Analyzing Discretion among Government Employees and its Influence on Public Policy Implementation

Mohammad Oghbaei Jazani, Akbar Etebarian and Mehraban Hadi Peykani
Department of Public Management, Islamic Azad University,
Isfahan (Khorasgan) Branch, Isfahan, Iran

Abstract: Governmental organizations are working through public policy. For better implementation of this policy always requires a degree of latitude or discretion in performing their tasks. The aim of this study was to provide a frame work for impact on client meaningfulness and is willing to implement. For this purpose, we survey among 2500 staff of the banking system in order to implement a marketing strategy to attract deposits. For this analysis is used confirmatory factor analysis and structural equation modeling research. First results show that will have a positive effect on client meaningfulness. Secondly, through an factor (client meaningfulness) with a positive effect on the willingness to implement policies set by the client meaningfulness, it is part of the mediation. Hence, when bank employees they will experience a positive impact on business value that they provide to their customers which in turn positively affects the willingness to implement a particular policy.

Key words: Discretion, policy implementation, resistance to change and quantitative analysis, public policy, governmental organizations

INTRODUCTION

In his book 'Government employees: Dilemmas of the individual in public services' Lipsky (1984) analysed the behaviour of front-line staff in policy delivery agencies. Lipsky refers to these frontline researchers "street-level bureaucrats". These are public employees who "interact directly with citizens in the course of their jobs and have substantial discretion in the execution of their research". Examples are teachers, police officers and judges. These street-level bureaucrats implement public policies. However, there are intrinsic problems when implementing public policies: street-level bureaucrats have to respond to citizens with only a limited amount of information or only a limited amount of time to make a decision. Moreover, very often the rules to implement does not always correspond to the specific situation or context of the involved citizen. In response, street bureaucrats develop coping mechanisms. They simplify the nature of their job or develop routines so that they feel they are doing their job well in some way. This is possible as they have a certain degree of discretion or autonomy-in their research. Following the research of Lipsky, the concept of discretion has received wide attention in the policy implementation literature. Special attention in the literature

is related to the appreciation of discretion in terms of its significance for the effectiveness and legitimacy of public policies. However, although there has been substantial research on the issue of discretion, to understand the nature of discretion, scholars have not yet developed theoretical frameworks regarding the effects of discretion which were subsequently tested these using large n samples (O'Toole, 2000). This is in line with arguments of Winter (2007) who notes that "there is a need for more theory development and testing (in policy implementation research) and the development of partial theories seems more promising than continuing the search for the general implementation theory or model". In this study, we aim to develop a theoretical framework regarding the effects of discretion, in order to increase our understanding of the mechanisms at research. More it can be noticed that there also seems to be bias in the discretion literature, because much of the of the empirical research on police, social service researchers, marketing and safety inspectors, building inspectors and other frontline researchers (Meyers and Vorsanger, 2003). Saetren (2005) shows that in general there is a lot of research concerning policy implementation in the marketing sector. However, it seems that policy implementation scholars have paid not much attention to the role of medical professionals in front

Corresponding Author: Mohammad Oghbaei Jazani, Department of Public Management, Islamic Azad University, Isfahan (Khorasgan) Branch, Isfahan, Iran
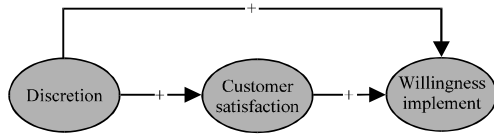
Fig. 1: Proposed theoretical model (Tummers, 2011)

line jobs such as physicians, nurses or psychologists, working in the (semi) public sector. One important effect which is often noted is that a certain amount of discretion can make it possible to adjust the (general) policy to the specific circumstances and needs of the client (Palumbo *et al.*, 1984). For instance, a social researcher can adjust the policy to fit the specific needs of the particular unemployed person he is working with. Hence, it is argued that when street-level bureaucrats have a certain degree of discretion this will enhance will make the policy more meaningful for the client. Client meaningfulness can thus be considered a potential effect of discretion. Furthermore, some authors note that, when street-level bureaucrats are given a certain amount of freedom in decision making process regarding how to implement specific policies this will make them more willing to implement a specific policy program. Tummers (2011) showed this while studying 'policy alienation', a new concept for understanding the identification problems of street-level bureaucrats with new policies (Tummers 2012). One mechanism underlying this relationship between discretion and willingness to implement seems to be that a certain amount of discretion increases the meaningfulness for clients which in turn enhances their willingness to implement this policy (Hill and Peter, 2009; Lipsky, 1984). Hence, the variable' client meaningfulnes's could mediate the relationship between discretion and willingness to implement. This is often (implicitly) argued, but this particular mechanism have not yet been studied empirically. Hence, our central research question is: How and why does discretion influence the willingness of street level bureaucrats to implement specific policy programs and what role does client meaningfulness play in it.

In this study, we develop and test a model regarding the effects of discretion. After developing the theoretical framework, the hypothesized relationships are tested using a quantitative approach, employing data of a Dutch nationwide survey among 1.300 psychologists, psychiatrists and psychotherapists implementing a new reimbursement policy. Structural equation modeling is used for testing this framework. Next to its theoretical value (developing a model to study the effects of discretion), a second value of this study lies therefore in its quantitative approach. To date, most policy implementation studies have had a rather qualitative nature. The qualitative studies have substantial value for

instance in providing a deep understanding on how and why street-level bureaucrats provide public services. Quantitative research can help in theory testing and statistical generalization. Although, some valuable quantitative research has been taken place (May and Winter, 2009; Riccucci, 2005; O'Toole, 2000) notes that "the move to multivariate explanation and large numbers of cases exposes the (policy implementation) specialty to new or renewed challenges which have yet to be addressed fully" (Hill and Peter, 2009; Winter, 2007). We used Confirmatory Factor Analysis (CFA), followed by Structural Equation Modeling (SEM). These techniques fit the research problem at hand and can be considered very novel for policy implementation literature.

Hypotheses: We will now analyse the relationships between discretion, client meaningfulness and willingness to implement. Given the arguments stated previously, we firstly expect that when street-level bureaucrats experience high discretion, this positively influences their perception of client meaningfulness. They will have the feeling that their freedom in making choices makes it possible to adapt the policy to the specific situation of their clients which increases the value of the policy for clients. For instance, a social worker can use her discretion to adapt to the specific wishes and circumstances of the client which enables her to help the client better which will ultimately enhances the meaningfulness of the policy. Client meaningfulness is closely related to the 'social research narrative' as this is experienced by frontline researchers who focus on helping clients achieve long-term success (Moody and Musheno, 2003). This amounts to the following first hypothesis:

- H_1: When street-level bureaucrats experience more discretion, this positively influences their experienced client meaningfulness of the policy
- H_2: The positive influence of discretion on willingness to implement is partially mediated by the level of client meaningfulness
- H_3: When street-level bureaucrats experience more discretion this positively and directly influences their willingness to implement the policy

This brings us to the following model. In the following sections, we discuss the methods and results for testing this model (Fig. 1).

MATERIALS AND METHODS

To test the proposed model, the bank staff to monitor the implementation of the marketing strategy will focus on attracting deposits. First we give a short overview of this

policy. In 1390 Iranian banks introduced to groups of employees in the marketing of bank deposits in branches. Employees in this group who had been trained in the marketing branches with each branch of the banks. This will attract more deposits from the people to take action to get more of the profit from the portion of deposits. It is interesting to study how government employees have more experience with it and what impact it has a factor. We focus on the experience of the previous paragraph. It is based on concepts Levine. People behave based on their understanding of reality rather than reality itself. Government employees may have different levels of experience. We had a sample of 2.500 employees of the banks in Iran who are implementing marketing strategies to attract bank deposits. This section report the measurement of the variables. Unless stated otherwise, the measures were formatted using 5-point Likert scales, ranging from strongly agree to strongly disagree. For the items tapping discretion, client meaningfulness and willingness to implement we used templates. Templates allow the researcher to specify an item by replacing general phrases with more specific ones that better fit the research context. For example, instead of stating 'the policy' or 'professional's, the researcher can rephrase these items using the specific policy and group of professionals which are being examined here 'the marketing policy' and 'marketing professional's replaced the template terms. This makes it easier for professionals to understand items as they are better tailored to their context and this, in turn, increases reliability and content validity (DeVellis, 2016).

RESULTS AND DISCUSSION

The results of hypotheses testing: Table 1 shows the means, standard deviations and correlations for the variables. A number of interesting results can be seen. First, many street-level bureaucrats are psychiatrists (42%) and these often occupy management positions. Next the average score on discretion is low, meaning that the street-level bureaucrats do not feel that they have a lot of autonomy. This is also the case for willingness to implement (2.35) and even stronger for client meaningfulness (1.87). Furthermore, we see that, all bivariate correlations for the variables linked through our hypotheses were statistically significant and in the anticipated direction. For example willingness to implement was positively related to discretion.

The central goal of this study is to understand the mechanisms at research in the relationship between discretion, client meaningfulness and willingness to implement. The resulting structural equation model is shown in Fig. 2. Table 2 shows the specific results of the empirical results, including control variables. First, an effect of discretion on client meaningfulness was found (standardized coefficient 33, p<01). This means that when a psychologists, psychotherapists or psychiatrists felt that he/she had sufficient discretion when implementing the marketing policy, they also felt that they could better help their patients, tailoring the needs of the patients to the contents of the policy. Hence, we do not reject H_1. Next to this, the empirical tests show an cascading effect from discretion to willingness to implement through the mediating variable client meaningfulness. As noted, the effect (standardized coefficient) of discretion on client meaningfulness was 33 (p<01). Furthermore, the effect from client meaningfulness on willingness to implement was 49 (p<01), meaning that when a street-level bureaucrat felt that the policy was meaningful for their clients, they indeed felt more willing to implement it. The total indirect effect was hence 16 (33×49, p<01). Given that this effect is significant and positive, we do not reject H_2. Furthermore, the direct effect of discretion on willingness to implement was also significant (β = 27, p<01). thus, not rejecting H_3. The total effect of discretion on willingness to implement is the sum of its direct and indirect effects: 27+16 = 43. This means that all other things being equal that when the perceived discretion of the street-level bureaucrat increases by 1, the willingness to implement increases by 0.43. As there is both a direct and an indirect significant effect there is evidence of partial mediation which was also hypothesized. This (partially mediated) model proved to be a very good fit of the data: RMSEA = 0.04 (criterion = 0.08), CFI = 0.97 (criterion = 0.90), TLI = 0.96 (criterion = 0.90). To shed more light on the mediating mechanisms we conducted additional SEM analyses to test the validity of two alternative models: a model without mediation and a model with full mediation. The model without mediation did not fit as adequately as the partially mediated model, given that the AIC was far higher compared to the partially mediated model. The fully mediated model also had a higher AIC although, the differences are small. Furthermore, we used bootstrapping in order to test the indirect effect of discretion on willingness to implement via client meaningfulness. Bootstrapping is the preferred method for testing mediated effects. It presents estimates and confidence intervals so that we can test the significance of the mediation effect. The 99% confidence interval for the standardized indirect effect (which was 0.16) is between 0.11 and 0.22 which means that we can be for 99% certain that the indirect effect is not equal to (or <0). Hence, it seems that a positive mediation effect is clearly present in our sample. Given these results, we do

Table 1: Descriptive statistics and correlations for the variables in the study

Variables	1	2	3	4	5	6	7	Mean	SD
Gender	1							0.64	NA
Age	-0.34	1						47.94	
11.01Psychiatrist	-0.28	0.22	1					0.42	NA
Managing position	-0.26	0.19	0.39	1				0.44	NA
Discretion	NS	NS	-0.10	0.12	1			2.80	0.9
Client meaningfulness	0.13	-0.13	-0.13	NS	0.28	1		1.87	0.72
Willingness to implement	0.15	-0.15	-0.15	NS	0.35	0.50	1	2.35	0.79

NA = Not Applicable (standard deviations are not applicable to dummy variables); NS = Not Significant; All shown correlation scores are significant at $p<0.01$

Table 2: Results from structural equation modeling

Model	Meaningfulness for clients (standardized scores)	Meaningfulness for clients (unstandardized scores)	Willingness to implement (standardized scores)	Willingness to implement (unstandardized scores)
Control variables				
Gender	NS	NS	NS	NS
Age	-0.092	-0.006	NS	NS
Managing position	NS	NS	0.144	0.212
Psychiatrist	NS	NS	NS	NS
Direct influences				
Discretion	0.33	0.334	0.268	0.302
Meaningfulness for clients	-	-	0.5240	0.527
Indirect influence				
Discretion via meaningfulness for clients	-	-	0.1620	0.176
R^2	0.135	-	0.446	-

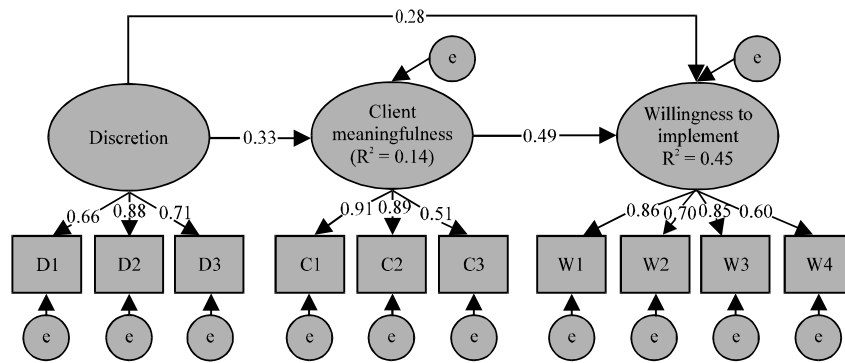NS: Not Significant; all shown correlation scores are significant at $p<0.01$

Fig. 2: Results from structural equation modeling

not reject H_{1-3}. In the discussion and conclusion, we discuss the implications of this for both theory and practice (Fig. 2 and Table 2).

CONCULSION

Concluding, this study develops a theoretical framework regarding two important effects of discretion (client meaningfulness and willingness to implement). The results firstly show a positive effect of discretion on client meaningfulness. Next to this, discretion positively affected the willingness to implement a policy and this is partially mediated by client meaningfulness. Hence, when street-level bureaucrats experience discretion, this positively influences the value they can deliver to clients which in turn positively influences their willingness to implement a policy.

IMPLICATIONS

How and why does discretion of street level bureaucrats influence the willingness to implement specific policy programs and what role does client meaningfulness play in it? This was the general research question which laid behind this study. Our research shows that the discretion of street-level bureaucrats does influence the willingness to implement in two ways. First, we see that discretion influences client meaningfulness, because street-level bureaucrats are more able to tailor their decisions and the procedures they have to follow to the specific situations and needs of their clients. In doing so, discretion gives street level bureaucrats the possibility to apply their own judgments when dealing with the needs and wishes of citizens. When street-level bureaucrats feel relatively free in their implementing of the policy they are better able to contribute to the welfare of

its clients, dealing with the problems that his or her clients have in a more satisfying way. At the same time, the positive effect that discretion has on the bureaucrat's perception of client meaningfulness can be seen as important condition for a willingness to implement the policy as this effect is mediated through client meaningfulness. The research shows that when street-level bureaucrats perceive that their research is meaningful to his/her clients they are also more willing to implement a specific policy program because they are more convinced of the goals and benefits of this program. Hence, we provided additional empirical evidence for the notion that street-level bureaucrats want to make a difference to their client's lives when implementing a policy and when they feel that they cannot do this, this may lead them to resist the policy Moody and Musheno, (2003). However, our research does also another effect, more autonomous effect. Discretion seems to be inherently valued by street-level bureaucrats there by directly influencing their willingness to implement a specific policy program. This is in line with the literature from the HRM where leading authors note that autonomy is an intrinsic need for people. One of the central tenets of this movement is that employees have a right to make input into decisions that affect their lives (Deci and Ryan, 2002; McGregor, 2006). Given these outcomes we can state that discretion influences the effectiveness and legitimacy of public policy programs in a positive way because discretion stimulates willingness and reduces resistance.

This has interesting implications for the theory and practice of policy implementation. From a theoretical point of view it contributes to this long lasting discussion about the validity of a more top down and bottom-up perspective on policy implementation. Discretion seems to have a positive effect on the effectiveness of policy programs, thereby reducing resistance while at the same time it adds to the legitimacy of the policy implementation process because it able to meet the needs and wishes of citizens in a more appropriate way (in this eyes of the implementing bureaucrats). Moreover, the theoretical implications of our findings are also related to the empirical basis of our research given large sample that is used (1.317 respondents out of 5.199 respondents that were approached). If we compare this to empirical base of the predominantly qualitative and a small number of case studies that have been carried when studying the effects of discretion, then the empirical validity of our findings add substantially to earlier mentioned top down/bottom up discussion.

For the practice of public administration, it seems important, when drafting policy program, it is important to give the implementing street-level bureaucrats some freedom to adjust the policy program in order to be effective and legitimate. Here we note that the degree of discretion felt can vary within the same policy as among else as a result of specific organizational rules and preferences, managerial performance and risk management and personality characteristics of the street-level bureaucrat (Brehm and Hamilton, 1996; Lipsky, 1984; Prottas, 1979: Baier et al., 1986). Hence, the study results for instance have important consequences for the role of performance management and risk management in the implementation of these programs because the central role that detailed performance indicators and risk reduction rules play in the implementation process very often leads to a broad variety of rather detailed norms and guidelines that have to be obeyed by the involved street level bureaucrats. Concluding our empirical results show that marketing should be taken when reducing the autonomy of the street-level bureaucrats implementing the policy. We are not saying that policymakers and managers should never reduce discretion: discretion can have substantial downsides such as empire building and inefficiency (Deakin, 1994; Lipsky, 1984). Rather we are warning that diminishing the discretion of street-level bureaucrats should be a deliberate, informed choice, made after balancing the possible advantages and disadvantages in the specific situation.

LIMITATIONS

This brings us to the limitations of this study. As with all studies, this study has limitations. One important limitation is case we analyzed: psychologists, psychotherapists and psychiatrists working in (semi) public organizations and implementing the governmental policy marketing. One the one hand this addresses a group of street-level bureaucrats that have not studied intensively in the discretion literature on the other hand it is rather specific group of highly trained professionals which traditionally, due to their professional training, have gained a lot of professional autonomy.

Moreover, the psychologists and psychiatrist that were approached although they perform a vital role in implementing a specific policy program research outside traditional government organizations (such as municipalities). Hence, it would be interesting to compare the results of this study with a similar study that addresses other groups of street-level bureaucrats who have received other types of professional training or who are a part of government service bureaucracy. A second limitation is that we have only examine two, positive, effects of discretion: client meaningfulness and willingness to implement. Hence, we were primarily looking at perceived positive effects of discretion and therefore largely ignored its negative side. In future studies, scholars could take into account numerous

(negative and positive) effects, thereby developing a more all-encompassing model considering the possible effects of discretion.

REFERENCES

Baier, V.E., J.G. March and H. Saetren, 1986. Implementation and ambiguity. Scand. J. Manage. Stud., 2: 197-212.

Brehm, J. and J.T. Hamilton, 1996. Noncompliance in environmental reporting: Are violators ignorant, or evasive, of the law?. Am. J. Political Sci., 40: 444-477.

DeVellis, R.F., 2016. Scale Development: Theory and Applications. Vol. 26, Sage Publications, Thousand Oaks, California,.

Deakin, N., 1994. The Politics of Welfare: Continuities and Change. Harvester Wheatsheaf, Birmingham, England, UK.,.

Deci, E.L. and R.M. Ryan, 2002. Handbook of Self-Determination Research. University of Rochester Press, Rochester, NY.

Hill, M. and L. Peter, 2009. Hupe Implementing Public Policy: An Introduction to the Study of Operational Governance. 2nd Edn., Sage, Thousand Oaks, California, ISBN:9781412947992, Pages: 232.

Lipsky, M., 1984. Bureaucratic disentitlement in social welfare programs. Social Serv. Rev., 58: 3-27.

May, P.J. and S.C. Winter, 2009. Politicians, managers and street-level bureaucrats: Influences on policy implementation. J. Public Administration Res. Theory, 19: 453-476.

McGrego, D., 2006. The Human Side of Enterprise. 1st Edn., McGraw-Hill, New York, ISBN-13: 978-0071462228, Pages: 256.

Meyers, M.K. and S. Vorsanger, 2003. Street-Level Bureaucrats and the Implementation of Public Policy. In: Handbook of Public Administration, Peters, B.G. and J. Pierre (Eds.). Sage, London, England, UK., pp: 245-254.

Moody, S.W.M. and M.C. Musheno, 2003. Cops, Teachers, Counselors: Stories from the Front Lines of Public Service. University of Michigan Press, Ann Arbor, Michigan, ISBN:978-0-472-02387-5, Pages: 162.

O''Toole, L.J., 2000. Research on policy implementation: Assessment and prospects. J. Public Admin. Res. Theory, 10: 263-288.

Palumbo, D.J., S.M. Moody and P. Wright, 1984. Measuring degrees of successful implementation: Achieving policy versus statutory goals. Eval. Rev., 8: 45-74.

Prottas, J.M., 1979. People Processing: The Street-Level Bureaucrat in Public Service Bureaucracies. Lexington Books, Lexington, Kentucky,.

Riccucci, N., 2005. How Management Matters: Street-Level Bureaucrats and Welfare Reform. Georgetown University Press, Washington, DC., ISBN:9781589010413, Pages: 190.

Saetren, H., 2005. Facts and myths about research on public policy implementation: Out-of-Fashion, allegedly dead, but still very much alive and relevant. Policy Stud. J., 33: 559-582.

Tummers, L., 2011. Explaining the willingness of public professionals to implement new policies: A policy alienation framework. Intl. Rev. Administrative Sci., 77: 555-581.

Tummers, L., 2012. Policy alienation of public professionals: The construct and its measurement. Public Administration Rev., 72: 516-525.

Winter, S.C., 2007. Implementation Perspectives, Status and Reconsideration. In: The Handbook of Public Administration, Peters, B. and J. Pierre (Eds.). Sage, New York, USA., pp: 131-141.