was out there saying that this is unsatisfactory performance. So we branded everyone unsatisfactory, which created a great deal of resentment in the agencies, understandably so. "What do you mean? We're doing better than 75 percent of the people out there. How can we be unsatisfactory? Your standards are stupid." But, in fact, you could be unsatisfactory. We would never mention it to you. But some other agencies that were exactly at the left-hand end of the curve, we'd give them a real hard time. Well, next year

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> when the curve shifts over to the right, somebody who was here last year is further along the curve, so now we're saying, "You guys have got to clean up your act in this area."

He explains that the GFO curve is public information, available to, and to some extent shared with, NPA managers.

> [The] individual agency's Program Assessment, though it was little known, are public documents, as are reports of contracts. And, they're sent to the [City governmental body] every year. And, every year the City [GFO] reports to the [City governmental body] on foster care at contract renewal time--which incorporates the sort of system-wide average performance and how it's changing over time in a lot of those areas.
>
> And, in fact, in terms of system-wide average, when a report is sent--I believe that they're still doing it this way--when your agency report is sent to the agency, you don't just get the rating on each individual variable. You also get what your rating was last year and what the system average was last year. And, then at the end of the year, they do a publication of the system averages and send it out to everybody.

Compel Fundamental Changes in the NPA

GFO accountability systems can compel fundamental changes in the NPA. And, paradoxically, these GFO-required, non-negotiable changes can sometimes enable the NPA to make its own desired changes. Six fundamental changes in the NPA, as a result of GFO accountability systems, are discussed in this section. The first four of these are primarily positive; the last two are primarily negative. The NPA changes: first, from a restricted to a less restricted client population; second, from administrative mush to structure; third, from manual to automated compli-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

ance to systems beyond compliance; fourth, from a focus on individual cases to a focus on aggregate data; fifth, from clinical to administrative supervision; and sixth, from provision of service to provision of paperwork.

From a Restricted to a Less Restricted Client Population

Sometimes the GFO forces the NPA to change the client population it serves. One manager explains that the GFO, in effect, required her NPA to expand its charter from serving children to the age of twenty-one to also serving retarded adults. The GFO brought this pressure when it was forced, by court order, to move these retarded adults from institutions into community facilities. Because some of these individuals were of the same religion as this sectarian NPA, the NPA was "encouraged" by the GFO to expand its services to this group.

An executive director explains that the GFO initially just wants to know which client population the NPA serves most effectively. Then, as substance abuse became a pressing societal problem, and appropriate services are insufficient, the GFO compels her NPA to take clients with substance abuse problems.

> A year or so ago, when we began to have more cases where drugs were an issue, I remember calling the City and saying, "Look, we're not set up to work with a family where the principal presenting problem is substance abuse. Will you tell me some places that are set up where we can refer?" And, there weren't any.
>
> When you do your contract every year, the City says to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> you, "Tell us the kind of referrals that are most appropriate for your agency and those which are not." So, we've always said, for example, "We're best able to serve families with very young children, infants and young children. We are not well equipped to handle families where all the children are adolescents or where substance abuse is the presenting problem."
>
> Now, this year, one of the contract requirements is that you have to show in your site training plan that you're doing a lot more training on substance abuse issues. You have to represent somewhere in your plan how you're going to deal with it. [It's not acceptable] to say, "We don't deal with it." Now, we can still say, "Look, we're not [set up to work with this kind of problem]." And, we're not. We can't work with a family where this is the problem. But, we also can't say, "We're not going to touch them at all." Unreal. We all have to get more educated.

From Administrative Mush to Structure

A number of managers describe the GFO accountability system as forcing their NPA from what one calls "mush" to administrative structure. This manager describes what happens when the program she directs goes from being funded by foundation grants to being funded by a GFO. First, she explains that while the GFO funds the program because of its volunteers, the program has to change its emphasis on volunteers to be funded.

> The [GFO] requirements emphasized the professional case management, case planning piece, even though we included in our proposal the utilization of [volunteer] parent aides, and we know that that's what sold the program. So, we know that the home visitor piece is the most attractive piece because it's the volunteer component, the parent aide. It's unusual. We know that that's what funded it.
>
> But, we couldn't just continue to be a volunteer home visitor program, which is what we had been in our earlier life [when we] really emphasized the training and

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the supervision of volunteers and linking up with families where the case managers were other professionals within the [NPA]. We needed now to create our own professional staff, with the case managers, case planners in charge of cases, and that the home visitors would be auxiliary to the people in this program, which is the way it has continued. We do continue to have a home visiting component. But we also have to meet all the requirements, obviously, that [the GFO] and the system require.

She then explains what it means to go from "very little accountability" to the GFO accountability systems.

So, we were pretty much doing what we wanted to do. It was very creative. That's why we could do all this proposal writing. We didn't have requirements other than what the [NPA] had. We had a lot of autonomy, and that was positive and negative. My colleagues in the [NPA] saw me as having a very, probably cushy situation, and it was, in some ways, because it was really very challenging, not cushy. Very, very, varied. If you have a very strict, line job in the [NPA], who has time to write proposals or even think about it? So, the biggest change for us was losing our time.

We knew we were going to give it up. We knew that we were going to have to give it up. What happens when you go into the system? Well, if you want to get into the system, then you better know that you're going to give up something in order to get something. And, it was very clear that these UCRs, these monitors, these restrictions on clinical creativity, which, when someone says, "You must have six contacts in this amount of time," or even home visits in this amount of time, when your volunteer's going into the home, and you know that the volunteer is observing things in the home, and you know that at this point it would really interfere clinically with the professional relationship to have the professional go into the home, yet [the GFO] is saying, "You must go into the home." And, even though they'll allow a written justification on a therapeutic basis, you're still scored as defective or deficient. Those are the kinds of things we had to give up, the kind of more clinical freedom. Paperwork. Paperwork that's now required of us is phenomenal, particularly of staff. Certainly, there're some computerization things.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

And, she talks about what the evolution from mush to structure is like for her.

> For me personally? Remember, I came from other programs as a senior worker. We were sort of leaderless. We were this team all on the same level. And, in the transition then became me, as program director. And, before those days, we were sort of more mushed family. Sarah, me, and Helen, sort of mushed. Not helpful in a way. That we did it as long as we did and got the money we did speaks to other things, but it doesn't speak to a good structure of problem-solving and who's in charge and boundary issues. So that, the process is a real dilemma in going from that program to this program. Me, asserting and taking over responsibility of becoming the program manager. So that, I would say, was about a six to ten-month, twelve-month period of time where I had to go asserting myself, where I would have to help Sarah in being included in some meetings, but not in clinical meetings. Where, in the old days, everything was all mushed together. And, to deal with feelings, her feelings and issues around boundaries being set-up, structures being set up.

A compliance coordinator says he expects the implementation of a quality assurance process in the NPA, because it will expand the "tool kit" of staff, to take the NPA's management effort from bureaucratic mush to a more productive structure.

> When I was talking before about my notion of the tool kit that the program director has, I imagine that [there will be] a good deal more focus to the staff meeting, the staff development effort, as managerial activity involves program directors, because they're able to pinpoint problems more precisely and are asked to follow up on them more precisely. That is, instead of saying, "Okay, we've identified a need, we talked for an hour about how to address the need," and the discussion sort of peters away, which is something that happens in every bureaucracy--that the goad is always there to say, "Oh, my God, wait a minute, this is part of quality assurance. We're going to have to say what it is that we're going to do about this. And, we're going to have to look at it again in a month or two to see whether it worked, and maybe it won't work."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

An executive director believes the accountability system imposed by the GFO gives her NPA valuable information it would not have otherwise had.

> Without that, we would have much simpler record keeping. And yet on the other hand, I kind of like the record keeping the City has forced us into doing. I like it because it enables us to check on how much work people are doing, the number of hours they're putting down for certain services, and that they're allocating their time properly. And, it gives us a pretty good picture of the work of the agency.

For another executive director, whose program goes from being funded by a GFO with a minimal accountability system to one with an extensive system, the change from mush to structure is "nasty" but has some positive effect.

> It's been nasty, and I had to fire some people and stuff like that because things weren't going the way [they were supposed to be under the contract]. I had to be really exact. Like we have a numerical requirement of ten home visits per worker each week. They had to move to that kind of system, whereas we never had anything like that in the past. And, it has its good points and its bad points.
>
> I had to fire somebody who really just wouldn't do it. And, then, it was a much bigger question. See, under [another GFO], we were free to serve whoever we wanted--elementary, high school, whatever. You could spend a long time with one person. Now, we're given a list of a hundred names at each school. Those hundred kids are the ones that we serve. And we have to do attendance. Each day we start out by getting the attendance of those hundred kids and making phone calls to kids who aren't home and making home visits to kids who maybe didn't have a phone or who've been out for several days. Or, those that we haven't seen, we're supposed to [visit]. And, then you come back and you have to meet with kids in school, and then you do an after-school activity. So you have a very busy day, and it's mandated that all these hundred kids have to get home visits, and have to get the calls and you have to get certain forms filled out by them and all that.
>
> And so there was a whole change from people being able

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> to choose who they wanted more or less and work at their own pace to now being in a rigid like, "This is what you've got to do everyday' and "You've got to do this and you've got to do this." And, we did have to develop extensive monitoring kinds of systems to keep track.
>
> What happened was we finally sat down three months into this fall and looked and found that in one school the home visits hadn't been made. And, at first it was, "Well, they weren't putting them down here." The coordinator thought it was just paperwork backlog and stuff like that. And, then it turned out it really wasn't.

From Automated Compliance to Systems Beyond Compliance

While one executive director criticizes the GFO's forced computerization, other managers or their colleagues introduce computerization into their NPAs. After enumerating the problems with GFO accountability systems, an executive director talks about the benefits from the computer he purchases to cope with the GFO requirements.

> Sometimes it's good. Like I'm glad in a sense that we have the computer and that I'm really going to have more accurate knowledge. I don't care about unduplicated count by day, but it's really helped formalize the structure of keeping track of how many kids are coming through. Because you tend to depend on certain generalized knowledge that you have, and it may or may not be accurate. So, there are sometimes things that are good and things like that.

A compliance coordinator explains the pivotal role of her NPA's Finance Director in developing a computerized system for progress notes.

> It actually started with the Finance Director. She had foresight to know that people can't survive without computers with all the complications that keep getting added on to these systems. So, we really started using computers twenty years ago here. We're really ahead of the game. We've had our census on for at least ten years, I guess. A lot of agencies are still doing it

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> manually. They're taking attendance and then doing the bill, the City bill, manually. We've had that computerized.

She explains that having the computer capability to comply with GFO financial accountability requirements makes it easier to extend that capability to other GFO requirements.

> So, we were a natural just to continue the process. So then, it was easy to add on things like when UCRs are due and develop a report for that. And, tracking things just was a natural follow-up.

Her NPA's computerized compliance capability then generates internal NPA pressure for computer use beyond GFO accountability.

> And, now, we're trying to get a little more sophisticated and go beyond compliance issues with the computer. We're trying to develop a comprehensive child information system now to get into more clinical areas. And, that's where we are now. We're headed in that direction. And, I'm chairing that very difficult task.

Asked about the impetus for this effort, she replies,

> It was many people. First of all, I was hearing that from a lot of clinicians. They wanted something back for themselves. They're using computers to some degree, and they're not feeling satisfied with that relationship. They want something for themselves. A lot of it came from the research end of clinical people here. They wanted to do research, and they're finding it very difficult. And, the computer was not a help at all, I think, at this point. So, there was a push from that end of it. And, I think it was a natural flow all along that we were going to get to that point. Even from the Finance Director, who has been the motivator for a long time. So, we just pushed. That push and myself. And, we kind of came together and decided, "Okay, we're going to head in that direction now."

From Focus on Individual Cases to Focus on Aggregate Data

For one of the compliance coordinators, the major

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

impact, both resisted and desirable, of the GFO accountability systems on the NPA is the shift in the conceptualization of the game from a focus on individual cases to a focus on aggregate data. He explains that having staff make this shift is going to be "very hard work." First, he explains "the easy part."

> At some level, I feel like this is the easy part. And, I don't know if I can be very clear about explaining that. Let me take a specific example.
>
> [GFO] says that we have to monitor basic patient services, so that, for example, in our residential programs, we provide a recreational program for the kids. We're supposed to monitor the quality and appropriateness of the recreational services that we provide. Well, it is awfully easy to come up with an extremely boring instrument that asks five questions about the recreational services the kids are receiving and dream up a scheme for periodically looking at the records to make sure that you fill out that instrument, and that if any problems are identified they go to the quality assurance committee, which every facility is required to run, and they do that. And, at some level, that was the easy part. Our deficiency had been, in that area, that we really weren't doing that before, and they couldn't see that the information was being used to really help the program. So, we did it. It's not hard to do.
>
> Now, over three to five years, to really turn that instrument into something that's actually helpful to the program directors--that really is influencing the program, as opposed to something that you can say on paper is influencing the program--is very hard work. That has to do with changing attitudes and making social work administrators much more comfortable with data and with dealing with aggregates as opposed to individual cases. That's something I can talk your ear off about for a day and a half.

He goes on to explain why it is so difficult to have social work administrators "deal with aggregates."

> One of the things that I grappled with, certainly in the public sector, where I dealt with requirements for

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> contract agencies and, from this end, is that, I think like most professions, this is a profession which resists aggregation. It's very much focused on individual cases, and if you say to somebody, "What's happening in your clinic?" you will often get back a response that describes the two most interesting cases that the person has seen that day. And, if you try to talk in aggregates, people can always tell a good story about why you shouldn't be mushing all those cases together because every case does have a sort of rich life of its own, and the nature of the jobs discover the richness of the case.
>
> So, to say, "You served thirty-seven schizophrenic clients in that clinic last year. What happened to your schizophrenic group, as opposed to your mood disorder group?" People don't like talking in those terms, and what quality assurance really is all about, and what I think a lot of contract monitoring on the other side is all about, is being able to aggregate things in a reasonable and useful way. Not because you want people to stop paying attention to the case, but because you learn a different set of things by talking about aggregates than you do by talking about individual cases. Well, that's a very hard thing for people in this profession to deal with.

He then talks about the difference when the NPA, as opposed to the GFO, administers the GFO accountability system.

> It is far worse when government does it because they're outsiders and they use it to make judgments about contracts and they're sort of perceived as crude in their measurements. It's like, "If you come in and tell us that too low a percentage of our sample of our schizophrenic clients made progress last year, that's really stupid because we can tell you great stories about every client who didn't."
>
> On an internal basis, I think it's much more doable, and when I spoke about the three to five year struggle to get people to really be able to use it, that's what I mean. To have them see data as helpful, not as something, "Oh, we did this, so now we can go back to running our program." But, "We can integrate these new tools into our medical tool kit." So that if you're an administrator, who's a social worker and was an administrator, and is now a clinic director, you have a set of professional tools to bring to bear on management as a

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> sort of sophisticated clinician and someone who's learned how to do supervision, and all that kind of stuff, and all I'm trying to do is give you some more tools for the tool kit, to understand what's really going on with your clients.

Next, he explains where he is currently in his effort to give staff these additional tools.

> Now, I don't want to mislead you. I wouldn't swear that many people in the agency think they're meaningful, by the way. I think we're still at the stage where they're saying, "It's nice that we have this because it lets us meet our quality assurance requirements and, therefore, we don't have to worry about them too much." And, the task of the future will be to help them, to help both to make them meaningful and to help people see them as meaningful and use them.
>
> But, in some areas I think I've been able to do that. The closer you get to things that are people's daily concerns, the easier it is. So, the example that springs to mind is incident reporting in a residential facility. Kids get into--these are emotionally disturbed kids--they get into fights, kids make suicide attempts, all sorts of stuff like that. And, there are procedures in place to respond to each individual incident. But, to begin to be able to aggregate the data and people get information back from that that they find useful, that's something the agency was trying to do before I got here. Now, we're computerizing the incidents, so we'll be able to do it in a more sophisticated and faster way.
>
> But, to be able to say to a clinic director, "Your incidents seem to be happening on Sundays, in the late afternoon, early evening, in a very disproportionate number, where the administrator will immediately make the connection, "That's when the kids are coming back from home visits, it's a very chaotic time on the weekend, maybe we need to do something to shore up the program then." Or, a place I hope to be able to get to, "In a given cottage, isn't it striking that 60 percent of the incidents involve the same staff member? Maybe that person needs to have some work done with him on how we respond to provocative behaviors from the kids."

He tries to assess the impact of his effort to have staff use aggregate data.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> My guess is that it hasn't had an impact globally, that it's had an impact in a few individual instances. That some piece of data that people put together, or some process that we put in place, helped the program director or a supervisor think a different way about something that was going on in the office, and they changed something because of it. But, not that most supervisors in the agency are behaving differently because of quality assurance. That I certainly don't think has happened.
>
> I think it's much easier in the residences because the kids are there twenty-four hours a day. So many different things are happening that you almost need to count them. But, in our smaller programs, it's particularly difficult. And, I'm very sympathetic to how difficult it is. We have day treatment programs with thirty kids in them where, if you try to aggregate data on a universe of thirty, it's just not going to tell you a whole hell of a lot. And these people get screwed both ways. Not only do they have the least useful data, but they also have the small staff. So that the work of collecting the data and looking at it is very hard work for them to do. So in the smallest programs I would say absolutely not, it has not been helpful to them yet. In the largest programs, like the residences, I would say absolutely yes. I think almost all of them have in some way or another found some data they put together to be meaningful.
>
> In the in-between stuff, which is primarily the outpatient mental health clinics, I think it depends mostly on the personality of the individual director. Those who are more open to it have probably seen something, whether it was utilization review results or the result of client feedback studies or their own incidents (there are a lot fewer, but there are some), where they said, "Gee, that was interesting, I really got something out of doing that." And, the ones who don't want to manage that way have pushed it aside and said, "Oh good, we got that out of the way, now we can go on to something else." Much more varied at that level.

He then relates his assessment of the impact of his efforts on the senior administrative staff and what he expects to evolve, as his focus on aggregate data intensifies.

> I think that I've developed good relationships with them

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

and that, at the moment, they primarily perceive it as helpful because they are, after all, in charge of making sure that the quality assurance program is implemented in all of their programs. The more that I can make it easy to do that, work with their program directors, and spare them the burden of having to pay attention to this when they'd like to pay attention to a hundred other issues, the easier their jobs are. So, that's been the primary perception so far.

Now, the more detailed we get, the more we start doing the kinds of things I've been talking about in the last few minutes, the more we will have a tension because, on the one hand, I will help them focus on the problems that they see in their own operation. On the other hand, I will make those problems more visible, and there'll be somebody outside of their control who's going to be asking questions about them and getting information and that will be threatening to them. And, that's all sort of personal relationships, a little bit of stroking, a little bit of saying, "Sorry, we've got to do it."

I can't tell what that's going to be like all the time. The easy guess, which is no answer at all, is that some people will wind up feeling greatly helped, and they will be the ones who are happy using the set of tools in their own tool kits. But, the ones who don't like these tools, who want to go back to the old hammer, which has been true if they had them in the tool kit before, will wind up being put off by it and somewhat threatened and they'll want to push it away. They'll say it's a little bit too much outside scrutiny at the end.

From Clinical to Administrative Supervision

Another manifestation of the NPA's shift from mush to structure with the imposition of GFO accountability systems is a shift from clinical to administrative supervision. One manager explains how the focus of supervision changes.

And I would like to say that I think that the focus of supervision has changed over the years, that it is a lot more accountability-oriented and it is a lot more assessment-oriented. A lot more time is spent with, "How many times this month did you see this person? Did the child have a visit in the home? Did the child have

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> a visit in the [office]?" A lot more time is spent going over those issues than used to be.

For another manager, GFO requirements dramatically change how she handles supervision, but she seems to use the accountability requirements to address some of the clinical issues of supervision and to do what she might otherwise ignore, given the demands of a small program.

> After the last audit results, which in many ways were excellent, but there were certainly some deficiencies that they noted in terms of casework contacts with some families. And, if there wasn't a number of home visits, they're requiring supervisor-written justification in the UCRs. So now I'm having to build in our own more careful accountability system here.
>
> We've got seventy-five families in our program. I look at the monthly stats every month. I never gave the workers feedback on, "Oh, this client only had X contact on Y this month. What's going on? We need to talk about it." Now, I'm going to have to do that. I mean that's now one of my ways of trying to improve our meeting standards. "If there's only one contact, have you considered a home visit and why not?"
>
> Now, when they give me the UCRs to sign-off as the supervisor before the monitor comes to read them, I ask them, "Are your home visit standards up, too?" Or, "Is this plan up to snuff? And, if not, let's talk about it, and I need to write a justification if it's legitimate." Is it just resistance on the part of the worker? What is it? Is it casework issues? Is it the client who's said, "I do not want you in my house because my husband's going to beat me up." Well, that's certainly a legitimate justification. Is it different when she's having contact with us regularly versus when we're not being able to engage, re-engage, or sustain the [contact]?
>
> All different kinds of issues. All of which things that I should be doing anyway or I feel should have been doing anyway, but I mean there's a lot to do in a small program, and you have a staff of 8 clinical people, you can't stay on top of everything all the time, and you don't. I mean that's the way it is. But now, at least, this mechanism is in play, where I can at least plan to give them feedback every month on the ones that are

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

short home visits or face-to-face visits.

From Provision of Service to Provision of Paperwork

For a number of managers, the accountability game is played with paper. Thus, GFO accountability systems are viewed as compelling the NPA to shift from provision of service to provision of paperwork. Asked about the problems staff have with GFO requirements, a compliance coordinator is unequivocal.

> Feeling that there's so much paperwork and accountability that they don't have enough time to work with their clients is the biggest issue.

In explaining how he tries to help staff cope, he graphically illustrates the magnitude of the problem.

> Part of it is the tickler reports of what's coming due and when, so that they don't have to sit there over a calendar and juggle and figure it out.
>
> There are so many things now. We're tracking over seventy-two different variables for each child, that are changing time periods based on the length of care, age of the child, discharge objective of the child, the health status of the child. Whether or not they're on psychotropic medication makes a big difference. Whether or not there are siblings in or out of care makes a difference. And, basically all these variables that change based on whether the child has moved from one age group to another or by length of time in care.
>
> And, if you think of it on a grid, you're going up this crazy diagonal and trying to figure out where you are on that diagonal, whether you need to see the parents once a week, once every two weeks, once a month, once every three months, or once every six months, which are all possible depending on the discharge objective and the age of the child and the length of time in care. And it becomes very frustrating for the worker to try to keep track of it.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

An executive director shares his exasperation with the GFO accountability systems. He loses his entire staff when the GFO goes to performance-based contracting.

> We generally can meet the levels of service, but it's difficult because there's a lot of pressure now on my staff that they get from the management reports that'll say, "This is how much we should have done. This is how much we did do. Somehow we've got to make it up." Rather than saying to them, "Wow, last month you did a real great job; nobody called to complain about the services that you provided," I say to them, "Well, you busted your asses last month. Now you've got to bust them a little more this month because we fell behind three percent in services."
>
> And, it's difficult. It's a real problem. When our community home care program went to performance-based contracting, within three months of going, we lost our entire staff. We had to replace the staff because of the amount of paperwork.
>
> Basically what they said was it's essentially come to the fact now where they have to keep records and they keep ticking off every hour, every unit of service that they provide, and they're not lawyers that are billing by the hour so they have a clock that they hit every time they get on the phone and charge every fifteen minutes.
>
> I'm all for fiscal responsibility and fiscal control, and I've managed this agency so that we are fiscally responsible, and we maintain strong fiscal control at the same time that we provide a quality service. Unfortunately, with the regulations that come down from the funders, the amount of paperwork, the amount of record keeping, takes away from the services that we provide.
>
> And, there's got to be a bottom line. Like now they had money for computers. We're just getting in eight thousand dollars worth of computers to do record keeping so that we can tie in with the [GFO] computer. I'd rather have that eight thousand dollars to provide service, but they found the money for the computers. Because now everybody, every case management agency is tied into the computers, and they can maintain their cost control because we're all feeding them the information about our clients and our services automatically into their data base.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Another manager explains that "what it comes down to" is that "Master's level social workers, who are really interested in doing clinical work, don't want to come here anymore."

> The whole accountability paperwork part of the job has really taken up more and more of what a social worker does. And I think that it's created a lot of difficulties for all the agencies in terms of the extra pressures and the extra stresses that there are on all of your staff. There's so much more that you're asking workers to do that Masters' level social workers, who are really interested in doing clinical work, don't want to come here anymore and do this is really what it comes down to. For the little amount of money that child welfare agencies can pay, and then social workers who really want to be clinicians no longer are feeling that they can come here and really do clinical work because of all of this other stuff that they have to do.

Compel Superficial Changes in the NPA

A number of managers believe that GFO accountability systems compel superficial changes in the NPA. While these changes are not fundamental to NPA operations, they are often burdensome and time-consuming. Unlike some of the fundamental changes, which have an enabling effect on the NPA, the changes discussed in this section are perceived as neutral, at best, and a hindrance, at worst. First, commit clerical resources to compliance. Second, translate work into GFO language. Third, develop parallel accountability systems.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Commit Clerical Resources to Compliance

In explaining why her NPA has "never thought about" creating a compliance coordinator or quality assurance position, a manager states her belief that "if you're doing good quality casework, most of the time you'll be in compliance with the regulations." For her, the impact of GFO accountability systems is the need to commit clerical resources to compliance.

> I know that some agencies do that. No, we've never thought about that. Of all the things we've thought of, that isn't it. I would think more about something like hiring for the whole agency somebody who knows about drug abuse or alcohol abuse. Maybe I would think about a training director, somebody to work on training for the professional staff, to increase the quality of services. I think that things like that, that improve services for clients and help workers do their jobs more effectively, are what lead to quality. And, if you're doing all those things, if you're doing good quality casework, most of the time you'll be in compliance with the regulations. Except with some things that are really secretarial responsibilities like sending out certain kinds of letters. I think quality assurance people look for things like that. A lot of those are clerical things that secretaries can look for. Also, we have really a kind of executive-type secretary. But she looks at the statistics every month. She makes sure they're filled out right.

Translate Work into GFO Language

For one compliance coordinator, a superficial, but burdensome, impact of the GFO accountability system on his NPA is the necessity of translating the work the NPA is doing into GFO language. He explains the pervasiveness of the GFO requirement that all of the NPA's work under the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

contract be guided by "measurable, quantifiable goals." And, he then delineates the equally pervasive NPA effort to make no changes in its work, but to make whatever changes are necessary to describe that work in terms of "measurable, quantifiable goals."

> That's the way the goals are defined. It has to be something you can measure. It has to be practical. And from a behavioral sense. One of the things that drives me crazy is the format of the UCR and the guidelines are based on a behavior mod approach.
>
> We explain that whether or not that is the approach you are using with a child or the family, what they are looking for is things that they can monitor very quantitatively. And, therefore, whatever you do, you're going to need to translate into that language when you write it down. That includes in your progress notes, that would include in the UCR, etc., all the different places you need to.
>
> And we keep avoiding as much as possible calling it behavioral mod. We say that you have to take what you're doing and you've got to put it into a measurable means that can be monitored and that the change can be determined. It has to be something that isn't a theoretical or subjective interpretation. It has to be something that you can sit there, and A has moved to B. And, if you word everything in that way, then you can get away with it. As long as the B ends up being realistic.

He goes on to explain the "challenge" of teaching staff to make this translation.

> It really depends on the individual. A lot of that's one-to-one. How do you do it? Some people sit there and they'll think of A to B and what they want to go from A to B. And, then they can see A to B and then translate straight. Parallel translation. Sometimes we take a, "Okay, what does A look like in a behavior sense? What behaviors are they doing right now? Okay. Let's go back to A. Where do you want them to be in six months? Okay. Now, what behaviors does that look like?" See, you're using individual links that way. Some people will see it that way where they'll take A, convert it. Go to B, then convert it. Others can just

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> convert at the parallel lines. A to B is the same as A to B. So it really depends on how that individual thinks and works with behaviors, how comfortable they are with how they're going to go about making that translation. I'm more concerned that they're able to. Whichever method they use is really up to them.

Develop Parallel Accountability Systems

For another compliance coordinator, a deplorable impact of the GFO accountability systems is the necessity to develop parallel accountability systems.

> Another thing I could talk your ear off is how the transition from health to mental health doesn't work in what [the GFO] does.

He then explains that the GFO-required quality assurance process is superficially superimposed on the existing NPA supervisory process.

> I will give you the one-minute version of my why-this-doesn't-work-in-a-mental-health-setting. Because your question identifies what to me is exactly the most serious difficulty with trying to do quality assurance in agencies like this.
>
> This process was really invented by [the GFO] for hospitals. Now, the basic characteristic of hospitals is that physicians have admitting privileges, and basically once they've qualified for admitting privileges, they don't have supervisors. And, you just put the patient in the hospital and take care of them and when the patient's ready, you discharge him. So that all of this is overlay. "Say, wait a minute, we want to make sure that the services we're providing are appropriate and we're only keeping people in the hospital for as long as they need to be here." So there's sort of an overlay to look at the work that people are doing.
>
> In a mental health setting, that overlay already existed before quality assurance. Every clinician has a supervisor. Every supervisor works for an office director. Every case has to be approved by a psychiatrist every six months. So that there are multiple layers of review involved in the normal work of the office and that's

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> part of the reason why quality assurance can seem so burdensome to people. Because it is superimposed upon processes that already exist.

Although the creation of this parallel process theoretically requires superficial, not fundamental changes, in the GFO, he tries to get "around that" and make the change fundamental by focusing on aggregate data.

> Now, there are some ways around that. One is that it's a very different thing to talk about aggregate data than individual cases. So one of the things I keep saying to people is, "It's not that I want you to supplant the role of the supervisor in talking about incident reports, it's that I want there to be a forum in which you can say, "Okay, after we respond to them all individually, we're going to look at all forty-three that happened this month, and we're going to figure out where the problems were. And then, if we solve the problem, you can do that through your existing chain of supervision." "But the issue is that we need to strengthen the evening program." "Fine, go back to the people who are responsible for the evening program and do it with them. I'm not going to tell you how to strengthen the evening program. But your job is to use the data to identify that need and then to respond to it."

Influence of the NPA on GFO Accountability Systems

As discussed in Chapter VIII, managers exercise multiple process and goal-oriented strategies for effecting change in GFO accountability systems. In diverse examples in that chapter, the significant impact of the NPA on the GFO was established. In this section, three ways the GFO actually induces the NPA to influence the GFO accountability

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

system are identified.[2] First, the GFO funds the NPA to be an influence. Second, the GFO uses the NPA to coach the game. Third, the GFO uses the NPA as a farm team.

GFO Funds the NPA to Be an Influence

For the NPA, a coalition of NPAs is vital in playing the game of contracted services. Evidently, the GFO also believes NPA coalitions are vital; it pays for them. As one executive director explains,

> There's a whole group of agencies that provide rehab services, workshops. And, they have a Statewide association, and they have a hired executive director and a staff in Albany to do their lobbying. We have a contract with them so that this same office and people are providing the same sorts of services for both. We're allowed to pay dues into [NPA coalition] out of our contract, so I think we paid about four hundred dollars last year. Statewide, the budget is about fifty thousand dollars, and we pay this outfit thirty-one thousand dollars this year.

Through this NPA coalition, funded by the GFO, the NPA is able to influence the GFO accountability system. The same executive director describes an episode where that influence is exercised. First, he explains the problem the NPAs have with the GFO requirement.

> They want to put into the contract this year that we

---

[2]This phenomenon of the GFO's inducing NPA influence appears to be an interesting variation of the "capture theory," subsumed in the political-economy model of government regulation. See Robert H. Miles and Arvind Bhambri, The Regulatory Executives (Beverly Hills: Sage Publications, Inc., 1983), 17-20; and Barry M. Mitnick, The Political Economy of Regulation: Creating, Designing, and Removing Regulatory Forms (New York: Columbia University Press, 1980), 206-214.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

will take 50 percent of our clients from a State hospital. And, it's been sort of a policy for the last couple of years that we would do that. And, the [GFO] says that Statewide the rate's about 48 percent.

So, we said, "Fine. So why put it in the contract?" They want to force hospitals, hospitals especially, and agencies to put together agreements on discharge planning so movement from the hospitals into the CRs [community residences] becomes more systematic.

So, we felt the contract was just an inappropriate place to stick a clause like that. I mean there are so many varieties of agencies and circumstances that affect why you could or couldn't make 50 percent, such a specific number. And the penalty for not doing it was that you would develop a plan of corrective action with your local psychiatric center.

He then describes a meeting, of representatives of the NPA coalition and the GFO, to discuss this problem.

I think we're all a little concerned. We don't know really how this is going to play out. This meeting was a little power struggle. They did not want to be perceived as negotiating the contract with us. We're an advisory group to advise them, to help them to set policy, but not to negotiate.

I don't think I would have said that if I was them, but they said it. They said, "We're not going to negotiate with you on this contract." You're a little advisory [group].

We said we wanted to see the contract language and give them an opinion about it, and they felt that was stepping over our authority--or that we're just a group and [we're stepping over] what our recognized role was in this process.

Despite the GFO's insistence that it will not negotiate with the NPA coalition, it appears to do just that.

The meeting ended. They said they would take it under advisement and that was the end of it. The meeting only lasted about an hour. And, at one point we broke and caucused separately and came back into the room, and they made the offer that they would take out the original wording of the 50 percent and put in this benign kind of clause in the Principles section that would

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

refer to the intent is to take referrals from State facilities and reference an agreement that would be worked out and attached to the contract. We said, "Fine. Let's see the wording and see how that looks."

We said we were in a very awkward position. We're the leadership of an organization that's being asked to speak for the group and make a decision and offer advice back to the membership, and we can't do that. And they said, "Well, looks like you don't trust us. We're telling you what we're going to put in there. And if it's not as we say it is then they can certainly alert us once you have the contract."

And, we said, "Look it, they're going to get this thing, and they're going to start calling us to find out what to do." We didn't say specifically we were going to tell people not to sign the contracts, but that's what we're going to do. We told them that we're going to send out a memo saying that we met and that we asked for the contract; we were not given them and don't sign. We didn't say that, but we're going to tell them not to sign them, because we have an attorney in Albany who will review the thing for us. It's a legal question.

The executive director then explains why he feels the GFO agrees to take the 50 percent requirement out of the contract.

Because what began surfacing--I think this was the strongest piece--was that there're so many circumstances that come up around the State about what is an inpatient, for instance. Somebody who's been out of the hospital one day, and you take him into the program? Do you get credit for that as a State person? Some agencies take a lot of people who aren't State people but who would be State people if they hadn't been diverted to a particular community mental health center. That was the case in one agency upstate. So, we wanted to allow for that. So this agreement could allow for that, individual circumstances. And, I think that was the most forceful thing. Because the [GFO] goal really was to have the agreement [between the State hospitals and community residences] put in place.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

GFO Uses the NPA to Coach the Game

A number of managers are used by the GFO to coach the game for both other NPAs and the GFO. One manager describes how he is "borrowed by the City."

> I get borrowed by the City a lot in a sense that they'll have a session that they're doing training on something. They know it from the City perspective, but they're training voluntaries. So they'll call [the Executive Director] and say, "Look, can _____ come down to a meeting on this date for the day? We're doing a meeting for voluntary agencies on inquiries on the system, and we know that he does a lot of it from your end, and we'd like him to be able to assist us." So, I get brought in that way.

Another manager explains that there is a NPA coalition effort to have the GFO provide more technical assistance to NPAs. Lacking this capability, the GFO is using this manager to train NPAs.

> Our goal was really to try to get the [GFO office], who does the contract monitoring, to really reduce their job so that it would be less time-consuming, and they would be more available for technical assistance, which is what they really should be giving to new programs, who have new contracts and are starting out and need to learn how to do these things. And they're very unavailable for that because they're so busy out monitoring. They begin the monitoring the end of September, and they don't finish until the end of March, I think. Now, that's a big chunk of the year when they're really all tied up.
>
> And, a result is that they've often, because I've been around so long and know so much, they had sent, like some of the new programs and said, "Why don't you call up _____ and see how they do it at _____ because their system is working and blah, blah, blah. Which I'm glad to do except that if I get too many of those calls, that's just not [appropriate]. And when they expanded at one point, when there were a lot of new contracts out, I was getting a lot of those kinds of calls, and again I didn't mind doing it, but it just didn't seem an appropriate situation. I could also be telling somebody

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

a lot of wrong information.

This same manager is asked by the GFO to coach its own staff, a new GFO auditor.

> I was told that she had been assigned to me because she was new and the expectation was that I could help her learn the job.

In some instances, the GFO does not directly ask for coaching assistance from the NPA, it just requires it by the way it structures the accountability system. One manager explains the difficulty of having different auditors every few years and having "to train them from scratch."

> The City changes auditors. They give these two or three-year contracts to the fiscal auditors. So, every two or three years we have a new audit firm coming in who doesn't know anything, and we have to train them from scratch. So we always have to train up the new firm of auditors every couple of years. It takes a lot of time.

An executive director also talks about the problem of having "to break in a new auditor for the City each year."

> Since then, every year we've had a different auditor. And, that's a terrible problem. Just when somebody gets to know you and how you're set up [they're reassigned]. We're complicated. We're small, but we're complicated. We have seven bank accounts. There're always things that intersect and overlap. Every year we have to break in a new auditor for the City.
>
> The City contracts out. I think maybe we had the same one maybe two years running. But, it's just you waste so much time. And, each one has his own specialty. We had one whose specialty was staff cumulative vacation time and sick time. But, you never know from year to year what they're going to be interested in.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

GFO Uses the NPA as a Farm Team

Perhaps the most subtle influence a NPA has on the GFO accountability system is through GFO staff trained by a NPA. A manager describes how the GFO routinely "bought out" his NPA's staff.

> One of our biggest problems as an agency is that because we do not get that many grants or non-government dollars, we're working at the base standards in pay. So, what ends up [happening], especially, with the City being considerably more [in salary levels] than all of them, any of the voluntaries--well, we have been dubbed as one of the best training facilities in the City system, and the City comes looking through our staff and hires out from under us. We have, I'd say, somewhere between five and ten people a year get bought out by the City.
>
> Our supervisors move into program director positions at other agencies or assistant directors. Our caseworkers become caseworkers and then supervisors for the City. Our caseworkers move into a supervisory position at another agency. There's a parallel or parallel/diagonally-up exodus where we'll have the person from anywhere from six months to two years and, as they move up here, they develop skills, contacts, etc. because they're working with these people, and then they'll say, "Oh, there's a job opening over in _____ Field Office." And, they look at the salary at the _____ Field Office; they look at their paycheck. They say, "See, it pays better." And, it's, in a sense, a joke, but it's also very sad in that we've been dubbed one of the better training centers and that one of our biggest problems is staff turnover.

Summary

The political aspects of the accountability game were examined in this chapter. The GFO and NPA perspectives on NPA accountability in the game of contracted services were discussed. The impact of GFO accountability systems on the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

NPA and then the influence of the NPA on GFO accountability systems were analyzed. Managers' perception of the GFOs' perspective on NPA accountability in the game is that it is the GFO's game. The GFO has the legal power and can dictate NPA accountability. And, the GFO is absorbed in accountability for the program, not for solving the problem which the program is designed to address.

According to managers, the NPA's perspective on its own accountability in the game is quite different from the GFO's. First, use GFO funding for NPA purposes. Second, define GFO-funded staff as NPA employees. Third, be accountable first to the NPA purpose. Fourth, maintain a higher standard of accountability than the GFO. Fifth, strive to seize the initiative for accountability from the GFO.

For managers, the impact of GFO accountability systems on the NPA is paradoxical. The systems are a force for mediocrity, lifting standards at the worst NPAs and lowering standards at the best. On the other hand, the systems are a force for improvement because they grade on the curve. The existence of this shifting curve is evidenced when GFO standards are not equally important, when there are GFO standards which no NPA meets, and when there are homogeneous standards for heterogeneous services. An objective of both accrediting bodies and GFOs is to raise the curve.

Another paradoxical impact of GFO accountability

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

systems on the NPA is that the systems compel fundamental changes in the NPA, but also compel superficial changes. Fundamental, but primarily positive, changes in the NPA are from a restricted to a less restricted client population, from administrative mush to structure, from manual to automated compliance to systems beyond compliance, and from a focus on individual cases to a focus on aggregate data. Fundamental, but primarily negative, changes are from clinical to administrative supervision and from provision of service to provision of paperwork. These fundamental changes, though compelled by the GFO accountability systems, can also enable the NPA to makes changes it desires.

Managers identify three superficial changes in the NPA which are compelled by the GFO accountability systems. First, commit clerical resources to compliance. Second, translate work into GFO language. Third, develop parallel accountability systems.

There is a symbiotic relationship between the NPA and GFO. Evidence of the NPA's impact on GFO accountability systems was discussed in Chapter VIII, "Administrative Issues: Change." In this chapter, efforts by the GFO to induce the NPA's influence on these accountability systems were examined. First, the GFO funds the NPA to be an influence. Second, the GFO uses the NPA to coach the game. Third, the GFO uses the NPA as a farm team.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER XI

POLITICAL ISSUES: NPA ROLE IN GFO SERVICE DELIVERY

Introduction

In coming to grips with the game of contracted services, managers must contend with a second major political issue, the NPA role in GFO service delivery. This issue is an extraordinarily complex one involving political decisions about the relative responsibilities and roles of government and NPAs and, increasingly, for-profit organizations [FPOs] in providing human services. From the perspective of managers, however, the issue defines the very strange, paradoxical game in which they find themselves players.

So peculiar is this issue in the contracted services game, it does not seem to have true analogues in other games. Why? Because the contracted services game is not one game; it is at least two games disguised as one game. It is as if at a stadium, one team came onto the field to play baseball and the other, football.

> In the absence of a firm theoretical basis for government-nonprofit relations, neither government officials nor nonprofits have managed to develop a meaningful and coherent set of standards in terms of which to guide their interactions. Rather, both sides have tended to view the relationship from their own perspective and to apply standards that are rigid and absolute. (Salamon 1987, 113)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

To play this rather bizarre amalgam of a game, managers must perpetually accommodate the different perspective and standards of the GFO. And, they must continuously affirm their NPAs' perspective and standards. This ongoing, messy process of accommodation and affirmation has many manifestations and raises innumerable questions. Five that managers discuss are examined in this chapter. First, which characteristics of the NPA are significant for contracted services? Second, does the GFO or the NPA "own" the client? Third, what is the function of the NPA Board of Directors? Fourth, what are the implications of NPA subsidy of contracted services? Fifth, should GFO treatment of NPAs and FPOs be the same?

Which Characteristics of the NPA are Significant?

In affirming the perspective and standards of their NPAs in relation to GFOs, managers cite three characteristics of the NPA as significant. They perceive a NPA's size, continuity, and control to be pivotal dimensions in its effectiveness. Their perceptions of the relevance of each of these variables are examined in this section.

Size

In their discussions of managing contracted services, a number of managers talk about the significance of the size

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

of their NPAs.[1] Several, in agencies of varying sizes, feel that because their NPAs are smaller than the GFOs, they can deliver quality services "in a way that's impossible for the City." Simply put, in an agency smaller than the GFO, the administrative staff know more of the clients; the clients know more of the staff.

One Executive Director explains her NPA's philosophy about agency size.

> We don't want to be big. Part of the effectiveness of this place is that we're small. We work with a couple of hundred families we know well. They know us. They know a lot of staff.

Another manager, in a much larger NPA, talks about NPAs' having greater ability than a GFO to "concern ourselves with quality" because of the NPAs' smaller size.

> I think because any voluntary agency, even the big voluntary agencies, are smaller than the City, we're able to concern ourselves with quality in a way that's impossible for the City. Because there aren't any really hard and fast, observable measures of quality. It's just not that concrete.
>
> The percentage of cases served by the City that [the GFO Commissioner] can know about is tiny. The percentage of cases that [our NPA Executive Director] can know about is not as small. She can know about a bigger percentage of cases. She can tell the Board about a bigger percentage of actual families getting service. She and I can know about a bigger percentage of clients who are doing well and benefiting from the service and clients who are not benefiting and problems. And, the line workers are the key to the whole thing. And, [the Executive Director] and I know all of the one hundred

---

[1]For a summary of the issues related to the size and structure of NPAs versus GFOs, see Ralph M. Kramer, "Voluntary Agencies and the Personal Social Services," in The Nonprofit Sector: A Research Handbook (New Haven: Yale University Press, 1987), 243-244.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> employees so if they're doing a good job or if they're screwing up, we know about it. And, if you work with the City, there's no way.

A manager for another mid-size NPA talks about the virtues of a NPA's having a range of services and the difficulty of adequate communication, even when the NPA is relatively small.

> [This NPA's] really medium-sized for agencies in New York. What's terrific is the range of stuff that we do, but that also makes it more difficult. But also more exciting. And, I think much richer for the people who work here. You're working with a problem family: you can plug somebody into a literacy program; you can get a mother into a displaced homemaker program. You've got a teen parent program; you've got schools. You've just got such a range of services at your beck and call. Although, when we're all so busy, even at this fairly small place, we don't do as good a job as we should keeping people informed about everything that's going on.

She explains that there are only five senior management staff in her mid-size NPA, but that she believes this is a virtue.

> It's not highly bureaucratized. When we get into contract management this is, I think, the strength of the agency, though it makes it a little crazed sometimes given our size, but it's not a heavily hierarchical system.

A manager in a very large NPA talks about the advantages of its size. She believes that being larger enables the agency to have people with "pretty good smarts" and to have "the machinery already in place" to handle all the fiscal issues with contracting. However, she still does her budget because it keeps her "very in tune."

> I think that being an agency that's been in business a long time, and the size we are, we have people who have

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> pretty good smarts about that. There's a lot of advantages to being a very big, established agency. For instance, I talked to my counterpart at [an even larger NPA], and she doesn't do anything with the budget. That's all done by fiscal. It's all done. I don't know what the smaller programs do. But, I kind of like doing the budget, because I think it keeps me very in tune. I really watch that money.

One manager talks, not about the size of the NPA, but about the size of a contracted service in relationship to other services in a NPA. Although other, much larger NPAs, with presumably more leverage than hers have the same contracted service, the service represents a much smaller percentage of their total effort. Therefore, these larger NPAs do not exercise their leverage to address, for themselves and the smaller NPAs, major problems with this program.

> A million dollar program for [this NPA] is 20, 18-something percent of our effort. For [another, much larger NPA], which has a smaller program than us, their program can't be that important to them. Or for [anther large NPA]. They put some administrative effort into it, but it can't possibly have the same weight in those agencies as it has for [this NPA} or [a NPA similar in size to this one]. So, if we had the top leadership of the [larger NPAs] constantly making a big noise about this [maybe something would happen]. But, they can't put the bulk of their time and effort into something that's maybe 2 percent of their program. Now, they've got these other problems with the Mayor, [City governmental body].

Continuity

For several managers, the continuity of NPA management, as opposed to GFO management, is a second significant characteristic of the NPA. Continuity, for managers,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

encompasses both leadership stability and an enduring NPA service philosophy.

Despite her NPA's being almost 100 percent funded by GFOs, a compliance coordinator tries to explain how she affirms the perspective and standards of her NPA.

> I suppose it's just the people. And, this agency developed an identity over time. I don't know how to explain that really. Certainly the Executive Director, that's her philosophy. And, since the [NPA was] founded, practically. Maybe that's who she chooses to be part of her administrative group--people who go for quality first and will always choose the human side over the piece of paper in the long run, kind of thing. I can't exactly explain how.

An executive director reports that over a five-year period, all the directors in a NPA coalition stayed the same and all but one of the GFO managers changed, most repeatedly.

> We've been around a lot longer than the State has. We're constantly telling them what happened. Remember '83 incident? "No, we weren't there." The Commissioner wasn't there. His assistants weren't there. This Bureau of Residential Services guy wasn't there. His supervisor is a new position; he's only been there three months. So this group we were talking to, the Budget Director was the only guy that was there.
>
> The lower line people were there, but the decision makers weren't. They move around a lot from one State agency to another and from one State to another. The mortality rate is high, and the Commissioner is on his way out. He's under siege now and he's going to be gone. There'll be a lot of changeover then. A new guy brings in his people.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Control

In addition to the size and continuity of NPAs, managers say NPAs, even if they are 100 percent GFO-funded, are characterized by greater control than a GFO. The control they describe seems to be a power to make things happen, at least in areas that affect the day-to-day work of the NPA.[2] As was seen in Chapter X, managers struggle for the power to affect GFO accountability systems. In this section, their descriptions of their control and their struggle to maintain power over the daily work are examined.

One manager explains why being a NPA, despite 80 percent GFO funding, "makes a big difference."

> It makes a big difference. First of all, only 80 percent of our funding comes from the government, not 100 percent. And, second of all, the 80 percent comes from several different places. So, it's not as if we're a foster care agency entirely dependent on [the GFO]. We have more autonomy because we contract with several different government agencies, and we do make decisions that the City can't make. We decide to stop providing a service because we decided that was not the best use of our effort at that time. Or, we decide not to serve certain clients because they're not appropriate for our program. Or, we decide to have different standards than the City. Sometimes our standards are higher than the City.

---

[2]For a discussion of the "ideal human service bureaucracy," see Margaret L. Rhodes, Ethical Dilemmas in Social Work Practice (Boston: Routledge & Kegan Paul, 1986) 139-144. To the extent there is a difference in the degree to which clients "feel empowered, treated with dignity and respect, and cared for" in services delivered through NPAs as opposed to GFOs, perhaps it is due to this element of managerial control.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Another manager says that the NPA can minimize the sense of having "regulations about how we're supposed to do everything."

> In general, I would think that people would work here and want to be in a private agency rather than government because there's a sense of more control over what they do and how they do it and input into that. Because they do have more. Because I think in a government, if this were simply a field office of [a GFO], we would be loaded down with all kinds of regulations about how we're supposed to do everything, and we really try to minimize that. And, I think that we're able to.

Managers' efforts to affirm the perspective and standards of their NPAs, while they accommodate those of the GFO, are perhaps most clear in their struggle to maintain control and power over the daily work. These struggles take many different forms.

For one manager, the struggle is to maintain an identity, separate from that of the GFO, within the NPA.

> There's constant struggle, because even in the [NPA], [my supervisor] called us [the GFO's name], and I wrote him a memo, and I said, "Please, you know my staff struggles so much to maintain our separateness from [the GFO]. Even though our funding is from [the GFO], we're [a GFO]-funded prevention program. Don't call us [the GFO]; call us _____ because we really want to maintain that separateness. We see ourselves as very separate."
>
> I think everything we do from making sure our cards say _____ [not the GFO's name], to going to professional meetings in the NPA, to making sure the Department sees us as a very active part of the Department, to making sure that we fight to maintain the focus [of this program]. I think it's real important because I think it's the professionalization of the service.

Another manager describes her ongoing efforts to have programs evolve from client, rather than GFO, needs.

> Just to give you another example of distorting programs

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

--drop-out prevention was another one. The RFP was written very open-end. You were going to offer case management services to one hundred kids in each school. So, those of us who wrote it wrote it almost like a menu that we would do a cafeteria, do an assessment, and people would do different kinds of services, or we would structure services in different schools based upon needs.

When they came to write the contract, there were six services--[including] case management, attendance, outreach--and every program had to deliver every service in every school. And, we said to them, "That wasn't the RFP, and you're reimbursing us at a thousand dollars a kid and asking us to offer case management, attendance, outreach, crisis intervention, career ed, [etc.]." We said, "We can't do that for a thousand dollars." And, that has continued, though they have gotten more flexible in what they require in some of those areas of lesser importance. I have said to them all along--I believe that they distort the development of these programs, by requiring that we do all things simultaneously.

What I mean is--if we had been able to go in there and say, sit down with the principal, look at the kids, get to know the kids, and see what was needed, we would have organically developed a program with the right kind of mix, based upon needs and school-driven. This was an imposition of a structure from the top. It forced us to spend a lot of time and energy on services that a) we're not as good at delivering; b) are not necessarily top-priority services in terms of keeping kids in school; but which were required in the contract, so we had to do it. So that, in that particular issue over the last couple of years, we have argued at each one, "If you can't drop those components, allow us to introduce wording which gives us latitude and flexibility."

For one executive director, the struggle to affirm the NPA perspective and standards translates to competing for GFO funds.

The effect of this changeover, the switch of personnel at [the GFO], is there's not a strong lobbying force there to present our issues within the agency, within the Governor's office because then Education comes in and Criminal Justice comes in and OMRDD [Office of Mental Retardation and Developmental Disabilities] and Substance Abuse. These are other agencies with State

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> contract dollars also. And whoever can make the best, the strongest case gets the money. And, we have learned that we can't depend on [our GFO] to be our defenders. They've learned a lot, but we still know [more].
>
> Even in [our GFO], they're competing. We're not the only program. We're like a small piece, about a forty or fifty million dollar program out of a [GFO] budget [which] is over a billion dollars. And, the facilities suck up a lot of that and anything else the State wants to do. So, I mean we've really got to take care of ourselves. And, I think that's a big change in the last few years. And, learning how to do that and taking examples from other agencies that have been at it longer.

Finally, another executive director sees the effort to get GFO funding as part of the struggle for control.

> If there was a public funding stream that we could get into, we would do that, partly to have secure funding. Also, to try to have some influence, some impact, even if it was minimal, on the system, because the families we work with are caught up in it.

Does the GFO or the NPA "Own" the Client?

Another question which emerges as managers try to accommodate GFO perspectives and standards, while they affirm those of their NPA, is client "ownership." When the GFO contracts with the NPA to provide a service, is the NPA serving GFO clients or do those clients, by virtue of the contractual relationship, become NPA clients? This question appears to have profound implications. Philosophically and practically, if the NPA is the GFO's agent serving GFO clients, the NPA's commitment to the primacy of the client's interest becomes ambiguous.

In some contracted services, the NPA identifies the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

clients, based on contractual criteria. In others, the GFO sends the clients to the NPA. An executive director explains how case finding works in his NPA's home care program.

> [The GFO] does the case finding. In other words, first they screen for eligibility from [the GFO] and then they're referred to us. They don't have a choice of what agency they go to. If we're the agency in the area that provides the home care, and we have an opening, they're referred directly to us. With all our other programs, we do our own case finding.

First in a vocational rehabilitation program and then in a homemaking program, another manager explains some of the frustrations of the GFO's doing the case finding.

> They give us something like $2500 a year for each client. That's just for the last two years. Before that, the rate was, I don't know, $1500 or something, and hadn't been reviewed for years and years and years. And, we think that there are a lot of people in [this borough] who have better capacity to be trained than our clients, who [the GFO] is sending to other agencies, like in [another borough]. We want to get some of the more qualified clients, more trainable clients in our agency. But the [GFO] says that's not happening.
>
> We can turn people down, but we usually can't go out and recruit people. They have to go through [the GFO] and be funded by [the GFO] in order to get in the program. The first step the client goes through is evaluation. We have twenty-five days to do an evaluation. At the end of the twenty-five days, we say the client is suitable or not suitable.
>
> Homemaking, the City controls our clients, too. And, in that program, they tell us about the case on the phone. We say, "Okay, we'll take it." And, we have to get a homemaker in there right away. So, if what they tell you about the family isn't real, you're stuck.
>
> Some of the problems that they don't have, they don't know, I suppose. But maybe the client is addicted to drugs or they don't know that the client has an attack dog in the home or they don't know that the client has a boyfriend who maybe doesn't live there but is there most

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> of the time who is dangerous or abusive or uncooperative. They don't tell you the client's fifteen year-old is a drug addict or something. The sorts of things they don't know, more than things they don't tell you.
>
> It's the way the program is so we live with it. We work around it. In another words, if it's a case that's inappropriate or unmanageable, we give it back to the City. But, we really, in all of our programs, we provide services to people who are difficult, who have a lot of problems. In our preventive program, in fact, what I've always heard from [the GFO] when they come out to read the records, is that we take really difficult cases. And, I think it's true in our homemaker program, too. And, we work hard with them, and we usually can provide service to who they send us.

For a number of managers, the most troubling manifestation of the question of client ownership is confidentiality. From whom is the client protected against violations of his or her privacy? Managers' view of the GFO's perception of clients and, then, of the NPA's, are discussed next.

GFO Perception of Clients

One manager captures the "bottom line" of the difference in the GFO and NPA perceptions of clients.

> The problem is [the GFO] and the State, very clearly, see our patients as their patients. We would like to maintain a sense that they are [the NPA's name for the contracted program]. Bottom line, the reality is the State and the City see them as their patients, and we're a contracted agency to service their patients.

This "reality," she explains, "came out most clear" to her when a group from a NPA coalition met with the GFO about a new requirement that the NPAs transmit patient identifiable information and service needs to the GFO for input into its new computer system.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> We were concerned about who would have access to this data on the data bank. And, the discussion centered on, "State and [GFO] people do, but this is not going outside of the system. These are our patients, so we're really not breaking confidentiality issues." In fact, it's a question they even said is, "It depends on whose patients you think it is."

She goes on to describe the NPAs' response to this GFO assertion about client ownership and confidentiality.

> We're enraged with them. Philosophically, their response is just insane. [Another NPA manager] never thought back in the days when Preventive first started that this was ever going to happen. The Advocates' Agreement was this whole thing that was fought in the early days of prevention programs, even before we were funded, that guaranteed certain freedoms to Preventive programs, that they didn't have to put certain data down on the registration forms that all patients must sign, and they thought that the spirit of that Agreement was going to affect this transition to the computer phase. [The NPA coalition] has gone back to the lawyers that represented the Preventive agencies at that point to try to see if there was any way of now arguing the point of doing these computer forms that are patient-identifiable. And, the lawyers have said no.
>
> This computerization has just taken place in the last six months. It's hard. We wanted to fight it, so we ended up doing this thing with the State. It's on the back burner. We're doing the forms, but we're doing them under protest, with covering letters that usually go downtown [to the GFO] that state, "We feel X, Y, and Z." It's a standard letter that came out of [the NPA coalition]. We don't think we have a leg to stand on I think really now. I think they sense that the tone of the government, it's just different now than it was. So, if anyone [goes] back to try to re-fight it, the lawyers have suggested that, if anything, it might become more restrictive, given, I guess, the whole federal situation, and the views of these clients.
>
> [The GFO] say they're being there to the good, and they must have it identifiable to track patients through the system, from protective to preventive to foster care, this and that. "If it wasn't identifiable, how could you track a specific person?" And you say, "Why wouldn't collective data, general data, congregate data suffice? Why do you need it?"

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

An executive director says that she is seeing her "worst fears come true" as the GFO extends its assertion of its own rights to client information to other GFO-funded programs.

> We are getting computerized information [and] I think that we are seeing one of our worst fears come true, which is that as they computerize, that families' privacy is being violated in just the way that we were afraid it would be.
>
> And, I can give you a clear example, came up about three weeks ago. There's what's called [GFO] Advisory Councils. They meet. The agenda is the same. They ask agencies to come. And, basically I went a few times [and it was a] waste of time. But, we got a new advocacy staff [person] so I said to her, "It might be useful for you to go to these and see. At least you'll get the latest information, maybe." And, what happened about two or three weeks ago, she came and she said, "I'm really bothered about something I heard up there."
>
> We have up there in the next block a pilot program to prevent teenage pregnancy, and it was something set up here a couple of years ago, City-funded. There are three or four sites basically set up to serve pregnant and parenting teenagers under the age of nineteen; very categorical, short-term, crisis-intervention, counseling. They're very nice people. They do a lot of outreach, and they've been up here, and we've talked to them. They send up people who don't meet their guidelines for service. They bring them over here if they need emergency food, whatever. And, we occasionally refer someone to them.
>
> What [our staff person] had discovered at the meeting: "By the way," somebody mentioned that their [pregnancy prevention] caseload--they've gotten their caseload up nicely because [GFO] Information Systems was letting them have from their computer the name of any family where a seventeen year-old or sixteen year-old had a baby. And, they were sending them a letter, and they were going to the house.
>
> Almost the same day, one of our nurses came because there was a sixteen year-old she had been working with trying to engage, a very complicated family situation, a sixteen year-old mother. [Other workers had been] thrown out; [she had said she did not want] anymore people

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> coming; [there were] enough people coming to the house. And, somebody had been there and left this packet of birth control information or something and we were all sort of in the same category, and they didn't want to see any of us again. Our nurse said, "What is this? I was just starting to get this kid where she might come." Sure enough, the [GFO] computer had coughed up that kid.
>
> So, I said to our youth worker, who knows [the pregnancy prevention staff] very well, "Why don't you call somebody over there and ask them what's going on?" Well, she got this whole song and dance because they got very defensive [about] the rights of these clients.
>
> And, the person over there got angry, and said to her, basically, "We have a right to anything that's in that [computer] because we're all paid by [the GFO] so we should have a right to see anything that's on their record. We're all being paid by the same system. We're working for them." I have a lot of questions about that.
>
> My hunch is that they couldn't get their caseload up. Now that their caseload is up, [they'll] stop doing it. Their outreach wasn't so successful, and after all, they have to keep those numbers up. That's my suspicion. I don't know. But, there's something the matter [with this].

NPA Perception of Clients

The NPAs' perception of clients diverges from the GFOs'. As one manager explains, "Our advocacy position and our service position is that they are our clients." However, this position must constantly be affirmed. Asked whether the clients are NPA or GFO clients, she responds,

> They're our clients. Well, sometimes we fight about it.
>
> We do the intake. We do. But, it's more complicated with abuse cases that come from the field offices. If a case is under investigation, there's a joint monitoring. Our advocacy position and our service position is that they are our clients.
>
> On some very complicated cases, we may fight battles

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> with [GFO] about that. And, of course, as soon as a case comes in under Central Registry and as soon as we call in abuse, then the line is much more blurred, and it is not our decision if a child is removed from the home. There may be decisions where they shouldn't be and they are, or they should be and they're not. One, if they're removed, we have no jurisdiction. None. Even if we've worked with the family for eight years. So, it's tricky. It can get very tricky.

Managers' perception of clients is influenced, too, by how they believe the clients see themselves and, perhaps, how they encourage the clients to see themselves. An executive director explains,

> We offer a mix of services. As far as families are concerned, it's all one big thing, and anyone who comes here can use any of our services. And, they're all free from the families' point of view.
>
> When we started up [the contracted service], of course, we didn't have a problem of meeting our caseload. We just moved families right into that. As far as families were concerned, there was no difference, except they had to sign a 2921. That takes a little time sometimes. And sometimes you'll work with a family for months before they sign it.

Another manager explains the implications of clients' seeing themselves as NPA clients.

> It's true most of our clients see themselves as [this NPA's] clients, not [the GFO's] clients. And, if they are going to share certain information, if they knew we were going to pass it along downtown, they might indeed be very wary about what they would share or whether they'd accept the service at all.

Several managers talk of their view of clients' concerns that GFO funding makes their lives "open books." An executive director says that her recent experience

> justifies the fears of so many families who say once you're poor and you're in that computer, your life is an open book to any public employee who wants to poke

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

around.

Another manager feels that the concern about confidentiality might be more the professionals' than the clients'.

> A while back, [the City Comptroller] wanted to do some research, and everybody said, "No, no, no. You can't come in and read our records." They ended up by disguising the records, and it took hours. Fortunately, we did not. I guess the agencies that did spent hours in Xeroxing their records and then whiting out all of the names, and you began to wonder if it was worth it. The sad part is that, with all due respect to [the NPA leader of the effort to maintain client confidentiality], and I really absolutely agree with him on the issue of confidentiality and it's an important one, I think most of our clients are on public assistance, and they're so used to making their lives an open book that they really are not as upset about confidentiality as we are.

For another manager, this issue of affirming the client's right to privacy is a complex "battle."

> It's a whole battle, so if you start thinking about that every day, you feel like you could never do any[thing] really. So we try to tell our families everything we're supposed to, which is that they will be in a computer. And, they sign it. Most of it has to do with professionals' reaction; patients have less reactions to it than we do. But, partially it is because, I think, we don't want to fully educate the client to all the ramifications of all these things, because we really see the needs that these clients have and want to work with them. It's a very difficult, tricky area.

What Is the Function of the NPA Board of Directors?

The ultimate authority for a NPA is its Board of Directors. However, the limited empirical research indicates that Boards' exercise of this authority is typically reactive to staff initiative, internally conflict-aversive, and interactive with the executive director. (Middleton

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

1987, 152-153; Kramer 1987, 244-246) Research on the impact of government funding on the function of the NPA Board or on the impact of the NPA Board on government funding appears to be one study.[3]

This study, a survey of NPAs in metropolitan New York, found that, "On the whole, Board Members appear to have but a perfunctory relationship to the influx of government funds to their agencies." The authors conclude that "the insufficient involvement of agency Boards in determining policy relating to the initiation and execution of government contracts" is a "'danger point'" for NPAs and make suggestions for greater Board involvement.[4] (Hartogs and Weber

---

[3]Related, sparse work that has been done focuses on the role of the NPA, in relationship to government, in service delivery. For example, a few studies determined that, contrary to the "mystique," NPA service innovations are rarely adopted by GFOs. (Kramer 1987, 248-252)

[4]Hartogs and Weber conclude that, "Conceivably, they [Board Members] do not consider the funded components as an integral part of the agency program, due to a possible conflict between their deep commitment to voluntarism and their perception of <u>having to accept government 'support'</u> as a negative development." The researchers made the following "suggestion" for Boards:

- active participation and involvement would serve the cause of voluntarism far better than the present aloof stance;

- a closer identification with the corporate status of the agency and a more business-like self-perception might lead the Board to take the position that, as the 'sellers' of a commodity (needed and specialized services) for which there is a 'willing buyer' (the government), they are entitled at the least to maximum payment, i.e. full recovery of costs; hence, they should be involved in contract negotiations and use their knowledge of 'business' to adapt to the fiscal

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

1978, 21-22, iii-iv)

The relationship of managers with their Directors was not the focus of this study. And, many of those who are not executive directors evidently have relatively little involvement with their NPA's Board. However, the data, though scant, partially illuminates how managers view the Board's function as they play the game of contracted services, in their efforts to affirm the perspective and standards of their NPAs, as they accommodate those of the GFOs.

In essence, many managers seem to view the Board as irrelevant in terms of the major political issues regarding contracted services. While some intimated a well-connected Board President or Director might be able to smooth the contracting process or even affect the award of a contract,

---

overview of the agency budget;

- because of Board Members' social standing and contacts, they could well be the most important and influential conduits to relate to government, serving both as interpreters and advocates on a policy level, towards improving solely missing avenues of communication between the funding sources and the recipients;

- the pursuit of government funds is not significantly different from raising voluntary dollars, since the time when contributions and donations emanated only from the Board Members themselves and their peers is well in the past;

- if there is any doubt in Board Members' minds that these are proper functions for them, they need only to remind themselves that they are the policymakers and the fund raisers and that, last but not least, they are also legally responsible for the agency. (Hartogs and Weber 1978, 21-22, authors' emphasis)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

these efforts generally appear to be narrow and specific and do not address the universal issues.

For many issues, the political forces appear too powerful and complex for a single Director or Board of Directors to impact. When a major issue arose around the philosophy and planned implementation of a program for home care for the elderly, for example, an executive director describes her Board's inability to affect the issue.

> For the first time in fifteen or sixteen years, I called a special meeting of my Board to deal with this matter. And, they got very upset about it, and they had a special meeting. We had all the reps from the various governmental representatives at that meeting, and we laid it into them. And, most of them were on our side--the Councilman, the Assemblyman, the State Senate seat, the Congressman, the whole works, regardless of party. They were, but it didn't do any good. Didn't do any good.

She explains that she believes these efforts "didn't do any good" because, "The Governor wanted it. It was the Governor's bill."

Several managers describe the Board's involvement in contracting issues as limited to occasional letter writing or contact with political leaders. Generally, managers do not believe it is appropriate and/or possible for the Board to be involved in "operational issues." As one manager says, when asked if her Board participates in the struggle with the GFO around contract rates,

> Our Board does not get involved in that. That doesn't seem like a Board responsibility, especially not in an agency like this which has so many programs.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Asked if the Board gets involved in anything related to government contracts, she responds,

> If [the Executive Director] works that out with them. He reports to them very fully and comprehensively. But they entrust him with the operation of the agency. They're intimately involved in the major decisions like closing a program, and they've been involved in some other things, like we've asked some of the Board members to write letters to the Mayor and to legislators about salaries for social workers in preventive services, and they've done that. In the homemaking program, we may ask them to be in touch with some political leaders about this issue, this benefit thing, salary and benefits for the homemakers. But, contracting is an operational issue, the Executive's responsibility.
>
> It's different at different kinds of agencies maybe. But agencies like [this one] or, even more so, [a larger NPA]--the people who are on our Board are busy. I think our President next year is going to be _____, the head of [a major corporation]. I mean there's a limit to how much time _____ has. We're lucky he gives the [NPA] as much time as he does.

After explaining extensive efforts he has made through a NPA coalition to affect the numerous political issues of contracting for community residences for psychiatric patients, an executive director, when asked if his Board got involved in these issues, says, "No. None. None whatsoever. There's really no need for them to."

Managers seem to view the NPA coalitions as much more significant and effective than Boards in addressing the political issues of contracting. However, a number of managers view their Board's role as critical in financing the NPA's ability to affirm its perspective and standards.

For one manager, the Board finances the NPA's fundamental ability to affirm its perspective and standards.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The Directors, members of a religious order, keep the NPA solvent by making interest-free loans to cover delays in GFO payments.

> The [Directors] do assist with cash flow from their own resources. They provide that assistance and it is interest-free. It has meant that until this year, until we started contracting with [a particular GFO], we never had to borrow money. Now, we did have to borrow money this year to meet cash flow from [that GFO]. We had to borrow, a credit line, because we were six months into our second year before we got any money [for the second year] on a $375,000 [contract].
>
> And there are lots of problems in [our] residential [programs] with cash flow, too. The [GFO] reimbursements run three and four years behind. [The Directors' loans to the NPA have] been several hundred thousand dollars at times.

For other managers, the Board finances the NPA's ability to affirm its perspective and standards in a much broader sense than solvency. In these NPAs, the Board has endorsed keeping government funding under 50 percent of the NPA's budget.[5] As one manager explains,

> Very consciously, the agency several years back became very concerned with the number of Federal and State and City funds, public funds that we were receiving, and decided that we just needed to cut back because we did not want to have the overriding power of the purse to be coming from public funding, whereby they control programs. So it's been very conscious in terms of cutting that back and it's now below 50 percent.
>
> In other words, there are some contracts we say we would just not go after--based on the tipping of the balance. This is a very large agency, and it was very conscious in terms of trying to maintain some kind of balance and control.

---

[5]However, it is not clear what the respective roles of the Board and staff are in generating the non-government funding.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> The private dollars run this program and all of our community-based programs. The government contracts, for the most part, are supplements of those programs. They are just additional services. We have only one facility right now that relies totally on public funds.

Another manager, whose Board has made a similar decision, believes it cannot be sustained.

> [This NPA's] Board has made a clear policy that their funding will never be more than 49 percent from government, that the philanthropic dollars will always make up 51 percent of the budget. They're going to have to deal with that issue, because it's getting harder and harder, and I would bet you it's shifting in terms of needing more government money.

For other managers, for whom government funding is significantly more than 49 percent of the NPA's budget, sometimes as high as 95 percent, the Board is still perceived as pivotal for the NPA to "maintain some kind of balance and control." An executive director says,

> We've kept our financial independence as much as we could by putting a lot of our own money into it. So, we haven't only been able to give the little raises that the City ekes out. We're paid, say, 90 percent of a person's salary out of City funds, and then we make up the difference. We do a lot of fund-raising. This year we figure the City is going to give us for '88, $116,000, and we figure it's going to cost us about $175,000 in the one program. We've put in a lot.

Another executive director explains how he took a non-functioning Board and used it to fund the capacity to develop new programs, to generate additional GFO funding, when GFO funding already was over 95 percent of the NPA's budget.

> The Board hadn't met in two years when I came, so that was the first problem. It's very important. The Board's critical, and they've got to be your friends and [you've got to] be their friend. We use them a lot for

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> advice if we want to do this or that or "What do you think?"--the event planning and pulling those things [off]. We need the money in order to develop new stuff. And, we're trying to get a school over here that would be to house all our staff and this education program; that's going to require about a million bucks of renovation. And [for another project], we've got a gap of about $280,000. Through our Board, we've lined up somebody who will put that money up so we can start construction, but who we'll then pay back through fundraising activities. Mostly, the new people I've brought on are the real estate industry 'cause I feel that there's a connection between what we're doing and housing and real estate.

What Are Implications of NPA Subsidy of Contracted Services?

While managers value having other than GFO funds in their struggle to affirm the NPA perspective and standards, this value is somewhat tainted. In having (or not having) NPA funds subsidize contracted services (or, less commonly, in having contracted services subsidize NPA programs), managers gain flexibility and control, but participate in an inequitable service delivery system. In his review of the relationship between NPAs and GFOs, Kramer concludes,

> All this suggests that thinking in terms of the traditional sectors may be less productive than asking some different questions. Apart from resting on a set of invidious organizational stereotypes and ignoring the blurring of sectoral boundaries, a focus on governmental versus voluntary versus profit-making auspices deflects attention from the major policy question of equity: who should get what services (Kamerman 1983)? (Kramer 1987, 253, author's citation and emphasis)

All GFO contracts for the same service are not equal. The NPA subsidy of contracted services distorts the value of

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the GFO dollar because the subsidy influences both who gets services and, more obviously, what level of services they get. In this section, these distortions in who gets what services are examined separately. In reality, they are intertwined.

NPA Subsidy Distorts Who Gets Services

To the extent that the availability of a NPA subsidy distorts which NPAs participate in which contracted services, the subsidy presumably distorts who gets services. One manager, in a very large NPA, is very explicit about the impact of her NPA's leverage. She summarizes her NPA's position with GFOs.

> "You're not going to tell us who we're going to serve. We're going to do it our way. And, we have enough of an endowment so we can absorb the cost." That is a very important concept about this agency. This agency differs from every other agency in the City because of its endowment and because we literally get so much money in as bequests and donations if we piss away a million, we'll get a million in.
>
> I don't fill out contract applications, unless it's a very specialized project, for under $100,000 - $200,000. I'm not interested. Because what it costs in overhead here and what it costs to set up a program, it's not worth it. It has to be something that's worth it. A major contract. Special research things I do.
>
> They just put out an RFP, which wants the agencies to serve a terribly high-risk population, adolescents with AIDS, PINS kids, and some other mishmash. [This NPA] won't touch that. Forget it. It's not worth it to us because of the cost of care and how we provide it. It would be another major deficit program. We run [other programs] at a large deficit because of what we put in. We select.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

After talking about the necessity for NPA subsidies to alleviate GFO payment delays, another manager decries the implications for community-based NPAs.

> It is highway robbery. And, I don't know if anybody else is paying any attention, but the reality is that it has gotten so complicated to contract that you have to be a certain size to be able to do it. So, the notion of community-based stuff, relative to what we used to talk about in the '60's, forget it. It's dead.

Distortion of who is served is individual and specific when NPA subsidies enable a client to continue to be served when he or she is no longer eligible for GFO contracted services. A manager explains what her NPA subsidy means for a high school senior.

> It's State regulation that we can't service a kid over eighteen. So, we've got a senior in high school, who's getting a diploma in six months. We cannot get credit for that case for the last six months. So, we service it at the cost to the agency.

An executive director describes what her NPA's subsidy means for whether clients are served.

> If we are going to continue seeing families beyond what is reimbursable or a nurse is going to spend three hours instead of the two hours that will be reimbursable, we'll pick it up. We'll fund-raise. So, you don't say to a patient, "Well, we're so sorry. We can't go on visiting you because your Medicare eligibility has expired." Or, "This service isn't strictly covered." Well, it's got to be covered somewhere. If it isn't going to be paid for by Medicare or Medicaid, then we have to be willing to cover it from somewhere else.

Other evidence that NPA subsidies distort who is served is the effort by GFOs to, in effect, seize the subsidies. When this seizure enables GFOs to maintain or increase their funding of contracted services, the distortion

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

can be in the direction of broader availability of services; the "who is served" is presumably more equitable. However, the distortion may simultaneously be to discriminate in who is served by limiting access to those with access to NPAs with greater ability to subsidize or to manipulate the subsidy.

Managers resent this effort at seizure because it limits NPA flexibility and control. An executive director explains her attitude about one GFO's "private share requirement."

> What I learned very quickly was that once you've written [in a private share], that becomes a part of your contract. Your contract amount is the amount the City's giving you, plus your private share money. It's your money, but you're going to be just as accountable for it to the City as their money. So, I have cut our private share commitment down to twenty thousand dollars. In fact, it costs us fifty thousand dollars more to run the program.

Asked if her not indicating the additional money in the private share has ever become an issue with the GFO, she says,

> No, no. And, God help me if it does. I'll take the whole thing out. I don't know where [the twenty thousand dollar figure] came from. They take it. The sense I get from the people at [the GFO] is that somehow, every year, they have to justify to the [City governmental body] that these programs are worth funding. Now, that's a battle, but that seems to be their problem, their dilemma. And one reason they justify it, "Look, the agencies are putting so much of their own money in."

Another manager describes her NPA's subsidy of one contracted service and explains that she does not report

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

this subsidy in the GFO budget because she does not want to "get on the hook of showing a private share."

> We don't charge any space cost, because [in this NPA], we have this office, plus we work out of three of our community centers, and we own two of the centers, and the third center's in the [public housing], and the agency pays a dollar a year for the lease, so we don't charge any space cost. We also are able to draw on our medical and dental clinics and a lot of the other programs. Now, it may be that we pay a registration fee for after-school [programs], so I guess we're not totally drawing on it, but I'm sure none of those fees totally covers the program cost. We have really used our summer camp and stuff like that. Again, we pay, but it's minimal. We do have some money that we can use. We have [newspaper appeal] money, those "Hundred Neediest Cases" which you see every Christmas. We do get an allocation of [newspaper appeal] money which I can use for very special things, which is not reported in our budget. Because I don't want to get on the hook of showing a private share, because then I'm on the hook forever.

An executive director conceptualizes one contracted service as an effort by the GFO to seize NPA subsidies and, in essence, NPAs. She then denounces the GFO practice of creating its own NPAs, thereby competing with NPAs for voluntary contributions.

> In the end, if you take this program down to its nitty-gritty end, it is a way for government to co-op the private agencies. It does have an effect and it does end up in the end with the City really telling the private agencies what they may and they may not do. In the end, that's what happens.
>
> In government agencies, they're not supposed to compete for private funds with voluntary agencies, and they are doing it constantly. [A certain] City program is all private money. It's run by the [GFO], but it's all private money. There're ways to do it. You [the GFO] set up a separate corporation, and you give them office space, and you help them go out and get private money. And, it's a nonprofit. They set it up as a non-profit corporation because, one thing, they wanted to give the service, and there was no government money. But this

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> way they have direct control of it, or indirect control of it. It's supposed to be a separate Board and everything else, but the relationship is very close.

NPA Subsidy Distorts Who Gets What Services

The distortion that occurs in who gets services when the NPA subsidizes GFO contracts is sometimes subtle. The distortion in what services are gotten is often blatant. Managers give multiple examples of what having or not having a NPA subsidy means for what clients, served under theoretically the same GFO contracts, receive.

After itemizing all the additional services available, through the NPA's large subsidy, to clients in the NPA's GFO-funded programs, a manager explains how "fortunate" clients are to be in its care.

> No program can run deficit free in this area. If it does, it doesn't provide the [quality] that we can provide. A [client] is basically fortunate to be in our [care].

Noting that "money speaks," she goes on to explain that this ability to subsidize gives her NPA leverage to force the GFO to make an exception in its contractual requirements, allowing her NPA to reduce its "level of service commitment", and thereby allocate more dollars per unit of service than the same contracted service in other NPAs.

> That's where [this NPA's] money comes in. We can fight and say, "Look, you can't expect a 4.2 or 4.5 level of service commitment. We, in good faith, because of who we are, can only do 3.5." I can say, "We're not going to do it." Our leverage point is a little bit different.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

For another manager, in a NPA with significantly less of its own money, the contracted services system is a "catch-22" in which small, poor NPAs "get caught." These NPAs can spend less before reimbursement on services, so the GFO reimburses them less. This manager first explains how her GFO's reimbursement rate is set.

> Basically our per diem rate is based on where our expenses were from two years ago. That's just how the City works. And then, what they do, on top of everything else, they come in and they audit you and then they throw out all of these expenses that you've already submitted for and been paid for. So, on top of everything else, we're constantly having to pay the City back for things that they have disallowed.
>
> But, the budget that we're on now is on a per diem basis, based on what our expenses were from two years ago. Now, our rent is higher than it was two years ago. Our Con Ed bills are higher than it was two years ago. Our benefits package, like Blue Cross/Blue Shield and things like that are, and, hell, all of our insurance, is a hell of a lot higher than it was two years ago.

Asked if the GFO's per diem rate varies among NPAs, she responds,

> Oh, absolutely. They [the NPAs] tell them [the GFO] what their expenses are. See, and this is the whole trick about it. This is the whole catch-22 of the way that the whole system is and the way that agencies like us that are fairly small get caught.
>
> Some agencies are a lot larger than we are. We don't have an endowment. So our reserves, the money that we sort of have to lay out for things that we can worry about getting paid back for in a couple of years, we're fairly limited when it comes to that. But there are other agencies that have large endowments or that are affiliated, say, with the Catholic Church that have money, can say, with all of this stuff going on with compliance, "We need to have a compliance coordinator or we need to have da-da-da-da. We need to have case aides to help the workers to meet all the mandates or whatever. So, let's just hire these people and we'll worry about it later."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> So they hire all of these people and their expenses are up and when they submit for their per diem rate, the City says, "Oh, well, this agency is spending a lot more money and putting out more money for services so we'll pay them a higher per diem rate." So that eventually they get reimbursed for the additional staff members that they've taken on. We've never been in a situation where we can do that, where we could say we're going to hire a couple of more people to do all of these things, and therefore, get a higher per diem rate. So there is a lot of variation between what one agency gets paid on a per diem basis.

In addition to these manifest differences, a NPA's capacity to subsidize contracted services affects what clients receive in less direct ways. Explaining that her NPA subsidizes, by more than 10 percent, the salaries of staff for contracted services, an executive director says that her NPA's fund-raising "meant we could do the work the way we felt it had to be done."[6]

> We've also been very lucky that we haven't had the fast turnover that has plagued most of the agencies. First of all, we have a small staff. They like working here. We do try to pay our staff properly.
>
> We really believe this is the way to work with families. When we started the contract with the City, I know that there was a great fear here that the tail would wag the dog, that we would end up so constrained by the regulation that we wouldn't be able to do the work the way we felt it had to be done. Also, because the paperwork is quite unlike anything we'd ever dealt with. And, you

---

[6]Increases in GFO rates in one contracted service pressure the NPA to subsidize, or more heavily subsidize, staff salaries in other programs. A manager explains that one GFO advises him that the State pays $5,000 more a year for staff with a B.A. than his NPA pays and that the GFO is prepared to reimburse contracted services staff by that additional amount. This increase, however, will skew this large NPA's entire salary scale. His NPA "must now decide" how to resolve "that kind of conflict" with its "complications."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> could have that feeling very easily. But experience showed, I would say within two years, we were quite at ease with that. Because what we knew was, achieving some fiscal independence, although it obliged us to do a lot of fund-raising, also meant we could do the work the way we felt it had to be done. It was sort of a trade-off.

NPA subsidy of contracted services can also mean substantial differences in the degree to which staff time is consumed in administrative problems, rather than service provision. The manager in a large agency explains that she was "very lucky" because the NPA covers administrative costs exceeding the contract budget.

> We do benefit greatly. I'm very fortunate. I'm sure some of the smaller programs that are working strictly on their budget have to be very careful about Xeroxing costs and paper costs and things like that. I don't have to worry. For instance, if the Xeroxing bill for this building is X number of dollars, they automatically charge 5 percent of it to me, and then we can pretty much cover that in the budget.

Another manager, now working in a large, wealthy NPA, describes her years in a small NPA, with no funds for subsidy.

> You lived by your contract, and you spent in accord. There were no frills. In other words, if the Xerox machine broke and there was no money, forget it. Pads of paper became a problem.

She explains that the "difference in expectations" of staff in her previous and current positions are enormous.

> What I expected from my staff there and with social workers here, it's like day and night to me. I had twenty-five social workers and a psychiatrist. I never heard that people didn't do home visits, but that we send a car.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Should GFO Treatment of NPAs and FPOs be the Same?

In the struggle to affirm their NPAs' perspective and standards in the game of contracted services, managers grapple with yet another complex question concerning the role of NPAs in GFO service delivery: should GFO treatment of NPAs and FPOs be the same? In recent years, there has been enormous growth in GFOs' contracting with FPOs for human services, with little empirical research of the process or results. (Kettner and Martin 1988, 47-60) Although managers are speaking about businesses in general, and not specifically about FPOs providing services, their perceptions of the assumptions GFOs make in contracting with NPAs versus FPOs are significant.

To play effectively in a game where NPAs will increasingly have to compete with FPOs as well as other NPAs, social work administrators will need to become knowledgeable about similarities and differences between NPAs and FPOs.[7] They will need to acknowledge their preconceptions about NPAs and FPOs and subject them to rigorous testing. The complexity of this acknowledgement and testing of preconceptions is apparent from managers' contradictory perceptions.

---

[7]For a discussion of the similarities and differences, see Richard Steinberg, "Nonprofit Organizations and the Market," in Walter W. Powell, ed., The Nonprofit Sector: A Research Handbook (New Haven: Yale University Press, 1987), 118-138.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Some perceive that GFO treatment of NPAs and FPOs is not the same, but should be. Paradoxically, some of these same managers and others, as well, perceive that GFO treatment of NPAs and FPOs is the same, but should not be. Both these perceptions are described in this section.

GFO Treatment of NPAs and FPOs Not the Same, But Should Be

One manager denounces what she perceives as the GFOs' treatment of NPAs as "quasi-public, attached at the hip," rather than as "a business paid to do a job." She explains that her NPA coalition seeks a "business relationship, not a lopsided relationship" with the GFO.

> Everything I do is a government issue; I can't isolate it. It is almost like working for the government, but I don't believe we're quasi-public. If government pays a contractor, like Trump, is he quasi- public? No. He's only getting money from them. People don't perceive it as business provided for government; but nonprofit is seen as attached at the hip. And, I'm not sure if that's true. It's part and parcel when you have to go to them for almost everything. We're being paid to provide a service--X, Y, and Z and how to do it. That's more the perception, that we're part of them, not separate and distinct.
>
> I think we should be seen more as a business paid to do a job. I don't own you because I'm paying you to do something. It's always true in business that I pay you and expect something in return. [The GFO] wants to never let us get involved in any dialogue regarding the body of the contract and then present it to us in two days and say, "Sign," with 50 million changes from last year. Is this the way business works? No negotiation; I've got you like this? And, with business, the same rules would apply. You work together and compromise.
>
> The [GFOs'] feeling seems to be you need them more than they need you. [The NPA coalition] wants a business relationship, not a lopsided relationship. We just have to take everything. Especially in relationship to the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

contract. We should be more involved at the beginning.

An executive director expresses his resentment that GFOs expect NPAs to trust their word about how they will interpret contractual requirements, when their word clearly cannot be trusted, in part because those asking for trust often leave the GFO before interpretation occurs. He perceives GFOs would never expect the same kind of trust from business. He says he and his NPA coalition colleagues have determined that, "You can't just depend upon somebody's word."

> Nobody in business does that. Ma and Pa business, [maybe]. But basically, in your contracts, you'd better pay attention to them and read everything in them much more seriously now than we have in the past.
>
> It's not a situation where you've known the guy for thirty years and he's always delivered the tomatoes, and you pay next week. It's not that kind of a situation. You're dealing with a fairly huge, billion dollar bureaucracy that's being pressed on, on the other side, by other needs.

Other managers believe that GFOs do not and would not treat FPOs as they treat NPAs. They suggest that businesspeople would not tolerate such GFO treatment. After explaining that she receives no money in one contract for the first six months of each year and, therefore, cannot purchase program supplies during that period, she laments, "I've always said that if a businessman came in and tried to run this program, . . ." Her implication is that a businessperson would be incredulous, go crazy, and be unable to function.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The same manager decries the GFO requirement that compels her, in effect, to wait until six months into a contract before processing a budget modification. She explains the implications and her resentment about not being treated as fiscally responsible.

> It means I'm stuck right now, whatever happens. Somebody I've hired for a new position, I can't give her the salary that she should get until January 1 because it's not on the line. I'd have to take it out of private money. Now, if she said to me, "I'm going to walk if you don't give it to me," we would take it. But she has agreed to wait and take it in stages. But, that doesn't always happen.
>
> In a business and any operation, if you can spend the money where it's needed when it's needed you do better. A simple principle, right? And one assumes that why contract with me if you don't assume that I want to make those decisions? But, the concept is not based upon trust and confidence, it's based upon distrust, and you're going to rip us off. And so, in some of them, they really lock you in.

An executive director expresses his indignation that GFOs assume that NPAs have to be "forced" to "manage like a business," rather than allowing them to manage like a business.

> Social workers are not looked at as good managers. It's assumed that we are not, that we can't handle money, that we're fiscally naive.
>
> And, the problem I have--let's say I'm a for-profit agency, a for-profit company, and you're the City, and I contract with you to give you a product. The bottom line, it says I'm going to give you that product for a million and a half dollars. All you're interested in is that at the end of the year, you've got that product, and I haven't billed you more than a million and a half. You don't tell me how much I can pay my workers. You don't tell me what hours they have to work, where they have to work, when they have to work, how they have to work.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> But, sometimes in nonprofit, the City takes that leeway, and says to me, "Okay, I'm giving you a million and a half. You're going to have to provide X number of services. And, along the way, I'm going to dictate to you who you can hire, the qualifications of your staff, how much you can pay them, what hours they can work, and everything else along the way." And, that's absurd. It's discrimination against the nonprofits because the assumption is that we don't know how to manage, that we're just a bunch of social workers, and we don't know about management. We don't know how to manage like a business, and they're going to force us into it. So, instead, what they do is they force us to operate in gray areas so that we can give them that service at the end of the year for a million and a half.

GFO Treatment of NPAs and FPOs the Same, But Should Not Be

So, some managers, some of the time, believe that GFOs' treatment of NPAs and FPOs is not the same, but should be. At other times, however, they and other managers believe the opposite: that GFO treatment of NPAs and FPOs is the same, but should not be. An executive director explains that what "comes across in the regulations that come down for funding" and in training programs he has attended is the "idea that you have to move toward a more business-oriented approach, and to me that's moving away from the concerns of people."

As an example, this director goes on to describe the implementation of performance-based contracting by the GFO.

> Two years ago, [GFO] contracts went on what's called performance-based contracts. And, we spent the year working out a unit rate, a rate per unit of service. So, for every meal that we delivered, we have a dollar amount that includes staff, delivery cost, cooking cost, packaging cost. For every hour of home care that we provide, we have a unit cost. For every hour of case management. And, we also provide transportation in that

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

contract. So, for every one-way trip, we have a dollar amount.

So, what we do then is we report in units of service, and we're reimbursed at that unit rate. At the end of the year, if we come in below our unit rate, the [GFO] gets the difference. If we come in above our unit rate, we owe them the difference. So, we're in a position with those contracts, and with all our City contracts, of projecting six months before the start of the contract year what it's going to cost us to provide that service for an entire year. And, if during that year our costs go up, we have to meet the difference. They will allow us some modification, but they won't allow us a change in the bottom line.

He then explains his interpretation of the impetus for performance-based contracting and decries GFOs' treating NPAs' providing human services like FPOs' "manufacturing widgets."

So, what's happening is that there's the message coming down from the Federal government that social services are not a priority, that social services have to be cost-contained, and that you have to look at what service you get for what dollar.

And, we're not on an assembly line, manufacturing widgets, where you do 10,000 widgets and every widget is exactly the same, and that unless you're a defense contractor, it's going to cost you three dollars. And, a defense contractor will cost you three hundred dollars.

So every hour of counseling, every unit of counseling, is not the same. It's not going to cost you the same. One unit of counseling might be three hours. One unit of information--information is not calling up and saying, "Oh, I'm sorry, we don't do that, but call this number." Sometimes, a referral takes longer than a counseling session. So, every contact you make on the telephone is one unit, but if you spend two hours referring a person, it's one unit. If you spend two seconds, giving that person the phone number and saying, "Good luck," it's the same unit. So what are you going to do? You're going to try to cut it short.

And, this whole thing with performance-based contracting is basically that. Setting a dollar amount for every

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

unit, and there's no variation allowed within that.

After explaining the problems resulting from a GFO's payment policies, another executive director bemoans the absurdity of the GFO's treating NPAs "just like they would a pencil company."

> They treat us as a vendor. And, the way they treat their vendors, I guess, is they order typewriters and then the typewriter company sends a bill and then they say we'll take four to six weeks to process that bill, and then you're paid for it. And, so that's the way we operate. At the end of a month, we submit a bill to the [GFO], and it takes them four to six weeks to process it, and then they send it to us. So they treat us just like they would a pencil company or something.

Several managers express concern about what they perceive as a GFO push to have human services managed by "people that are more business-minded." An executive director expresses his indignation at this attitude.

> And, if you succumb to that then you also assume then that social workers are less than human, to put it mildly. And, they're all a bunch of liberals that are going to give the store away at the first opportunity. And, I resent it. And, it makes it much more difficult for us to manage if there's that attitude. If the attitude is that what we're doing is not really necessary, and that we're giving things away to people that really don't deserve them, then you're going to look for people that are more business-minded, business-oriented, and create problems.

Another manager is similarly indignant about what the result will be if her NPA is managed by "businesspeople who don't know program."

> I do think that if we totally turn these operations over to people who don't know program, what are we going to be doing? We're going to be meeting contractual requirements. And, that's not going to make it. It's a totally different aspect. But, boy, the people who are

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

here will [leave]. That's not what this agency's about.

An executive director relates another manifestation of the offensive effort to "train us to be business managers." He describes his recent, frustrating experience as a student in a university program in administration of nonprofit organizations.

> None of the people that were [doing the] training were social workers, and none of them had ever been involved in managing a social service agency. The closest they had come to it was [a large hospital], which is, to a social service agency, like General Motors is to the guy that fixes my car. And, I resent, as a social worker, I resent that. And, I'm not saying that we shouldn't be fiscally responsible. But, I'm saying that you're dealing with a human factor, and all humans are not the same.
>
> And, when we talked about managing endowment funds, the example they used was for five million dollars. And, I looked around the room, and I said, "Does anybody here have a five million dollar endowment?" No. "So, don't talk to me about balancing my portfolio and these stocks and these municipals and these funds, because I'm not interested in that. I want to know what's the best two or three thousand dollar CD I can buy and how to do that." They couldn't do that.
>
> They talked about learning to say no. That, if you're at your desk, and you're doing paperwork, and somebody comes to you with problems. They're assuming that their problem is more important than what you're doing, and you have to be able to say no to that. And, I raised my hand, and I said, "Have you ever had an office that was a storefront, and some little old lady comes up to you while you're doing paperwork and tells you that she's about to be thrown out of her apartment?" No, they've never dealt with a client.
>
> And, I wanted to be taught by people who had done what I'm doing and had progressed to the next level, or whatever, and could teach me from their experience. And, that didn't exist, and that's what I resented about it. So, I found less than half of it useful.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Summary

In this chapter, the political issue of the NPA role in GFO service delivery was addressed. For managers, the issue defines the paradoxical nature of the contracted services game. The game is actually at least two games disguised as one, and it requires managers to accommodate the perspective and standards of the GFO while they simultaneously affirm those of the NPA.

From managers' discussion of their efforts at accommodation and affirmation, five questions which emerged about the NPA role in GFO service delivery were considered. Which characteristics of the NPA are significant? Does the GFO or NPA "own" the client? What is the function of the NPA Board of Directors? What are the implications of NPA subsidy of contracted services? Should GFO treatment of NPAs and GFOs be the same?

For managers, the significant characteristics of the NPA for delivery of contracted services are size, continuity, and control. They believe the NPA's small size relative to the GFO enables higher quality services, that larger NPAs facilitate easier administrative management, and that NPA advocacy is proportional to the relative size of the contracted service in the NPA's budget. Quality, they believe, is also insured by NPA, rather than GFO, delivery because of the greater continuity in a NPA's service philosophy and leadership. Managers associate quality with control over

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the day-to-day work, and they struggle to maintain the contracted services' identity separate from the GFO's, to have programs evolve from client rather than GFO needs, and to secure GFO funds.

In some contracted services, clients are selected by the NPA; in others, by the GFO. Regardless of who selects the clients, however, the major manifestation of the question of client "ownership" is around confidentiality: from whom is the client protected against violations of his or her privacy? The divergent GFO and NPA perspectives on client "ownership" and the corresponding implications for confidentiality were discussed.

The ambiguity of the traditional function of the Board of Directors was reviewed. Then, managers' perceptions of the Board's function were examined. On the one hand, managers perceive the Directors as irrelevant in the contracted services game. They believe that contracting is affected by political forces too powerful and complex for Directors to affect and/or that it is inappropriate and/or impossible for Directors to be involved in the operational problems of contracting. On the other hand, managers view Boards as critical in financing the NPA's ability to affirm the NPA perspective and standards. Boards' fund-raising enables the NPA to remain solvent, to maintain a budget with less than 50 percent government funding, and to insure balance and control.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The implications of NPA subsidy of contracted services were analyzed. The NPA subsidy was found to distort both who gets services and what services they get. Who gets services is distorted when the availability of a subsidy distorts which NPAs participate in which contracted services and when subsidies enable clients to continue to be served when they are no longer eligible for the contracted service. Evidence of the power of the distortion is evident in efforts by GFOs to seize the subsidies. Such seizure may either broaden the availability of services or discriminate against those without access to NPAs with the capability to subsidize contracted services. What services clients get is distorted when NPAs with subsidies have the leverage to influence contract requirements, when subsidies enable increased expenditures which generate greater GFO reimbursement, and when subsidies presumably increase quality by enabling less staff turnover and more staff attention to service than to compliance or administrative effort.

Managers' view of whether GFO treatment of NPAs and FPOs should be the same is contradictory. On the one hand, some believe GFO treatment of NPAs and FPOs is not the same, but should be. On the other, some believe GFO treatment of NPAs and FPOs is the same, but should not be.

Some managers believe GFOs perceive NPAs as quasi-public, rather than distinct from the GFO, as a FPO would be seen. Others feel that NPAs are expected to trust GFOs,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

while FPOs are not. They believe that GFOs do not and would not treat FPOs as they do NPAs. In each of these beliefs, managers assert that the GFO should treat NPAs as they do FPOs.

For other managers, the GFO treatment of NPAs and FPOs is the same, but they maintain it should not be. They believe GFO pressure for NPAs to be more "business-oriented" is moving away from the concerns of people, that NPAs providing human services should not be treated like FPOs "manufacturing widgets." Managers resent GFO payment procedures being the same for NPAs and FPOs. Finally, they decry the push to have services managed by people who are "more business-minded."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER XII

POLITICAL ISSUES: PREREQUISITES FOR MANAGERS

Introduction

The overwhelming majority of NPAs in the human services receive government funding. All managers in those NPAs that do, therefore, are obliged to play the contracted services game. In Chapters IV - XI, the culture of managers, their acquired knowledge, has been described in terms of the game metaphor.

The sum of their acquired knowledge indicates prerequisites for NPA managers of human services. However, managers, particularly in response to questions about what their NPAs should look for in their replacement, reflect specifically on these prerequisites, a third political issue in the game of contracted services.

What is required to be an effective NPA manager? What is necessary to play the game of contracted services? There is an ongoing debate about whether the demands of management are the same or different, across organizational types.[1]

---

[1]See, for example, Michael O'Neill and Dennis R. Young, "Educating Managers of Nonprofit Organizations," in Michael O'Neill and Dennis R. Young, ed., Educating Managers of Nonprofit Organizations (New York: Praeger Publishers, 1988), 1-21 and Dennis R. Young, "Executive Leadership in Nonprofit Organizations," in Walter W. Powell, ed., The

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

This debate reflects the increasingly political issue of prerequisites for managers of contracted services, as GFOs make decisions about whether to contract with FPOs, in addition to, or as opposed to, NPAs. Further, funding for education and training programs reflects GFO and/or foundation points of view on prerequisites for these managers. Finally, though a veto appears to be exercised rarely, GFOs typically have contractual power to set the position requirements and approve the director of a contracted service.

Social work administrators' stake in the definition of prerequisites for managers of contracted services is high, indeed. In the social work administration literature, the position seems to be unequivocal.[2]

> the characteristics of organizations are important contingencies that appear to condition the way in which managers order their priorities, the strategies and tactics they employ to achieve their purposes, and how they allocate their time and energy. (Patti 1983, 27)

Further, social work administrators and educators perceive that,

Nonprofit Sector: A Research Handbook (New Haven: Yale University Press, 1987), 167-179.

[2]See, for example, Simon Slavin, "Different Types of Nonprofit Managers," in Michael O'Neill and Dennis R. Young, eds., Educating Managers of Nonprofit Organizations (New York: Praeger Publishers, 1988), 83-94; Morton I. Teicher, "Who Should Manage a Social Agency?" in Simon Slavin, ed., An Introduction to Human Services Management, vol. 1 of Social Administration: The Management of the Social Services, second edition (New York: The Haworth Press, 1985), 44-49.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> it is not only a thorough appreciation of the substance of the social organization's purposes and functions that is required for executive effectiveness and proficiency, but also a profound identification with and investment in the values and ethics which are associated with those purposes and functions. (Levy 1982, 72)

In this chapter, managers' explanations of the prerequisites for their jobs are discussed. For them, prerequisites are not only what the job demands from them, but what about the NPA enables them to do the job. This dual understanding of prerequisites may explain why these particular managers, in these particular NPAs, are effective and are skilled players at the contracted services game. First, what the job demands from managers is considered. Second, how the NPA enables managers to do the job is examined.

Prerequisites: What the Job Demands from Managers

For managers, the prerequisites for the job are basic administrative and political skills and a philosophical perspective. Their accounts of these requirements are discussed next.

Basic Administrative and Political Skills

While the administrative and political demands of contracted services' management may require extraordinary skills, the nature of the skills appears to be basic, that

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

is, obvious and understandable.[3] As one manager explains, "I don't think it's fancy, the skills." A compliance coordinator says, "I think you need to be a very well-organized, rational person with good administrative skills." Another manager catalogues the skills.

> You have to be very well organized. You have to work hard and put in a lot of time on your job. You have to be able to deal with a lot of different kinds of problems from the sublime to the ridiculous, from the more abstract to the more concrete. You have to be able to assimilate a lot of different kinds of rules and regulations, keep them in mind. And, I think you have to have good techniques and abilities around interviewing and hiring staff because those are crucial decisions. And, you have to have some ability to get along with people. I would prefer it if somebody had more patience than I have, but I have enough at least.

"To be able to deal with a lot of different kinds of problems," requires both being able to take "a stupid thing seriously" as one manager explains and, as an executive director says, "appreciating the ramifications," often profound, of contracts.

> On some of the UCRs [Uniform Case Record], I hadn't signed off. I'm still trying to develop a corrective action plan for that. I'm a few months late. I have to come up with something that takes a stupid thing seriously. That's what I'm still trying to figure out. And, so far they haven't missed my corrective action plan.
>
> You've got to appreciate the ramifications of these things, and I don't know what quality that is in a director, but you're signing a contract, a legal document. Everything you do with the State is, in one way

---

[3]The managers' view of the skills being basic is consistent with the "handyman model" of the role of managers. "The handyman model is the least glamorous, but it is also the one best supported by the few empirical studies of what nonprofit executives actually do." (DiMaggio 1988, 53-55)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> or another, legal and has ramifications and it usually only comes to the fore when there's a crisis of some sort and you get accused of not doing something or something happens--a death, there are certain requirements for reporting those, and injuries and so forth. So there's a whole range of crisis-type things that can strike and all of a sudden they're pulling out these contracts and functional program things and all this crap you signed and notarized.

The nature of the political skills required for the management of contracted services is also described by managers in basic terms. A manager in a large NPA explains the importance of being "very politically savvy."

> I'm very politically savvy, and that has really helped me in this [NPA] system and with [the GFO]. And, I've learned that from watching my supervisor and [her supervisor], and I think I know how to present to our funders the real important, salient issues that make our program attractive, as well as worthy of continuing support. I think that is very, very important.

Another manager gives a graphic description of the importance of her political skills within the NPA.

> There's an old boys' school here, among the directors. And, there can be a lot of resistance to change. And, new kids on the block don't get accepted too quick. And, they feel that they can get overlooked for other things. I'm telling you rock bottom how it is.
>
> I really wanted to stay at the agency. And, I just continued to make them more and more dependent on me in a lot of different areas. And, it got played out.
>
> I write very well. I have a sense of how things are to operate. If you've never done it, if you've never treated a patient, would you go in and treat a patient? It doesn't come from the books. If you've never held somebody who's crying, what the fuck do you know about this? If you've never wiped a kid's runny nose, do you know? It's not because I've had all this training, because I have a doctorate. It's because I can go and I can teach and I can do, and I don't mind getting my hands dirty. And that's my power. And, in my own way, I have a lot of power.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

A Philosophical Perspective

According to managers, the other prerequisite for their jobs is a philosophical perspective. To translate this "capacity to view things in their true relations or relative importance" into action when values and goals conflict with "good" management requires a sophisticated balancing act. (Webster's 1988, 878) An executive director says, "I guess you have to have the ability to always juggle X number of things at one time." The "X number of things," though, are not just tasks; they are values and goals and management imperatives. In this section, managers' descriptions of what is required to perform the balancing act are discussed.

A compliance coordinator explains the overriding importance of perspective for managers of contracted services.

> I think the most important thing is keeping in perspective what your job is. I really think that's the most important thing. You could get so caught up in the forms that that could overtake you. That could become your whole job, is to become a forms expert, and you lose sight of who the kids are, and the families, and the people who work in the system, and what the system's goal is, and what the system is responding to in terms of the larger social issues. If you lose sight of all of that, then most likely you're not going to do your job well, is the way I see it.

She then describes how she does not "lose sight of all that."

> I think because of my many different roles here, it probably helps. Because I'm admissions, I get that aspect of it, of the people desperately needing to come in here, and what they've been through to get here.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> And, then, social work students have come and that whole perspective. I think that really does help. And, then, just being willing to listen to people out there, even if they're angry and upset about what I have to do, kind of thing. Being open and hearing what's going on. And, then, also I try and balance out my job and not making it all compliance stuff. I still see some families. So, I do that for my own sanity. Because the job can be absurd.

Another manager describes what happens when one of her program directors becomes overwhelmed with the GFO compliance demands.

> The director, who's been with the agency since that program opened, sometimes comes in and says, "I'm working for [the GFO]. I'm not going to." She's just enraged. "How can I keep doing this? I don't want to work for [the GFO]."

To keep the director, the manager does for the director what the compliance coordinator does for herself. She tries to "balance out her job and not make it all compliance stuff" and to emphasize the "value to having people who knew what it was like before" the program was GFO-funded.

> One thing that's been great--she now supervises the drop-out prevention, as well, so that's gotten her into a much more primary prevention, less paper-driven, regulatory program. And, because she knows that there is value to having people who knew what it was like before and has struggled to maintain some integrity.

An executive director says he performs the balancing act between good management and his "primary responsibility to the people that we serve" by defining contract compliance as "the best quality of service," not adherence to the letter of the law. He says he will "stretch things" as necessary, "as long as the money is not going into anybody's

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

pocket."

> I think that I'm a damn good manager, and I think that we've got on staff excellent managers, but basically the way I've run the agency--is that our primary responsibility is to the people that we serve, and if we have to fight our funding agencies, and if we have to stretch things, [we do]. As long as the money is not going into anybody's pocket, as long as we're providing the best quality of service, as long as we're meeting our contract, I see nothing wrong with it.

For one manager, there is something about social work experience and values that makes it possible to do the balancing act required to manage contracted services.

> I believe have clinical background, have been out there in the field, and somebody with experience. I've learned in my old age. I used to say as long as somebody has other kinds of experience. But, not only do you need experience, you need experience as a social worker. And, I had a lot of experience before I went into social work so that's why I used to say the other, but there's something about being in the field, dealing with the values, dealing with what it means to be a social worker. I think it does make a difference, and I'm not able to articulate it.

A compliance coordinator feels social work experience does not "make a difference" because much of the balancing act involves "common sense issues."

> I would want a well-organized, compassionate person who had a good sense of himself. That would summarize it. I don't think it matters if their background is in social work or not. I really don't. Maybe I don't give myself enough credit, but I think you're dealing with a lot of common sense issues, and they're not deep clinical issues where you need any kind of advanced clinical training.

She defines "common sense":

> Things that might occur outside of work, too. Just kinds of decisions that have to be made, so you could tell what's good for a child, as opposed to what's good for a State Department. Those kinds of things.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Another manager describes her struggle with losing sight of goals.

> I think for me the biggest problem is getting lost, not lost, getting so immersed in the day-to-day contract, budgetary, units of service issues, and losing sight of either why those requests, those demands are not appropriate, in terms of trying to respond to them on a particular level. In terms of why are they doing performance-based contracting? Why do they approach it this way?
>
> You never have time to step back and plan. And, I think particularly contract requirements, the tendency, or the danger, certainly for me, is to respond constantly to the specific. We must meet these demands. Gee, how are we doing in the contract in terms of spending our money? Can I hire somebody in terms of accruals? How do I get that? We don't have a computerized fiscal system here. So, a lot of stuff is manually, and I have to have somebody else to do it, and then they're new, and they don't know what they're doing. And what happens is, because I'm a perfectionist, and I want to know, I spend a lot of time looking at those kinds of figures, and that's why I said crisis. [Crisis] in terms of what to do at that moment, rather than being able to sit back.

She then explains how she maintains the balance between goals and compliance demands.

> Many times I don't. It's very, very hard. All right, in answer, if you want an answer to your question, I guess for me the way I do it is I'm very clear what my goals are and just keep those inside of me. It's like if I didn't have clear direction and goals for myself, I would just wander down this path or that path. This day I wander down this path; that path; that path.

Asked whether she differentiates these goals from those of the NPA and GFO, she responds,

> Yes, oh yes. In terms of what I want. I want comprehensive care for older people. And, whatever that means, within my human possibility, I will pursue.

In performing the balancing act between their goals and values and "good" management, managers must simulta-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

neously find a personal balance in the imbalance between the magnitude of the problems and the insufficient resources society is willing to apply to them. For many managers, the balance comes by involving themselves in NPA coalitions fighting for increased resources.

One manager describes the daily struggle of living with this imbalance between problems and resources.

> When you're working with a homebound, isolated elderly person, you could spend all your time with one client because of the tremendous need, and yet the contractor's saying you must see more people. And how do you live with that? And how do you help workers realize that they may not? And yet the needs are greater, but that's something we live with as workers, people in our society. And, the need gets greater and the resources become less and less, which means that units of service have a lower value. In terms of dollars, we want to do more; you get the same.

An executive director talks about the "terrible choices" involved in finding a balance.

> There're cases where we worry a lot. But, so do they. And, sometimes you just need make your judgment. Are the children at more risk staying at home? Would they be at greater risk if they got moved into a system where we know what's going to happen to them now. They're going to lie in the Emergency Children's Shelter on the next block, which we all know shouldn't exist, which is an abomination. Do we really want to put them in there? In and out of [GFO] offices? It's a terrible choice. If there were a warm, loving, wonderful foster home available, we might think differently, but you have to make judgments. I don't know. You do get caught in trying to avoid the worst, to make the best decision you can in a very bad situation.

Another manager describes her experiences in trying to hire someone to do quality assurance. She finds that those with a health care background are very serious about the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

relatively uncomplicated struggle with life and death issues. But, she believes that the complexity and intractability of the problems her NPA addresses insure that "if you don't keep this in perspective, you're a dead duck."

> I've interviewed a lot of people who have taken Master's. They've graduated in Master's level programs in Public Health. Because when I went in for a quality assurance person, mainly it's in the health system, is where quality assurance comes from, hospital administration.
>
> And, I sit there with these people, and they're all so serious. If you don't keep this in perspective, you're a dead duck. Especially in the child welfare system where it's all kind of new in a sense. In hospital administration, it's life and death. Every single thing becomes life and death. A medication error is life and death. Health and safety, just in a room where the person is highly allergic; they're all life and death things, and there's a whole different attitude about it.
>
> Here, I think, it's a developing attitude, and there's a sense, definite sense, that it's important, and that it does affect quality, and it improved quality. But, the perspective is just like we cannot save the world. We cannot in this sort of place here. Housing is still a problem. Drugs are still a problem. AIDS is still a problem. We can't prevent that stuff. So, I always try and keep in perspective what our goal is here.

Prerequisites: How the NPA Enables Managers to Do the Job

Effectively playing the contracted services game requires that managers have basic administrative and political skills and a philosophical perspective. But, these skills and perspective, while necessary, are insufficient. There are prerequisites for the management of contracted services that NPAs, not managers, must satisfy. According to managers, these prerequisites, which they need the NPA to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

meet to enable them to do their jobs, are freedom and support. Each of these prerequisites is discussed next.

Freedom

Paradoxically, it seems that managing, by choice and effectively and despite rigid, detailed, and intrusive GFO contractual regulations, requires that the NPA give the manager the freedom to function, to be creative, and to take risks. Asked what difference it would make if her contracted service became a direct GFO program, a manager is stunned, but responds without hesitation.

> We'd all quit. It's the [GFO's] system. It's so chaotic. The thought of it even boggles my mind. I'm not sure I can answer your question.
>
> First of all, we do have the luxury as a voluntary agency of not having to take every case that comes through the door. The City can't do that. So sheer numbers, I think, make it very tough for the City. We don't have that. I have some control over my destiny and my workers.

Three different managers describe what the freedom to function means to them.

> They don't know what I'm doing half the time. I guess they do. I don't know that they do. We do our own thing around here. And, I don't really want it to be otherwise.
>
> They really respect and give me the freedom with what I'm doing. More than usual it would be me who would go to them and ask for input than them even commenting on the things that I'm doing.
> Here, I do what I think is necessary. I'm given fairly much free rein. And, few people really understand what I do other than I get the job done. And, we keep getting better evaluations. I have nobody really looking over my shoulder.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

In addition to valuing the freedom to function, managers prize the freedom to be creative. In diverse ways, other managers talk about this freedom.

> We have a lot of freedom around here on the executive level to be creative.
>
> I always feel like I'm not doing enough. I think that that's the nature of the animal. For me, to be honest with you, I feel like my expertise happens to be that I'm much more of a creative thinker probably than a professional kind of manager.
>
> In general, I would think that people would want to be in a private agency rather than government because there's a sense of more control over what they do and how they do it and input into that because they do have more.

Another manager values the creativity that comes with the non-GFO funds raised by the NPA. With GFO funds, he explains,

> It's there. It's always set. You can be creative within that, but it's already set. It's time-limited. Time you start something, it's over.

He values being able to develop programs with other funds because,

> It allows you to be much more creative than having to try to meet some deadlines and requirements and statistics that're set up by a funding source.

Another freedom that managers apparently value in the NPA is the freedom to take risks. This is consistent with the empirical research that indicates that "nonprofit executives almost inevitably put themselves in some kind of jeopardy--financial, professional, legal--if they are to get things done." (Young 1987, 177) The willingness to take

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

risks pervades managers' stories.[4]

Their career paths reflect a willingness and desire to seize possible opportunities and take risks. For example, two of the executive directors began working as volunteers with their NPAs. One was recruited by the NPA Executive, when the two met at a university recruitment fair where they were representing their respective colleges. The Executive offered him a ride home. He began volunteer work for the NPA, eventually left his job and took a paid position, and six years later was himself the Executive Director. The other manager began work for the embryonic NPA as a student, was then employed on a State Hospital's janitor line to work for the NPA, and eventually became the Executive Director. An indication of his ability to seize opportunities is his description of his recruitment of a Board member: "I met one guy on a plane."

All of the other managers, whether they were new to their NPAs or had worked there for their entire professional careers, were risk takers to some degree. They are the ones

---

[4]Risk-taking is inherent in entrepreneurship. For reports of his research on entrepreneurship in nonprofit organizations, see Dennis R. Young, If Not for Profit, for What?: A Behavioral Theory of the Nonprofit Sector Based on Entrepreneurship (Lexington, Massachusetts: Lexington Books: D.C. Health and Company, 1983), Dennis R. Young, Casebook of Management for Nonprofit Organizations: Entrepreneurship and Organizational Change in the Human Services (New York: The Haworth Press, 1985), and Dennis R. Young, "Executive Leadership in Nonprofit Organizations," in Walter W. Powell, ed., The Nonprofit Sector: A Research Handbook (New Haven: Yale University Press, 1987), 167-179.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the NPA turns to when programs are consolidated, when new programs are added, when change has to be managed. They are the ones who, on their own initiative, develop proposals, carve out positions for themselves, and assume leadership in NPA coalition efforts. They are the ones who will risk the unknown and seem to thrive on on-the-job training. They are the ones who skillfully play the paradoxical, crazy, hazardous game of contracted services.

After describing how her NPA is going to resolve a "catch-22" GFO requirement by having one program, without GFO authorization and in technical violation of the regulations, serve two populations, she explains,

> I realize the risk [but said] let's go with it because I really believe it's providing service. It's not going to benefit me. It might make me crazier in the long run.

An executive director explains how he gets a new facility for his NPA. Like all risk takers, he cannot wait "till all of the pieces were in place" because "they're never all in place. We just had to go ahead and do it."

> We just knocked ourselves [out] collecting pennies, literally. What we fashioned was a corporate campaign, and it's moved very slowly because their sense is, "I only have my warehouse there; my main office is in _____, and I live in _____. I give my money in [those two places]. I'm not part of the community." So, it's been a real education process, and essentially what we're doing is establishing a base of funding that will develop over the years.
> So, we got some government funds. We did a lot of community fund-raising, and we ended up in pretty good shape. We ended up taking out about $200,000 in short-term notes--and of that $200,000, at this point now we're $130,000 shy--but we've still got three years to raise that money, so I'm confident that we'll do it.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> It was the kind of thing that if we waited till all of the pieces were in place, we never would have done it, because we would have lost the place. And, they're never all in place. We just had to go ahead and do it. Now we can actually walk potential contributors through it, and they can see what's going on. It makes a lot more sense than just looking at a plan and a brochure.

Support

As much as managers value the freedom which they get from the NPA and consider it a prerequisite for management of contracted services, they simultaneously value and consider support to be a prerequisite. Paradoxical as valuing both freedom and support seems, it is consistent with the conceptualization of contract management as game playing. "SUPPORT, UPHOLD, ADVOCATE, BACK, CHAMPION mean to favor actively one that meets opposition." (Webster's 1988, 1186) To play the game of contract management is to "meet opposition."

Whether they are the executive director, a compliance coordinator, or a program manager, managers receive many kinds of support from the NPA. The fundamental support they value is working with people who share their service philosophy, whom they respect and trust and, in turn, being respected and trusted by them. An executive director explains what the Board should look for in his replacement.

> I guess the most important thing is the ability to hire people who, one, you can trust and who know what they're doing. I don't have any clinical background. A lot of agency directors are social workers or psychologists or something. But I can hire people that I know do a good job and I can see the result of what they do. The same

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

> you need to hire people in the fiscal department and the development department. I think, [be] a good judge of character and ability to get people to work for you.
>
> And, you have to have an understanding of what you're trying to do to begin with so you know if it's going in the right direction.
>
> I have a philosophy about treatment, even though I'm not a trained treater. I can see what I like and what I don't like, and my clinical people know that, and I hire the kind of people who have the same sort of philosophy, and we get those results.

He goes on to explain his philosophy and that "it's who you've got out there doing the job" that matters.

> We're not a maintenance program, we're here to help people get better and get out and I want to see people get better and get out. And, it happens. I've hired people who are good at motivating people, who are creative and who are intelligent and apply themselves toward that end. And, I see staff from other agencies, and you see the difference between somebody who is going to the apartment three days a week and talking to people and then writing that up and nothing happens. And, you see it a lot. 'Cause it's that that makes the agency. It's not the program requirements, it's not the funding. It's who you've got out there doing the job.

For a compliance coordinator, support means that when she decides the NPA will not meet a GFO requirement, her decision is respected.

> I told the Executive Director. And, she really does accept the things I say really. Because I think I'm considered a fair person who's not a lazy person. I'll do whatever I think is reasonable or not reasonable at times. So that when I come to a conclusion like that, I guess it's accepted.

Another manager explains the difference in such support in his NPA and in the GFO.

> In general, there's just about no one on the staff that I don't respect. I'm tired of walking into [the GFO] and watching people read newspapers. I am tired of

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

watching how [the GFO] scapegoats middle management.

One manager explains that respect and trust translated in her program, in a very large NPA, into "a lot of real extra, extra stuff."

> When we do things for patients, like Christmas parties and stuff, we do it like a team. We've really been very lucky. They bring in boyfriends. One staff person's husband was Santa Claus; the other staff's boyfriend was the photographer. I found a friend to come in and do magic tricks. [One's] husband brings our [financial reports] down to [the GFO]; he's retired, so she doesn't have to go down to [the GFO] everyday. There's a lot of real extra, extra stuff that goes on here. I'm not sure exactly what that's about.

Managers want freedom, but they want the support of knowing that those to whom they report know what is happening in their programs and are advocates for what they need to function. One manager describes her executive director.

> [The executive director] is very supportive. He really is, which is nice. And, he's a very hands-on executive director. He's very connected to his programs, which I don't know that you get in every big agency.

Another manager in a very large NPA describes her department head.

> She's a real advocate for [this department]. You can always count on her to fight with the administration and [other departments]. And, when there've been threats for cutbacks, and sometimes there have been cutbacks, she's always been able to come up with creative ways to reduce the effects of cutbacks. That is, "I will give up my vacant positions but not the ones that people were in." So, when other departments have sometimes had people even laid off or cutbacks in this and that, [this department] has come through pretty well. Maybe we're giving up positions, but we've never given up live positions. So, she has real skill that has come from [all her] years of being at [this NPA] and is a real advocate for her department.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

One manager explains how she values the support inherent in her NPA's ability to subsidize GFO payment delays.

> I may have cash flow problems for a few months. But, operationally, I don't ever have to think about that. I simply do not have to worry about whether we're going to have payroll. I don't worry about it. I don't think I could do this. I couldn't ask people to work at the salaries that they work at and then worry about whether they're getting paid because jerky bureaucrats can't deposit vouchers and stuff. I just couldn't do it.

Repeatedly, managers face crises as they manage contracted services. They make the hard decisions; they take the heat. But, they need support from those with whom they work. After explaining what happens after a child in one of the families her program is serving sets his house on fire, killing his mother, the manager concludes,

> These are things that make a big difference, to have people who are very, very, very supportive. Also, we do a lot on a management level out of the team. I never feel like I'm alone.

A manager describes the reaction of the other executive staff when she mandates compliance with a very unpopular GFO requirement. For her, without the "unconditional love" from senior staff, "you might as well jump."

> They commented the same as others, but not with the same gusto. I guess I get more support from up above, more unconditional love 'cause if you don't get it there, you might as well jump. That's probably the best way to describe it. They will ask questions, and I'll bring to that group some critiquing. But then, there's obviously a different viewpoint when you're coming from the administrative angle where you must look at all sides and you must look at where the money's coming from and all the other things, as opposed to the day-to-day work here, where you're living with that.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Another manager explains that despite fighting among the NPA staff and their resistance to change, she knows she will have their support if she ever has a personal crisis.

> But underneath it all is that if anyone of us were in trouble of this executive group, they're all there. They're all there. See, they can want to kill you, but they're all there. If there's a family problem, if there's a divorce problem, they're all behind you. And, that's the good part of it.

Managers also consider support from a NPA coalition to be a prerequisite for playing the game of contracted services. They use these coalitions to learn the game, to gain some control over the game, and to get courage to continue to play the game. Throughout these findings, the importance of coalitions for managers has been indicated. One manager describes what it means to her to go to meetings of her colleagues in other NPAs.

> A lot of these issues are discussed and [we] sort of share and support each other and console each other and deal with these things. It's really quite difficult.

Summary

This chapter examined the political issue of the prerequisites for managers of contracted services. The sum of the acquired knowledge of managers, reflected in the total findings of this research, indicates a broad range of possible prerequisites. However, managers address this question specifically, and their responses were analyzed.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The social work administration literature takes the position that the demands of management are unique in the human services. Managers have a dual understanding of the prerequisites for management of contracted services, for effectively playing the game. One set of prerequisites involves what the job demands from the manager. The other set involves how the NPA enables managers to do the job.

Managers believe that basic, as opposed to esoteric, administrative and political skills and a philosophical perspective are prerequisites for the manager of contracted services. That the administrative and political skills are basic is consistent with the limited empirical verification of the "handyman model" of management. The philosophical perspective required involves an ability to perform a sophisticated balancing act when values and goals conflict with "good" management. Simultaneously, managers must be able to find a balance in the imbalance between the magnitude of the problems they are addressing and the insufficiency of the resources society is willing to apply to their resolution.

Skills and a philosophical perspective are necessary but insufficient prerequisites for managers of contracted services. They also require freedom and support from the NPA. They need the freedom to function, to be creative, and to take risks. And, they require trust and respect from co-workers, advocacy from their superiors, the feeling of being

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

part of a team, and association with their counterparts in other NPAs.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

CHAPTER XIII

SUMMARY AND CONCLUSIONS

Introduction

This research effort explored the culture of nonprofit agency managers of contracted services. The findings show the reality that managers of these services "know," what they "have a practical understanding of" and "perceive directly." (Webster's 1988, 665) This rendering of managers' perceptions of what they do and why is significant for social work because contracting is now so pervasive in the delivery of human services and little is described empirically about the management of these services, whether contracted or not. In this chapter, the findings of this study are summarized, and the implications of these findings for social work administrative practice and education, policy, and research are discussed.

The Findings

To unravel the knowledge of these managers, it was necessary to identify and analyze their reality through their primary metaphor: managing contracted services as a game. The game metaphor, like any metaphor, has "its own

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

injunction or directive: a mode of understanding suggests a mode of action." (Morgan 1986, 334) When it was recognized that managers of contracted services think about what they are doing as a game, a coherent explanation emerged for the ways they act.

Game is a familiar metaphor, often associated with political ambition. However, the game metaphor connotes much more than playing for power. Its ubiquity and potency are a consequence of its simultaneous simplicity and complexity.

Although the derivation of the word game is "amusement," a game can be played for very serious stakes. A game is any "competition conducted according to rules with the participants in direct opposition to each other." (Webster's 1988, 504) Yet a game is much more. Thus, a game can be dissected by the nature of the competition, the basis for and impact of the rules, and the skill required of the participants.

The game metaphor is so compelling to managers because it captures the paradox of management.

> . . . most management principles appear (and in fact are) so simplistic. Without elaboration, they can be written on one page. But knowing the end result doesn't help much in getting there. The principles of management neglect everything that's problematic in converting good intentions into good results. (Sayles 1979, 7)

If "the goals alone of football, chess, or any other game" were substituted for "most management principles" and

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

"principles of management" in Sayles' observation, it would be as true. But any game involves not just goals, but an imperative to take actions continuously to achieve them. The game metaphor evokes "principles," but also yields a way for managers to think about "getting there."

The way managers play the game reveals a great deal about how they go about "converting good intentions into good results." The functions and dynamics of the game metaphor indicate managers' fundamental skills and driving forces. How managers seek clarity of purpose emerges from their cognitive maps. And, the ways they handle the administrative, ethical, and political issues of contract management graphically define their "converting" process. Each of these sets of findings is discussed below.

Functions and Dynamics of the Game Metaphor

Repeatedly, managers talk about the game of contracted services as being "crazy," "a nightmare," "a catch-22," or some similarly intense adjective or noun. What they invariably mean is that the contract and the contracting process either conflict with reality or are inherently contradictory. Throughout the findings chapters, there have been multiple examples of these conflicts and contradictions. The game metaphor vividly illuminates the "craziness" managers describe, for in the contracted services game, the NPA and GFO "teams" come to the playing field, to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

play some combination of the following:

Different games; and/or the

Same game, but

by different rules; and/or

by different rules, but they agree to pretend to be playing by the same rules; and/or

the rules have so many meanings that they are called rules, but are really not rules; and/or

each rule has only one meaning, but it contradicts another rule; and/or

the interpretation of the rules changes depending on who the current referee and/or Sports Commissioner and/or fans are; or

The NPA team simultaneously plays many different GFO teams, and in each of these games all or some of the above possibilities occur.

No wonder managers describe this contracted services game as crazy. In recognizing and trying to come to grips with these conflicts and contradictions, managers find that the game metaphor enables them to understand, get control of, and keep in perspective what is happening and what they need to do. These functions explain the fundamental purposes for which managers use the game metaphor. And, being able to understand, get control of, and keep in perspective the game of contracted services are their elemental skills in playing the game.

The dynamics of the game metaphor generate a conceptual and analytical structure for understanding what motivates and/or induces managers of contracted services to act,

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

or not act, as they do. What drives them to play, and continue to play, this irrational game? Like players in any game, they strive to accomplish a goal, navigate the playing field, survive the competition, master the rules, develop and implement strategy, feel challenged, experience enjoyment and, possibly, win.

Managers' Cognitive Maps

Whatever drives managers to play the "crazy" game of contracted services, they do so with a striking clarity of purpose. This clarity emerges from their cognitive maps about this game.

> In an organizational context, managers are confronted with a stream of events, actions, and information from which they fashion meaning and take action (or vice versa). It is a fast-paced world of complexity in which judgment is a key resource and where fragmentation, negotiation, interruption, delay, and pressure are commonplace. The human limitations that managers bring into this setting--limited ability to process information, perceptual biases, reliance on simple models of reality, and the rest--are often blamed for the failures of decision making. In fact, these limitations are probably the only things that keep managers sane and make any action at all possible. (McCall and Kaplan 1985, 105-106, emphasis added)

In regard to contracted services, managers have four cognitive maps, which are summarized next.

Roles of NPAs versus GFOs

Managers view the NPA as either a partner or "cordial adversary" of the GFO. How they perceive these roles

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

pervades their decision making about contract management. Whether they pursue a contract, their approach to implementation, and their posture toward auditors reflect their perception of NPA and GFO roles.

GFOs as Chaotic Organizations

Managers perceive that the chaos in GFOs is either incomprehensible or is a result of their lack of control over the problems they are trying to address, their own organizational structures, or their own staffs. The major manifestation of this GFO chaos is perceived by managers to be lack of coordination, with related GFO functions either separate or antagonistic. As a consequence of this lack of coordination, the GFO is unable to move efficiently, operate effectively, or make changes expeditiously. Amid the chaos, however, managers do acknowledge the existence of "islands of good people" within GFOs.

GFOs' Perception of NPAs

Included in managers' cognitive maps for contracted services is their map of GFOs' map, that is, their perception of the GFOs' perceptions of NPAs. Managers perceive that GFOs view NPAs on a continuum from contempt to respect and have a perception of NPAs which is deficient and reflects the political climate.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Individual Cognitive Maps

Much about playing the game of contracted services is universal to all managers. However, each manager plays the game of contracted services in a unique way based on his or her individual cognitive maps. These maps evolve from what has been learned from the field of service, from the current NPA, from previous jobs, from education, and from family background.

Administrative Issues in the Game

Formally, the rules of the game of managing contracted services are the contract between the GFO and NPA, but the rules are often ambiguous and even when they are not, they frequently conflict with reality. Whatever the rules and reality, managers still find a way to play the game. Thus, they have strategies to comply with the rules when that seems possible and to change the rules when it does not.

The NPA and GFO meet as opposing players in the audit. Managers experience GFO audits as ubiquitous, disruptive, and aggravating. They view auditors' grasp of NPA reality on continua of experience, substance, and responsiveness.

Managers have strategies, both within the NPA and with the GFO, to effect contract compliance. They have process-oriented and goal-oriented strategies to effect change in the contract and/or contracting process. These strategies are recapitulated below.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Strategies to Effect Compliance: Within the NPA

- o Engage staff in the compliance effort
  - Be part of a circle, not on top of a ladder
  - Develop good working relationships with all staff
  - Involve staff in design of accountability systems
  - Decipher contract requirements for staff
  - Expect accountability, then supervise for it
- o Conduct internal audits
  - Avoid surprises
  - Supplement, not supplant, supervision
  - Involve yourself in statistics
  - Enable evolving solutions and problems
- o Make compliance easier for staff
  - Display contract requirements and performance status
  - Partialize and spin off task responsibility
- o Use requirements to further NPA objectives
  - Use reporting requirements to focus NPA effort
  - Use the audit as leverage for task completion
  - Use the audit protocol to meet NPA requirements
- o Overcome resistance to non-negotiable tasks
  - Couple compliance demands with change efforts
  - Emphasize empathy, reality, and mutuality
  - Live with the resistance temporarily

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Strategies to Effect Compliance: With the GFO

- o Learn the game
  - Figure out the rules
  - Figure out the significance of the rules
  - Find the right GFO players
- o Play the game
  - Be responsive
  - Use diplomacy
  - Set limits
  - Exploit the rules
  - Manage the budget to ease compliance

Strategies to Effect Change: Process-Oriented

- o Master the GFO rules
  - Anticipate consequences
  - Exploit contradictions
- o Learn the GFO playing field
  - Solicit advice from colleagues
  - Create and participate in NPA coalitions
  - Participate in GFO committees
- o Recognize or get leverage with the GFO
  - Exploit the GFO's need for the NPA
  - Strategically position the NPA with the GFO
  - Become a recognized player to the GFO
  - Develop rapport

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Strategies to Effect Change: Goal-Oriented

- o Advocate within the NPA
  - Select advocates
  - Engage advocates
  - Make a compelling case
- o Exercise leverage with the GFO
  - Exploit the power of a NPA coalition
  - Exploit the vulnerability of the GFO
  - Connect the NPA problem with a GFO problem
  - Refuse to comply
- o Persevere
  - Wear down the GFO
  - Work up or sideways in the GFO bureaucracy
  - Withdraw or threaten to withdraw from a contractual obligation or from the contract

Ethical Issues in the Game

To understand the ethical issues which permeate the game of contracted services, it is essential to consider the "general conception of right and wrong" not only of the managers, but of their NPAs and GFOs. (Toffler 1986, 10) The managers' obligation to do what they are hired to do is as superficial as all management principles, which "neglect everything that's problematic in converting good intentions into good results." (Sayles 1979, 7) For managers confronted with philosophical and operational ethical con-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

flicts, it is sometimes "right" to do something "wrong" to benefit clients or in some cases the NPA or GFO. The line between "right and wrong" is crossed, however, when something "wrong" is done for, or has the consequence of, personal gain.

Managers of contracted services have three major commitments. They are committed to clients, to their NPA, and to the GFO. These commitments are often incompatible, and managers struggle with assuming the risk inherent in choosing to honor one commitment over another.

Sometimes, contradictory commitments are manifest in philosophical conflicts. Managers must make choices when contract requirements conflict with the NPA commitment to clients, when the GFO service model conflicts with the NPA service model, and when GFO legalism conflicts with NPA professionalism.

When contractual requirements conflict with reality, managers must not only choose among their commitments, they must reconcile the requirements with reality. In making these choices and reconciliations, they reveal their skills in recognizing and playing the game of contracted services. Their strategies for managing these operational conflicts are outlined next.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Strategies to Manage Operational Conflicts

- o Yield to or violate the contract
- o Effect the illusion of compliance
  - Record as if in compliance
  - Re-label practices
  - Orchestrate the audit process
- o In collaboration with the GFO, effect the illusion of compliance
  - Record in GFO terminology
  - Record as if in compliance

Political Issues in the Game

Management of administrative and ethical issues is also political when managers pursue leadership and power in order to manage. However, in playing this game, managers must come to grips with the core of the game itself, the core politics of contracted services. To do so, they must develop additional cognitive maps of NPA accountability to the GFO, of the NPA role in GFO service delivery, and of prerequisites for managers of contracted services.

NPA Accountability to the GFO

As in all games, the players in contracted services, the GFO and NPA, have a symbiotic relationship. Therefore, NPA accountability to the GFO is not unilateral, but interactive. Managers' perception, however, of GFOs' perspective

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

on NPA accountability in the game is that it is the GFOs' game. GFOs have legal superiority and can dictate NPA accountability. However, GFOs are primarily accountable for NPAs' compliance with contractual requirements, not for whether the contracted service, as designed by the GFO or delivered by the NPA, ameliorates the problem it was intended to address.

Managers' perspective of NPA accountability in the game is quite different. Their perspective influences how they play the game and the game itself. And, their perspective translates to strategies for playing the game.

Managers' perspective on NPA accountability in the game

- o Use GFO funding for NPA purposes
- o Define GFO-funded staff as NPA employees
- o Be accountable first to the NPA purpose
- o Maintain higher standard of accountability than GFO
- o Strive to seize initiative for accountability from GFO

For managers, the impact of GFO accountability systems on the NPA is paradoxical. These monitoring systems are a force for mediocrity, raising standards at the worst NPAs and lowering them at the best. At the same time, when GFOs grade on the curve, they can be a force for improvement in all NPAs.

Another paradoxical impact of GFO accountability sys-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

tems on the NPA is that the systems can compel both fundamental and superficial changes in the NPA. Primarily positive fundamental changes in the NPA involve movement from a restricted to a less restricted client population, from administrative mush to a coherent administrative structure, from manual to automated compliance to efforts to transcend mere compliance, and from a focus on individual cases to a focus on aggregate data. Primarily negative fundamental changes are from clinically-oriented to administratively-oriented supervision and from provision of service to provision of paperwork. These fundamental changes, though compelled by GFO accountability systems, can also enable the NPA to make changes it desires. More superficial changes in the NPA compelled by the GFO accountability systems include commitment of clerical resources to compliance, translation of work into GFO language, and development of parallel accountability systems.

NPA managers use their process and goal-oriented change strategies to influence GFO accountability systems. But GFOs also induce NPAs' influence on these accountability systems by funding NPAs to be an influence, using NPA managers to serve as coaches to rookie players, and using NPAs as farm teams to identify and train potential GFO players.

NPA Role in GFO Service Delivery

The pivotal paradox of the contracted services game is

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

that it is, at the very least, two games disguised as one. GFO and NPA perspectives and standards are different. Whether partners, "cordial adversaries," or opponents, NPA and GFO managers are really playing different games. However, NPA managers are compelled to accommodate the perspective and standards of the GFO while simultaneously attempting to affirm those of the NPA.

In this ongoing oscillation between accommodation and affirmation, managers develop cognitive maps or guides on five major questions about the NPA role in GFO service delivery. Which characteristics of the NPA are significant? Does the GFO or NPA "own" the client? What is the function of the NPA Board of Directors? What are the implications of NPA subsidy of contracted services? Should GFO treatment of NPAs and for-profit organizations [FPOs] be the same? Next, each of these questions is considered.

Which characteristics of the NPA are significant?

For managers, significant NPA characteristics for contracted services are size, continuity, and control. NPA size has implications for quality, administrative management, and advocacy. NPA, rather than GFO, service delivery also enables quality because of the greater continuity in NPA service philosophy and leadership. Managers often equate program quality with control over the day-to-day work. To maintain this control, they struggle to maintain

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the contracted services' identity separate from the GFO's, to have programs evolve from client rather than GFO needs, and to secure GFO funds.

Does the GFO or NPA "own" the client?

The major manifestation of the question of client "ownership" is around confidentiality: from whom is the client protected against violations of his or her privacy? GFO and NPA perspectives on client "ownership" differ; each perceives the clients as its own. Managers must continually accommodate the GFO perspective while affirming theirs.

What is the function of the NPA Board of Directors?

In playing the game of contracted services, managers also develop cognitive maps about the function of NPA Boards of Directors. While Directors are the legal authority for NPAs and while most NPAs receive the majority, if not all, of their funding from GFOs, managers perceive the Directors as irrelevant in the contracted services game. They believe contracting is affected by political forces too powerful and complex for Directors to affect and/or that it is inappropriate and/or impossible for Directors to be involved in the operational problems of contracting. However, managers view Boards as critical in financing the NPA's ability to affirm the NPA perspective and standards. Boards' fund-raising enables the NPA to remain solvent, maintain a budget with

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

less than 50% government funding, and insure balance and control.

What are implications of NPA subsidy of contracted services?

GFOs typically do not fund the total cost of quality delivery of a contracted service; sometimes they do not fund the total cost of minimal delivery. Therefore, NPAs subsidize contracted services. However, NPA subsidy of contracted services distorts who gets services and what services they get.

Who gets services is distorted when the differential availability of a subsidy skews which NPAs participate in which contracted services and when subsidies enable clients to continue to be served when they are no longer eligible for the contracted service. Evidence of the power of the distortion is evident in efforts by GFOs to seize the subsidies.

What services clients get is distorted when NPAs with subsidies have the leverage to influence contract requirements, when subsidies enable increased expenditures which generate greater GFO reimbursement, and when subsidies presumably increase quality by enabling less staff turnover and more staff attention to service than to compliance or administrative effort.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Should GFO treatment of NPAs and FPOs be the same?

Increasingly, GFOs are involving FPOs, as well as NPAs, in the contracted services game. In the struggle to affirm their NPA's perspective and standards, managers are also going to need to identify, evaluate, and accommodate those of FPOs. Now, managers' views of whether GFO treatment of NPAs and FPOs should be the same are contradictory. Some believe GFO treatment of NPAs and FPOs is not the same, but should be. Others believe GFO treatment of NPAs and FPOs is the same, but should not be.

Prerequisites for Managers of Contracted Services

Related to the question of whether GFO treatment of NPAs and FPOs should be the same is the final political issue in the contracted services game: what should be the skills and value prerequisites for managers? As GFO and NPA resources are reduced, as FPOs are increasingly involved in the delivery of human services, and as schools of management and business seek to train generic nonprofit managers, GFOs and NPA Boards increasingly seek "more business-minded" managers for contracted services.

However, in the social work administration literature, the demands of management in the human services are conceptualized as being unique. (Slavin 1988, 1985, 1980; Sarri 1985; Patti 1983, 26-27; Weiner 1982, 1-36) Managers believe the prerequisites for effectively playing the con-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

tracted services game involve both what the job demands from the manager and how the NPA enables managers to do the job.

Closer to a "handyman model" of management, NPA managers believe basic, rather than esoteric, administrative and political skills are prerequisites for effectively playing the game of contracted services. They also believe the game demands a pragmatic philosophical perspective, an ability to perform a sophisticated balancing act when values and goals conflict with "good" management. Simultaneously, managers need to reconcile their effort to address social problems of enormous magnitude with insufficient resources.

While instrumental skills and a philosophical perspective are necessary for playing the game of contracted services, they are insufficient. Managers also require from the NPA the freedom to function, to be creative, and to take risks. Simultaneously, they require from the NPA support, manifested in trust and respect from co-workers, advocacy from their superiors, the feeling of being part of a team, and collegial association with their counterparts in other NPAs.

Study Implications

With this research, all those involved in the game from NPAs, GFOs, and FPOs, as well as teachers and students of management, have the opportunity to immerse themselves in

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the culture of managers of contracted services. The opportunity for this immersion and the understanding (and perhaps validation for other effective managers) that it affords are important products of this kind of study. In addition, these findings have significant implications for social work administrative practice and education, policy, and research.

Implications for Administrative Practice and Education

For current and aspiring NPA managers of contracted services, the findings are brimming with principles and strategies. More importantly, the game metaphor gives managers and prospective managers a way of thinking about their work, of analyzing problems, and identifying possible solutions.

> In using metaphor to understand organization we are not required to memorize complex theories or long lists of abstract concepts. We are simply encouraged to learn how to think about situations from different standpoints. We are invited to do what we do naturally, but to do so more consciously and broadly. (Morgan 1986, 336)

The game metaphor encourages managers to consider the dynamics of the contracted services game, the skills involved in playing effectively, and the cognitive maps they use in the game. By encouraging consideration of dynamics, skills, and maps, the game metaphor can assist managers in becoming more conscious of the theory, the metaphor, governing their practice. (Morgan 1986, 336)

In the endeavor to become more self-conscious and

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

therefore presumably more skillful game players, managers can use the cognitive maps of these managers as a guide to inventory and assess the impact of their own cognitive maps. They can use these managers' strategies--for effecting contract compliance and change, for managing philosophical and operational conflicts, for affirming their perspective on accountability--as benchmarks to evaluate their own. The game metaphor can also enable managers to comprehend and influence the political issues of contracted services. Appreciating the interactive nature and impact of accountability in the game can expand awareness of options for affecting and using accountability systems. Understanding that the game is, in reality, at least two games disguised as one can elicit new ways of perceiving the struggle to accommodate GFO perspectives and standards while affirming the NPAs'.

From these findings, another set of implications for practice emerges for GFO managers. In addition to the general utility of the game metaphor, GFO managers can use the descriptions in this study to consider the impact on NPAs of their contract requirements, accountability systems, audits, and auditors.

Implications of these findings for the education of social work administrators, who may work in GFOs, NPAs, or FPOs, are similar to those for practice. From the career paths of managers interviewed for this study, it does not

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

appear that students need to be infused with all kinds of esoteric administrative skills. Aspiring managers, like managers themselves, need to learn ways to think about their work, to become more self-conscious learners and practitioners.

> The most practical "how to do it" guide is one that teaches people how to be aware of their own experiences --what it does to them to be in particular positions at particular times--and to understand the likely impact on others. (Kanter and Stein 1979, xiv)

Students need to become conscious of their own commitments and perspectives, of the choices they make and risks they assume, and of the balancing act they perform in doing so. They need to begin to examine what they require from a job, what motivates and induces them, and what they, in turn, require from the employer.

Policy Implications

This study was not policy research, and the implications of the findings for policy are limited. However, the findings do highlight a number of crucial issues that require further consideration from GFO, NPA, and social work leadership. All of the political issues managers grapple with require wide discussion and research.

> How can the positive impacts of GFO accountability systems be maximized; the negative ones, minimized? How can the interactive nature of these accountability systems be harnessed for GFO and NPA benefit?
>
> Does the NPA, despite up to 100% GFO funding, provide more qualitative, effective services than the GFO? If so, what characteristics are most important and how can

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

they be exploited in the design of service delivery systems?

Who should "own" the client in contracted services? Who has what rights to which information about clients? How does access to this information affect accountability, planning, and service delivery?

If the Board of Directors is irrelevant in the provision of contracted services, what is its function? What do Directors actually do? What do they think their function is? If they finance the ability for managers to affirm NPA perspectives and standards, how can this function be exploited in Board recruitment, training, and operations?

What are the ethical and practical implications when NPA subsidies of GFO contracts distort who gets what services?

Are there differences if contracted services are provided by a NPA or FPO? If so, do the differences make a difference? Whether or not there are differences, should NPAs and FPOs be treated the same by GFOs?

What does it require to manage human services and contracted services effectively? How can GFOs, NPAs, and schools of social work encourage education, supervision, and hiring to those requirements?

A final policy implication of these findings reflects perhaps the single limitation of the game metaphor. Games connote rules and winning, but neither the rules nor winning are necessarily ethical. GFO rules may reflect a fundamental lack of fairness, the inequitable distribution of resources. Winning, compliance with the rules, may be achieved in ways and for purposes that are not necessarily ethical. Is there an alternative to a contracted services system that seems to compel managers to effect the illusion of compliance, to lie? Is the line between right and wrong only based on the absence or presence of personal benefit?

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Where is the ethical line? And should someone other than managers be involved in establishing it and making decisions to cross it?

Implications For Research

These findings yield implications for areas inviting further research and for methodological development. In addition to the policy questions already suggested, the following research questions are prompted by this study:

> How will other NPA managers of contracted services react to these findings? Are the findings consistent with their experience? In what ways does their experience differ? Do the findings provide insight into their experience?
>
> Are the managers interviewed for this study typical? How do managers of contracted services in NPAs rated lowest by GFOs describe what they know? How do managers in one field of service or in the same job or with identical education and experience or in agencies of a similar size or under the same auspices or in a different part of the country describe what they know? What are the similarities and differences with these findings?
>
> What is the culture of GFO managers of contracted services? Of FPO managers of contracted services? Of managers of contracts that are not for human services? What are the similarities and differences in these cultures? What are the implications for effective contract management and for education?
>
> How do NPA coalitions function? What is their history and development? What role do they play in the development, negotiation, and implementation of GFO contracts? Who are the key managers and key NPAs in these coalitions? How do these coalitions compare with other advocacy groups?
>
> How do managers implement each of the strategies described in these findings? What is the anatomy of the strategy? What are the sub-strategies? Indications for differential use? When does the strategy fail? What do

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

they do then?

Beyond suggesting these additional research questions, the findings of this study demonstrate the value of ethnographic methods for research in social work administration. These methods can capture and then convey the complexity of administration and the relationship of managerial perceptions, behavior, attitudes, and pragmatic consequences. With computers and available software, such methods are now feasible. Further, the research process itself mirrors what managers need to do all the time. Consequently, it is a vital tool for students of administration to master.

> Particularly as we move into an era where the people side of organizations will become increasingly important as an object of governmental and managerial attention, we urge our colleagues to study the human experience of organizational situations. This can be done in much the same way that we advise managers to do it: by asking the people themselves what they are doing and experiencing. (Kanter and Stein 1979, xvi)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

APPENDIX A

INTERVIEW SCHEDULE

INTRODUCTION

Thank you for taking the time to see me. Before we begin the interview, I would like to explain in greater detail its purpose and answer any of your questions.

Although most nonprofit agencies receive a significant portion of their funding from government contracts, there is very little research about how an administrator actually manages these contracts. What literature exists, as with most management literature, offers very general advice about how contracts should be managed. However, there is frequent reference to real problems in every aspect of the contracting process. My interest in this area came from my experience with these problems as the assistant executive director of a settlement house and the executive director of a nonprofit services corporation at a University. The objective of my social work doctoral research is to identify the ways in which administrators in eighteen nonprofit agencies really manage these problems.

I have asked you to participate because I am interested in getting the perspective of (compliance coordinators

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

or program managers or executive directors of small agencies) and [referring source] thought you would be a great person to interview about these problems. I am interested in your experiences in this agency and in any other agencies where you have worked.

Because I am particularly interested in the details of contracting problems, I would like your permission to tape the interview. Neither the tape nor my interview notes will be shared, the agencies will not be named, nor will any individual interviewed be identified by name or title.

The purpose of this study is to describe administrative perceptions and actions as they really occur, not to analyze or evaluate agencies or administrators. The final summary report will, of course, be available to you.

Before we begin the interview, do you have any questions?

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

From the first group of questions, I would like to get an overview of the agency, its contracts, and your job. The next set of questions has to do with the contracting process in the agency, relationships with funding agency, and contracting problems.

DESCRIPTION OF AGENCY

(1) First, would you briefly describe the agency?

PROBES: Services, budget, and history of the agency? How old? Changes in services? Total budget? Funding sources? Non-contract services? Current organization?

DESCRIPTION OF CONTRACTS OF AGENCY

(2) Would you describe the contract and/or grants the agency currently has?

PROBES: Source(s)? Service(s) contracted to provide? How much to how many for how long? Amount of contract? Rate?

DESCRIPTION OF INTERVIEWEE'S JOB

(3) How would you describe your job responsibilities?

PROBES: To whom do you report? Who reports to you? How do you approach that part of your job that has to do with contracts? Who/how do you relate to funding agencies?

(4) What would you tell somebody about to take your job that they would need to know in order to be effective?

DESCRIPTION OF CONTRACTING PROCESS IN AGENCY

(5) In your program/agency how do you determine if what is going on is what is supposed to be going on under the terms of the contract? How, where, when do you look for problems?

(6) How do you work with people to comply with the contract?

PROBES: Above you? Below you? Laterally? Outside the agency? Can you give examples? Why did you think

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

it was important to work with these people in this way?

(7) How do you handle areas of non-compliance?

DESCRIPTION OF RELATIONSHIPS WITH FUNDING AGENCIES

(8) How would you describe your relationships with the funding agencies?

PROBES: How do you go about developing a relationship with your contract monitors?

(9) Would you describe the contract monitors' visit? How do you prepare for it? Have there ever been problems during the visit? Please describe what happened.

(10) If you were appointed a government monitor for your program, would you approach the job differently from your monitor(s)? How? Why?

(11) Can you think of a time there were real differences with the government contractor? What occurred?

DESCRIPTION OF CONTRACTING PROBLEMS

(12) Can you give examples of problems you have had with the contracting process?

PROBLEM PROBES: Financial? Multiple regulatory requirements? Contracting process?

PROCESS PROBES: What did you do? What happened? What made you decide to handle the problem(s) in the way you did? Would you do it differently now? How/why?

(13) In your experience, can you describe any issues that arose in complying with contract requirements? Could you describe what happened, how it was dealt with?

PROBES: Target population, program content, size of program, size/qualifications of staff, facilities requirements, expenditure requirements, timing of implementation, standards/outcome requirements, paperwork requirements?

(14) With which parts of the contract does the agency have the hardest time complying? Why? What do you do about it?

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

(15) If you could rewrite the contract(s) any way you wanted, how would you do it? Why?

(16) Can you think of times when the contract requirements deviated from agency policies? What happened? How was it handled?

(17) The limited literature on managing contracting problems indicates administrators have tried (or felt compelled to adopt) a number of approaches. Would you tell me if any of the following have occurred in your experience and what happened?

(17a) Manipulating budget and service statistics to accommodate unrealistic expectations?

(17b) Using various strategies to work with the contracting agency to try to prevent problems and insure their support?

(17c) Working to change the unrealistic aspects of the contracting system?

INTERVIEWEE'S CONCERNS/QUESTIONS

(18) Do you have any concerns, questions that we have not yet covered regarding the management of contracts?

(19) Are there other managers you would recommend my interviewing?

INTERVIEWEE'S BACKGROUND

(19) Years with agency? Positions?

(20) Previous work experience?

(21) Education?

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

APPENDIX B

CODING CHART

The following seventy-two codes emerged in "code mapping" the printed copy of each numbered transcript. (Seidel, Kjolseth, and Seymour 1988, 7-1 - 7-14) Each segment of text so mapped was then entered into The Ethnograph by these codes. Codes are capitalized. Explanation of abbreviation or researcher's definition of code is in parentheses.

AREAS OF INQUIRY	CODES
Description of Agency	BD (board) BUD (budget) CLNTS (clients) GOVVSVOL (view re GFO funds) HIST (history) ORG (organization) SERVICES STAFF
Agency Contracts	CONTRACTS
Job Description	JOB REPL (your replacement) TIME (spent on contracts)
Agency Contracting Process	AGPOL (process = policy) INTAUDT (internal audit) INVALL (involve all staff) KNOWL (what need to know) SYSTEMS (to comply)
Relationships with GFOs	DIFFBUS (compared to business) FAORG (GFO organization) FEDSTCTY (vary by level) MONVST (monitors' visits) PERBYFA (perception by GFO) PEROFFA (perception of GFO) RELS (importance of relations) TRNFA (NPA training GFO)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Contracting Problems		
	Contracting Process	CONDOC (contract document) DIFFTINT (interpretations) PROCPROB (process problems)
	Financial	AMT (size of contract) AUDIT FIN (other financial problems) FORMULA (e.g., rate, salary) G&A (administrative overhead) MATCH (private match) MODS (budget modifications) PAYMENT (cash flow) REPTS (financial reports)
	Multiple Regulatory Requirements	MULREG
	Monitors	MONITORS
	Contract Requirements	INTAKE (whose clients) NTCLR (requirements not clear) PROGCNTNT (program content) REC (recording) REQTS (re other requirements) SIZE STNDRDS (standards) TRGTPOP (target population) VOL (volume of requirements)
	Requirements vs Agency Policy	CVA (contract vs policy)
	Model	MDL (treatment philosophy)
	Others	VOLAGORG (NPA organization)
	Approaches to Problems	
	Manipulating Statistics	COLLUSION (by GFO and NPA) MANIP (statistics) MANIPBUD (budget) MANIPBUT (would, but can't) MANIPCNTRT (contract) MANIPFNDS (manipfunds) MANIPILL (illegal) MANIPNO (do not manipulate) MANIPREPT (report of services) MANIPTITLE (staff titles)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Strategies with GFO	STRAT
Work to Change System	CHANGE
Reaction to Problems	BALACT (balancing act) CRZY (crazy, ridiculous, catch-22, makes no sense, gray areas, nightmare, ludicrous, stupid, horror, strung-out, insanity, amazing, absurd, fun, impossible, flipped, tricky, mind-boggling) DLMMA (dilemma) GME (game) PROBSATT (NPA attitude) PROBSEFF (effect on NPA) WHYVOL (why work in NPA)
Background	EXP (experience) ED (education)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

BIBLIOGRAPHY

Baumheier, Edward C., and Alvin L. Schorr. 1977. Social Policy. In Encyclopedia of Social Work, 1453-1462. Washington, D. C.: National Association of Social Workers.

Benson, J. Kenneth, and Joseph T. Kunce, and Charles A. Thompson, and David L. Allen. 1973. Coordinating Human Services: A Sociological Study of an Interorganizational Network. Columbia, MO: Regional Rehabilitation Research Institute, University of Missouri. Cited in Mary Jane Roberts. An Organizational Analysis of a Purchase of Service Program Between Public and Private Child Welfare Agencies, 80-84. Ph.D. diss. The University of Texas at Austin, 1981.

Benton, Bill B. 1979. Questions for Research and Development. In Social Services By Government Contract, ed. Kenneth R. Wedel, Arthur J. Katz, and Ann Weick, 81-91. New York: Praeger Publishers.

Benton, Bill B., and Hector A. Rivera, and John R. Healy. 1981. Perspectives/Purchase of Service: A Management Challenge for State Government. New England Journal of Human Services 1 (Winter): 47-52.

Bernstein, Nina. 1988. State Probes City Child Aid Agency. Newsday, 13 April 1988, 17.

Billingsley, Andrew. 1964. Bureaucratic and Professional Orientation Patterns in Social Casework. Social Service Review 4 (December): 400-407.

Blumenthal, Karen. 1987. Off Target?: Job-Training Effort, Critics Say, Fails Many Who Need Help Most: Federal Program is Accused of Shunning Hard Cases in Seeking Quick Results: But It Scores Some Successes. Wall Street Journal, 9 February, 1, 15.

Brenner, Steven N., and Earl A. Molander. 1977. Is the Ethics of Business Changing? Harvard Business Review 55 (January - February): 57-71.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Bunge, M. 1961. The Weight of Simplicity in the Construction and Assaying of Scientific Theories. Philosophy of Science 28 (2): 120-149. Quoted in Grant McCracken. The Long Interview. Qualitative Research Methods, Volume 13, 50-52. Newbury Park, CA: Sage Publications, 1988.

Conrad, Kayla. 1985. Promoting Quality of Care: The Role of the Compliance Director. Child Welfare LXIV (November-December): 639-649.

Csikszentmihalyi, Mihaly. 1975. Beyond Boredom and Anxiety: The Experience of Play in Work and Games. San Francisco: Jossey-Bass Publishers.

DiMaggio, Paul J. 1988. Nonprofit Managers in Different Fields of Service: Managerial Tasks and Management Training. In Educating Managers of Nonprofit Organizations, ed. Michael O'Neill and Dennis R. Young, 51-69. New York: Praeger.

Epstein, Irwin. 1985. Quantitative and Qualitative Methods. In Social Work Research and Evaluation. ed. Richard M. Grinnell, 263-274. Itasca, IL: F. E. Peacock Publishers.

Epstein, Irwin. 1970. Professional Role Orientations and Conflict Strategies. Social Work. 15 (October): 87-92.

Epstein, Irwin, and Tony Tripodi. 1977. Research Techniques and Program Planning, Monitoring, and Evaluation. New York: Columbia University Press.

The Ethnograph Version 3.0. Qualis Research Associates, Littleton, CO.

Fetterman, David M. 1989. Ethnography: Step by Step. Applied Social Research Methods Series, Volume 17. Newbury Park, CA: Sage Publications.

Finch, W. 1978. Administrative Priorities: The Impact of Employee Perception on Agency Functioning and Worker Satisfaction. Administration in Social Work 2 (Winter): 391-400.

Frake, Charles O. 1977. Plying Frames Can Be Dangerous: Some Reflections on Methodology in Cognitive Anthropology. Quarterly Newsletter of the Institute for Comparative Human Development 21 (3): 1-7. Quoted in James P. Spradley. The Ethnographic Interview, 7. New York: Holt, Rinehart and Winston, 1979.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Gibelman, Margaret. 1980. Title XX Purchase of Service: Some Speculations about Service Provision to the Poor. Urban and Social Change Review 13 (Summer): 9-18.

Glaser, Barney G., and Anselm L. Strauss. 1967. The Discovery of Grounded Theory: Strategies for Qualitative Research. New York: Aldine De Gruyter.

Gritzer, Glenn. 1980. Interim Report--Regulation of Social Services. New York: Community Service Society.

Grossman, David A., Lester M. Salamon, and David M. Altschuler. 1986. The New York Nonprofit Sector in a Time of Government Retrenchment. Washington, D.C.: The Urban Institute Press.

Guba, E. G. 1981. Criteria for Assessing the Trustworthiness of Naturalistic Inquiries. Educational Communication and Technology Journal. 29: 75-92. Quoted in Matthew B. Miles and A. Michael Huberman. Qualitative Data Analysis: A Sourcebook of New Methods, 248. Beverly Hills, CA: Sage Publications, 1984.

Gurin, Arnold and Barry Friedman. 1980. Contracting for Service as a Mechanism for the Delivery of Human Services: A Study of Contracting Practices in Three Human Service Agencies in Massachusetts. Waltham, Mass.: The Florence Heller Graduate School for Advanced Studies in Social Welfare, Brandeis University for the Office of Human Development Services (Washington, D.C.: National Technical Information Service, U. S. Department of Commerce).

Hartogs, Nelly and Joseph Weber. 1978. Impact of Government Funding on the Management of Voluntary Agencies. New York: Greater New York Fund/United Way.

Hartogs, Nelly and Joseph Weber. 1979. Managing Government Funded Programs in Voluntary Agencies. New York: Greater New York Fund.

Hasenfeld, Yeheskel. 1983. Human Service Organizations. Englewood Cliffs, N.J.: Prentice-Hall, Inc..

Hasenfeld, Yeheskel and Richard A. English, ed. 1974. Human Service Organizations. Ann Arbor, Mich.: University of Michigan Press.

Haskett, George Thomas. 1984. Contract Management and Monitoring in Public Social Service Agencies: A Study in Seven New York Agencies. D.S.W. diss., Columbia University.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Hayakawa, S.I. 1966. Foreword to Metaphor and Meaning, by Weller Embler. DeLand, FL: Everett/Edwards, Inc.

HSRI [Human Services Research Institute and Berkeley Planning Associates]. 1980. Assuring the Quality of Human Services: A Conceptual Analysis. Washington, D. C.: Human Services Research Institute and Berkeley Planning Associates.

Jimenez, Daniel. 1981. A Study of Contracting Problems between Government Agencies and Non-Profit Organizations in California. San Francisco: United Way of California.

Jones, Michael Owen, Michael Dane Moore, and Richard Christopher Snyder, ed. 1988. Inside Organizations: Understanding the Human Dimension. Beverly Hills: Sage Publications.

Jones, Michael Owen. 1988. In Search of Meaning: Using Qualitative Methods in Research and Application. In Inside Organizations: Understanding the Human Dimension, ed. Michael Owen Jones, Michael Dane Moore, and Richard Christopher Snyder, 31-47. Beverly Hills: Sage Publications.

Judge, Ken. 1982. The Public Purchase of Social Care: British Confirmation of the American Experience. Canterbury, England: Personal Social Services Research Unit, University of Kent at Canterbury.

Kahn, Alfred J. 1979. The Impact of Purchase of Service Contracting on Social Services Delivery. In Social Services by Government Contract, ed. Kenneth R. Wedel, Arthur J. Katz, and Ann Weick, 11-17. New York: Praeger Publishers.

Kammerman, Sheila B. 1983. The New Mixed Economy of Welfare: Public and Private. Social Work 28: 5-11. Quoted in Ralph M. Kramer. Voluntary Agencies and the Personal Social Services. In The Nonprofit Sector: A Research Handbook, ed. Walter W. Powell, 253. New Haven: Yale University Press.

Kanter, Rosabeth Moss. 1983. The Change Masters: Innovation and Entrepreneurship in the American Corporation. New York: Simon & Schuster, Inc.

Kanter, Rosabeth Moss, and Barry A. Stein, ed. 1979. Life in Organizations: Workplaces As People Experience Them. New York: Basic Books, Inc.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Kanter, Rosabeth Moss. 1977. Men and Women of the Corporation. New York: Basic Books, Inc.

Kelly, G. A. 1955. A Theory of Personality: A Psychology of Personal Constructs. New York: Norton. Cited in Morgan W. McCall, Jr., and Robert E. Kaplan. Whatever It Takes/Decision Makers at Work, 24. Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1985.

Kettner, Peter M., and Lawrence L. Martin. 1988. Purchase of Service Contracting with For-Profit Organizations. Administration in Social Work 12 (4): 47-60.

Kettner, Peter M., and Lawrence L. Martin. 1987. Purchase of Service Contracting. Beverly Hills, CA: Sage Publications.

Kirk, Jerome, and Marc L. Miller. 1986. Reliability and Validity in Qualitative Research. Qualitative Research Methods, Volume 1. Beverly Hills, CA: Sage Publications.

Kotter, John P. 1982. What Effective General Managers Really Do. Harvard Business Review (November - December): 156-157. Cited in Morgan W. McCall, Jr. and Robert E. Kaplan. 1985. Whatever It Takes: Decision Makers at Work, 82. Englewood Cliffs, N.J.: Prentice-Hall, Inc.

Kramer, Ralph M. 1987. Voluntary Agencies and the Personal Social Services. In The Nonprofit Sector: A Research Handbook, ed. Walter W. Powell, 240-257. New Haven: Yale University Press.

Kramer, Ralph M. 1981. Voluntary Agencies in the Welfare State. Berkeley: University of California Press.

Kramer, Ralph M., and Paul Terrell. 1984. Social Services Contracting in the Bay Area. Berkeley: Institute of Governmental Studies, University of California, Berkeley.

Lefferts, Robert. 1983. The Basic Handbook of Grants Management. New York: Basic Books, Inc.

Levy, Charles S. 1982. Guide to Ethical Decisions and Actions for Social Service Administrators: A Handbook for Managerial Personnel. New York: The Haworth Press.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Lincoln, Y., and Guba, E. 1985. Naturalistic Inquiry. Beverly Hills, CA: Sage Publications. Quoted in Catherine Marshall and Gretchen B. Rossman. Designing Qualitative Research, 144-148. Newbury Park, CA: Sage Publications.

Lipsky, Michael. 1980. Street-Level Bureaucracy. New York: Russell Sage Foundation.

Marshall, Catherine, and Gretchen B. Rossman. 1989. Designing Qualitative Research. Newbury Park, CA: Sage Publications.

Massachusetts Taxpayers Foundation. 1980. Purchase of Service: Can State Government Gain Control. Boston: Massachusetts Taxpayers Foundation. Quoted in Bill B. Benton, Hector A. Rivera, and John R. Healy. 1981. Perspectives/ Purchase of Service: A Management Challenge for State Government. New England Journal of Human Services 1 (Winter): 47-48.

McCall, Morgan W., Jr., and Robert E. Kaplan. 1985. Whatever It Takes: Decision Makers at Work. Englewood Cliffs, N.J.: Prentice-Hall, Inc.

McCall, Morgan W., Jr., Ann M. Morrison, and Robert L. Hannan. 1978. Studies of Managerial Work: Results and Methods. Greensboro, N.C.: Center for Creative Leadership. Technical Report Number 9.

McCall, Morgan W., Jr., and Cheryl A. Segrist. 1980. In Pursuit of the Manager's Job: Building on Mintzberg. Greensboro, N.C.: Center for Creative Leadership. Technical Report Number 14.

McCracken, Grant. 1988. The Long Interview. Qualitative Research Methods, Volume 13. Newbury Park, CA: Sage Publications.

Middleton, Melissa. 1987. Nonprofit Boards of Directors: Beyond the Governance Function. In The Nonprofit Sector: A Research Handbook, ed. Walter W. Powell, 141-153. New Haven: Yale University Press

Middleton, Melissa. 1986. Nonprofit Management: A Report on Current Research and Areas for Development. New Haven: Program on Non-Profit Organizations, Institution for Social and Policy Studies, Yale University. PONPO Working Paper No. 108 and ISPS Working Paper No. 2108.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Miles, Matthew B., and A. Michael Huberman, 1984. Qualitative Data Analysis: A Sourcebook of New Methods. Beverly Hills: Sage Publications.

Miles, Matthew B. 1979. Qualitative Data Analysis as an Attractive Nuisance: The Problem of Analysis. Administrative Science Quarterly 24 (December): 590-601. Quoted in Matthew B. Miles and A. Michael Huberman. Qualitative Data Analysis: A Sourcebook of New Methods, 16. Beverly Hills, CA: Sage Publications, 1984.

Mintzberg, Henry. 1973. The Nature of Managerial Work. New York: Harper & Row.

Mintzberg, Henry. 1983. An Emerging Strategy of "Direct" Research. In Qualitative Methodology, ed. John Van Maanen, 105-116.

Miransky, Jeremy. 1982. Eleven Infallible Laws Governing the Negotiating Process Among Funding, Contractor and Client Agencies: By A Sadly Experienced Negotiator. Journal of Sociology and Social Welfare. IX (June): 305-306.

Morgan, Gareth. 1989. Creative Organization Theory: A Resourcebook. Newbury Park, CA: Sage Publications.

Morgan, Gareth. 1986. Images of Organization. Newbury Park, CA.: Sage Publications, Inc.

Musselwhite, James C., Jr., and Lester M. Salamon. 1986. Social Welfare Policy and Privatization: Theory and Reality in Policymaking. Washington, D.C.: The Urban Institute.

Nakamura, Robert T., and Frank Smallwood. 1980. The Politics of Policy Implementation. New York: St. Martin's Press.

Orlans, Harold, ed. 1980. Nonprofit Organizations: A Government Management Tool. New York: Praeger Publishers.

Patti, Rino J. 1985. Patterns of Management Activity in Social Welfare Agencies. In An Introduction to Human Services Management, Volume 1 of Social Administration: The Management of the Social Services, second edition, ed. Simon Slavin, 28-43. New York: The Haworth Press.

Patti, Rino J. 1983. Social Welfare Administration/Managing Social Programs in a Developmental Context. Englewood Cliffs, N.J.: Prentice-Hall, Inc.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Poertner, John and Charles A. Rapp. 1985. Purchase of Service and Accountability: Will They Ever Meet? Administration in Social Work 9 (Spring): 57-66.

Pruger, Robert, 1979. On Resigning in Protest. Administration in Social Work 3 (Winter): 453-463.

Rein, Mildred. 1980. Fact and Function in Human Service Organizations. Sociology and Social Research 65 (October): 78-93.

Roberts, Mary Jane. 1981. An Organizational Analysis of a Purchase of Service Program Between Public and Private Child Welfare Agencies. Ph.D. diss. The University of Texas at Austin.

Salamon, Lester M., ed. Assisted by Michael S. Lund. 1989. Beyond Privatization: The Tools of Government Action. Washington, D.C.: The Urban Institute Press.

Salamon, Lester M. 1987. Partners in Public Service: The Scope and Theory of Government-Nonprofit Relations. In The Nonprofit Sector: A Research Handbook, ed. Walter W. Powell, 99-117. New Haven: Yale University Press.

Salamon, Lester M., Musselwhite, James C., Jr., and De Vita, Carol J. 1986. Partners in Public Service: Government and the Nonprofit Sector in the American Welfare State. Washington, D. C.: The Urban Institute.

Sarri, Rosemary C. 1985. Management Trends in the Human Services in the 1980s. In An Introduction to Human Services Management, Volume 1 of Social Administration: The Management of the Social Services, second edition, ed. Simon Slavin, 342-356. New York: The Haworth Press.

Sayles, Leonard R. 1979. Leadership: What Effective Managers Really Do . . . and How They Do It. New York: McGraw-Hill Book Company.

Sayles, Leonard R. 1964. Managerial Behavior: Administration in Complex Organizations. New York: McGraw-Hill Book Company. Quoted in Henry Mintzberg. The Nature of Managerial Work, 218. New York: Harper & Row, 1973.

Schiffrin, Deborah. 1988. Discourse Markers. Studies in Interactional Sociolinguistics: Number 5. Cambridge, MA: Cambridge University Press.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Seidel, John V., Rolf Kjolseth, and Elaine Seymour. 1988. The Ethnograph: A User's Guide. Littleton, CO: Qualis Research Associates.

Slavin, Simon. 1988. Different Types of Nonprofit Managers. In Educating Managers of Nonprofit Organizations, ed. Michael O'Neill and Dennis R. Young, 83-94. New York: Praeger.

Slavin, Simon, ed. 1985. Social Administration: The Management of the Social Services. Second Edition. New York: The Haworth Press.

Slavin, Simon. 1980. A Theoretical Framework for Social Administration. In Leadership in Social Administration/Perspectives for the 1980's, ed. Felice Davidson Perlmutter and Simon Slavin, 3-21. Philadelphia: Temple University Press.

Smith, Bruce L. R., ed. 1975. The New Political Economy: The Public Use of the Private Sector. London: Macmillan Press.

Smith, Bruce L. R., and Hague, D. C. 1971. The Dilemma of Accountability in Modern Government: Independence vs. Control. New York: St. Martin's Press.

Smith, Hedrick. 1988. The Power Game: How Washington Works. New York: Random House.

Spradley, James P. 1979. The Ethnographic Interview. New York: Holt, Rinehart and Winston.

Taylor, Steven J., and Robert Bogdan. 1984. Introduction to Qualitative Research Methods: The Search for Meanings. New York: John Wiley & Sons.

Toffler, Barbara Ley. 1986. Tough Choices: Managers Talk Ethics. New York: John Wiley and Sons.

Tuchman, Barbara. 1979. In Search of History. Radcliffe Quarterly. 65 (March): 33-37. Quoted in David M. Berger, M. D. Clinical Empathy, viii. Northvale, NJ: Jason Aronson Inc., 1987.

Waller, John D., Dona MacNeil Kemp, John W. Scanlon, Francine Tolson, and Joseph S. Wholey. 1976. Monitoring for Government Agencies. Washington, D.C.: The Urban Institute.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

Watts, Thomas D. 1985. Ethnography. In Social Work Research and Evaluation, ed. Richard M. Grinnell, Jr., 357-369. Itasca, IL.: F. E. Peacock Publishers.

Webster's Ninth New Collegiate Dictionary. 1988. Springfield, MA: Merriam-Webster Inc.

Weiner, Myron E. 1982. Human Services Management/Analysis and Applications. Homewood, IL: The Dorsey Press.

Weissman, Harold H. 1981. Accreditation, Credentialing, and Accountability. Administration in Social Work 4 (Winter): 41-52.

Wilensky, Harold L., and Charles N. Lebeaux. 1965. Industrial Society and Social Welfare. New York: The Free Press. Quoted in Ralph M. Kramer. Voluntary Agencies in the Welfare State, 72. Berkeley: University of California Press, 1981.

WordPerfect Version 5.0. WordPerfect Corporation, Orem, Utah.

Wright, Deil S. 1978. Understanding Intergovernmental Relations/Public Policy and Participants' Perspectives in Local, State, and National Governments. North Scituate, Mass.: Duxbury Press.

Young, Dennis R. 1987. Executive Leadership in Nonprofit Organizations. In The Nonprofit Sector: A Research Handbook, ed. Walter W. Powell, 167-179. New Haven: Yale University Press.

Young, Dennis R. 1985. Casebook of Management for Nonprofit Organizations--Entreprenurship and Organizational Change in the Human Services. New York: The Haworth Press.

Young, Dennis R., and Stephen J. Finch. 1977. Foster Care and Nonprofit Agencies. Lexington, Mass.: Lexington Books.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.