

Human Resource Strategies in Response to Local Government Cutbacks:

An Exploratory Study of Determinants, Dimensions, and Effects

by

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Dedicated to My Parents, Sooyeon, and Our Children, Doyeon and Taehoon

Abstract

Much of the literature on public sector cutback management is normative and suggests how to implement cutback strategies as part of strategic management. The paucity of empirical research is striking, given the importance of cutback management in assessing future employment needs of public sector agencies. Such research is crucial in providing sufficient levels of services to fulfill the missions the public has come to expect from government. Using a mixed methods approach, this study explored various human resource (HR) strategies used to deal with cutbacks and examined the causes and consequences of using these strategies.

Drawing on in-depth interviews with 17 directors in 9 local governments in New York, New Jersey, Connecticut, and Pennsylvania, this study identified key factors that may account for the use of various HR strategies, including training and development, HR information technology, diversity management, and the role of unions and political leadership. Furthermore, this study explored the subsequent consequences of using these various strategies, with a focus on budgets, capacity and employee morale. To test these grounded hypotheses systematically, survey questionnaires were administered to health and human service directors of counties with populations over 10,000 residents, with an adjusted response rate of 32.8%. In addition to gathering data on actual HR strategies, the study conducted a survey experiment in which managers were asked how they would respond to budget cutbacks of varying severity.

The results showed that multiple factors had varied influences on their decisions about human resource strategies in cutback situations. The regression analyses indicated that local governments that recognized the importance of information management, state

political leadership, and the role of unions were more active in their implementation of cutback strategies. The findings of this study indicated as well that restructuring was associated strongly with lower budgets, capacity, and employee morale. The experiment found some empirical evidence that public managers reduce direct personnel costs to maintain the functions of the organization. The study has implications for human resources practices and theories, as well as important implications for the changing policies in developing and achieving the strategic goals of their organizations.

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Chapter One: Introduction

Context

During the Great Recession between December 2007 and June 2009, governments faced significant revenue shortfalls and struggled to balance their budgets. Under these circumstances, local governments were forced to explore creative ways to deliver services at reduced costs. Among many strategies available to manage organizational decline and cutbacks, governments have faced difficulties using strategies to reduce labor costs (S. Lee & Sanders, 2013; Trusts, 2013). Labor cost reduction, including pension and benefits, can be a critical factor for governments when considering the effects on budgets of labor costs, pensions, and other postemployment benefits.

Public sector human resource management (HRM) has encountered numerous opportunities and challenges in managing employees in contemporary organizations (Goodman, French, & Battaglio, 2013). Changes in public sector employment—civil service reform, labor relations, information technology, social media, privatization and outsourcing—have shifted traditional public HRM to transformational practices and procedures. The 2008 financial crisis and subsequent economic recession increased further the need for a more cost-effective public sector (van der Voet & Van de Walle, 2015), and many public organizations had to reduce their budgets and activities. Thus, the financial and economic crisis has required more radical methods to reduce expenses in public organizations than in the past decades. Because of these issues, cutback management is once again a central issue in both public management practice and research (Bozeman, 2010; Dougherty & Klase, 2009; Pandey, 2010; Pollitt, 2010; Raudla,

Douglas, Randma-Liiv, & Savi, 2015; Roberge, Jesuit, Cepiku, & Bonomi Savignon, 2012; van der Voet & Van de Walle, 2015).

Cutback management can be defined as “...managing organizational change toward lower levels of resource consumption and organizational activity” (Levine, 1979, p. 180). Although growth occurs incrementally and naturally in public organizations, decline does not occur in a reverse fashion (Levine, 1979). Moreover, cutback management generally is not part of the organization’s long-term strategy, but achieves results through many hard choices and paradoxes, and thus poses a considerable challenge for many public organizations, and particularly for their leaders (van der Voet & Van de Walle, 2015).

In this era of fiscal retrenchment processes, cutback management does not apply solely to the private sector. Many cases of downsizing for economic reasons exist in the public sector. The issues that public organizations and managers faced during the downturn remain as challenging as ever. This is because a public organization is subject to various restrictions due to its nature of publicness (Pandey, 2010). During periods of local budget shortfalls, political pressure is likely to be high, and previously held areas of managerial autonomy come under pressure. Thus, public officials are affected by cutbacks (van der Voet & Van de Walle, 2015).

According to the previous literature, the negative effects of cutback management are longer-term than most would like to admit. The immediate negative consequences include loss of morale, distrust, and decreased performance, as well as employees becoming self-centered and risk averse. Prior studies have stressed long-term effects, such as employees’ lack of commitment to their employers, which ultimately results in

recurring transactions and greater turnover in government agencies (Amundson, Borgen, Jordan, & Erlebach, 2004; Armstrong-Stassen, 2004, 2005; Armstrong-Stassen, 2002, 2006; Campbell & Pepper, 2007).

As thinking about human resources strategically is integrated fully into a public organization's long-term strategy, the importance of HR strategies is evident in cutback situations. It becomes an important task for both scholars and practitioners to focus on both the supervisory and strategic roles that HRM play in the overall success of public organizations. The implementation of cutbacks results in many hard choices and paradoxes, thus poses a considerable challenge for many public organizations (van der Voet & Van de Walle, 2015). Despite the fact that organizational downsizing in the private sector has attracted increased attention, less attention has been directed to studying cutback management in the public sector. Furthermore, cutback management research has focused on the perspective of government budget cutbacks (Bartle, 1996; Chen, 2016), while limited attention has been paid to cutbacks and related strategies in the area of personnel management (S. Lee & Sanders, 2013; van der Voet & Van de Walle, 2015).

Cutbacks are likely to have a direct influence on public officials in government agencies. Therefore, much attention needs to be paid to the determinants, dimensions, and consequences of personnel management in cutback situations.

Purpose of the Study

Much of the literature on public sector cutback management is normative and suggests how to implement cutback strategies as part of strategic management. The paucity of empirical research is striking, given the importance of cutback management in assessing the future employment needs of public sector agencies. Such research is crucial in providing sufficient levels of services to fulfill the missions the public has come to expect from government (Sally Coleman Selden, 2008).

Since the 2008 financial crisis, and in its aftermath, a number of counties have taken various steps to reduce their personnel costs. These reforms have received national attention and debate, and have even led to lawsuits (Chen, 2013). This study examined these major HRM cutback strategies in local governments that are subject to fiscal stress. This study applied a cutback management framework that Charles Howard Levine, Rubin, and Wolohojian (1981) developed to explain the patterns of human resource strategies in response to local government cutbacks.

The first research question in this study was, “What influences HR strategies in response to local government cutbacks?” Five critical factors in HRM identified in this study included training and development; information management systems; political leadership; diversity as a goal, and the role of unions. HRM in counties varies in its decision-making with respect to the importance that local government places on these five factors. The cutback management framework was tested with respect to decision-making in local government HRM.

The second question, “What are the changes local governments made?” explored the dimensions of human resource strategies in response to local government cutbacks.

This study examined increasing employees' contributions to pensions or health benefits, employee salary freezes, restructuring, alternative work arrangements, technology, telework, revenue enhancement, and partnerships. The purpose of the study was to discuss and analyze original survey data concerning the way in which, and the extent to which, cutback strategies are used at the local level.

The third question, "What are the consequences of HR strategies?" investigated the subsequent consequences of HR strategies in response to local government cutbacks. The budget maximization and survivor syndrome theories suggest that, because of cutbacks, government employees see their budgets decrease, which in turn may have negative effects on their (future) income and career opportunities, as well as the prestige of their organization. Despite a recent renewed academic interest in the implementation of cutbacks in the public sector (Bozeman, 2010), there is a dearth of empirical evidence concerning the way in which cutbacks or downsizing may affect the work attitudes of government employees. The model in this study included variables suggested by these theories to see whether this is the case with local government HRM.

The last question, "What are the effects of the level of cutbacks on HR strategies?" examined whether public managers choose more severe strategies if their county governments experience greater cutbacks. The cutback management framework suggests that local governments will follow a sequence of cutback strategies in response to different levels of fiscal stress (Charles Howard Levine et al., 1981). This study used an experimental design to understand the way in which the level of cutbacks affected directors' willingness to choose more severe HR strategies.

Significance of the Study

This study explored the way in which U.S. local governments have responded to cutbacks in terms of personnel management. This research will review what kind of HR strategies government organizations have implemented in response to fiscal stress.

This research has implications for public HRM on several levels—practice, policy, and knowledge generation. First, the study will provide practical implications for designing HR strategies that local governments can use in the future. A number of local governments have implemented the cost savings methods mentioned in this study as proactive ways to reduce their costs, increase efficiency, and/or help employees obtain a more desirable work/life balance. Therefore, it is important for practitioners to understand the ways in which local governments manage human resources.

Second, this research has important implications for policy, particularly considering the fact that identifying efficient and effective new ways of doing business through continuous quality improvement is a key to managing and reducing future budget shortfalls. Maintaining the discipline to manage human resources under budget constraints is critical to minimizing the effects of budgetary shortfalls caused by periodic economic recessions. Indeed, on the local level, government agencies have been diligent in their efforts to maximize all of their revenues to build healthy reserves for local funding.

Finally, this research also provided exploratory knowledge about the novel and unique phenomenon of local government employees undergoing highly stressful experiences. This could guide further research and development of theory regarding HRM in response to local government cutbacks. This study provides a new

understanding of the experiences of public managers, which could help both practitioners and researchers focus their work with civil servants more clearly.

Outline of the Dissertation

Chapter 2 begins by reviewing the literature on cutback management in local governments. After discussing factors in cutback management and subsequent outcomes, a set of hypotheses is presented. Chapter 3 describes the mixed-methods approach of the study. Chapter 4 reports the results from 17 in-depth, qualitative interviews with local government directors. Chapter 5 presents the results of a survey of 497 health and human service agencies in various counties. Chapter 6 explains the results of the survey experiment, and the last chapter discusses the implications of the study for the theory and practice of HRM in local governments, its limitations, and makes suggestions for future research.

Chapter Two: Literature Review and Hypotheses

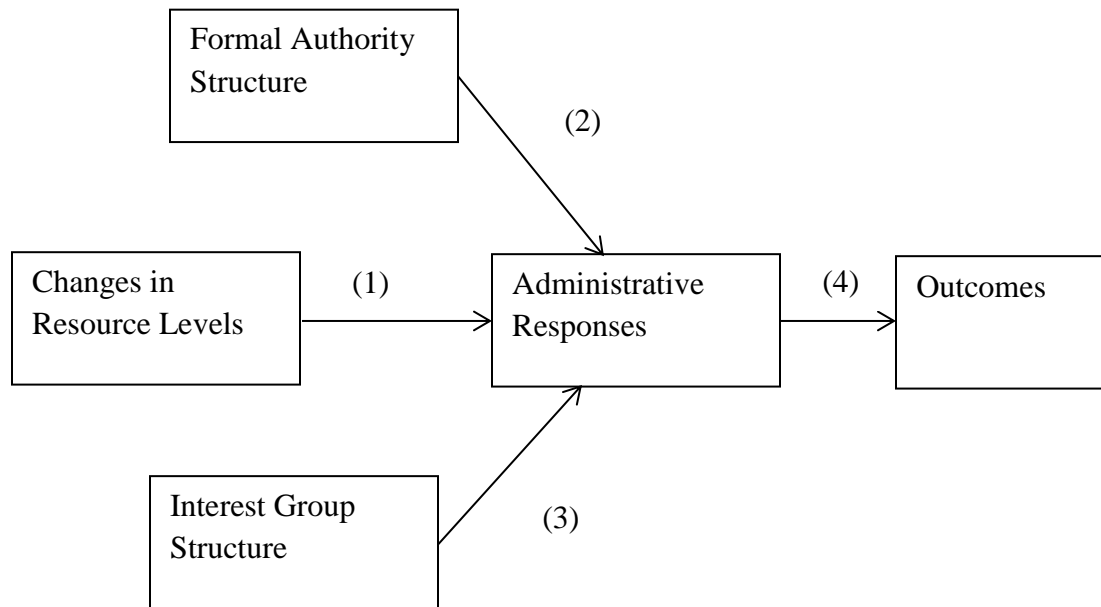
This chapter reviews the relevant literature and theoretical foundations for this study. It begins with a review of a theoretical framework suggested by Charles Howard Levine et al. (1981). Next, it reviews the literature on budget maximization theory (Niskanen, 1971) and survivor syndrome (Brockner & Greenberg, 1990). The chapter continues to review ways to measure various factors, followed by a series of hypotheses about the determinants and outcomes of cutback strategies in local governments.

Previous Research on Cutback Management

Cutback management framework

Using the case study of New York City, Charles Howard Levine et al. (1981) developed a cutback management framework. According to this framework, local governments' strategies are determined by the interactions of several factors: changes in financial resource levels, the formal authority of governments, and the power of interest groups. The "outcomes" cluster accounts for short- and long-term secondary effects of this process. Financial resources refer to the strength of growth or the severity of decline in financial resources (Chen, 2013). The formal authority structure refers to the scope and power legally granted to local administrators and elected officials (p. 36). The interest group structure refers to the presence or absence of interest groups, their activity levels during both growth and retrenchment, and whether they act individually or in coalitions (p. 37). The combined effects of financial resources, formal authority, and interest groups determine the strategies in response to cutbacks.

Figure 2-1. Cutback Management Framework



Source: Levine et al. (1981, p. 35). The figure is adjusted to reflect the relationships examined in this study.

As the figure shows, Levine et al. (1981) described four relationships among financial resources, formal authority, interest groups, administrative responses, and outcomes. They assumed that administrative responses are associated directly with the changes in resource levels (relationship #1). The activities and structures of interest groups and formal authority, also affect the administrative responses (relationships #2, 3). It is hypothesized that stronger authority will enable officials to make deeper and more targeted cuts than officials with less formal authority (p. 42). However, where interest groups are strong and active, actual cuts will be avoided or limited to shallow across-the-board responses (Levine et al. 1981, p. 42). Finally, the administrative responses to fiscal stress determine the outcomes (relationship #4).

This study tests relationships these four relationships in this model. These four relationships represent the influences of financial resources, formal authority, and interest groups on the administrative responses. Because this study focused on HR strategies in response to cutbacks, it examined the effects of financial resources, formal authority, and interest groups. This study also incorporated training and development, information management, and diversity as factors that influence HR strategies in response to local government cutbacks. Training and development methods are vital to successful HR reforms and ensuring the continuity of services and mission implementation (Goodman et al., 2013). Furthermore, integrated information management is a key component in effective HRM, and allows public managers improved access to data needed for workforce analyses and forecasting (Sally Coleman Selden, 2008). In addition, incorporating “diversity considerations” is one of the most important practices in HR planning (Schreiber, Price, & Morrison, 1993).

The relationship between changes in resource levels and HR strategies

Levine et al. (1981) identified three levels of resource decline: slow or no growth, moderate decline, and severe decline. Their theory suggests that there are several stages of administrative response to different levels of fiscal stress. The first is “denial and delay strategies,” associated with slow or no growth in financial resources. The second stage is “stretching and resisting strategies,” and is associated with moderate decline. The third stage is “cutting and smoothing strategies” that are associated with severe decline.

Other scholars also have discussed the sequence of cutbacks associated with the severity of financial stresses. Using a case study in the U.K., Dunsire, Hood, and Huby

(1989) find that the government's approach towards the need for cutbacks changes as the crisis deepens or as the period of fiscal restraint lengthens. They suggest that the first choice that presents itself to the manager faced with the need to reduce expenditures or staff numbers is between percentage cuts all round and selective cutbacks. Wolman and Davis (1980) argued that a local government's first response to fiscal pressure is using "buying-time" techniques which at a minimum buy time and delay the necessity of choosing between revenue increases and expenditure-reduction strategies. After implementing these strategies, local governments facing pressure must choose either to increase revenues or reduce expenditures. Their studies suggest that local governments facing fiscal pressure will first attempt to increase intergovernmental revenues. If local governments are unable to generate sufficient additional intergovernmental revenues, they must then confront the choice of self-funded revenue increases or expenditure cutbacks. For a local government which engages in expenditure reduction, it appears that the first line of attack is to attempt to reduce self-funded spending through means which do not result in a lower level of service received by citizens. Such strategies include greater use of automatic data-processing systems, contracting out, reducing compensation of local government employees and transferring responsibilities to another level of government. Chen (2013) argued that, if the strategies above have been used already, the government will begin to make selective reductions, which proceed from relatively invisible to visible areas.

Table 2-1. Changes in Resource Levels and HR Strategies

Changes in resource levels	Cutback strategies	HR strategies
Slow or no growth	Denial and delay strategies	Reordering of spending priorities
		Transferring responsibilities to another level of government
		Use of volunteers instead of paid employees
		Not filling vacant positions
		Virtual meetings
		Increased use of electronic documents
		Increased use of technology by employees
		Partnerships
Moderate decline	Stretching and resisting strategies	Lay-offs
		Retirement incentives
		Increase in fees for services
Severe decline	Cutting and smoothing strategies	Increasing employees' contributions to pensions or health benefits
		Employee salary freezes
		Consolidating departments or offices
		Consolidating or reducing services
		Reduced work schedules
		Furloughs
		Telework
		Tax increases
		Use of rainy day funds
		Debt refinancing

Source: Levine et al. (1981, p. 47). The table is adjusted to reflect the strategies examined in this study.

The sequence of cutback strategies can be applied to analyze HRM under fiscal stress, as shown in Table 2-1. The third column of Table 2-1 is the largest contribution of this study. The first and second columns of this table were provided by Levine et al. (1981). However, Levine et al. (1981) did not give a clear definition or measurement of

the three levels of resource decline. Because Levine's model has this limitation, through a survey experiment of two treatment groups, this study will examine whether there are differences in the managers' preferred strategies depending on the cutback levels.

According to experimental results, some strategies were seen as cutting strategies under severe declines, whereas other strategies were seen as denial and delay strategies under slow or no growth.

Reordering spending priorities, transferring responsibilities to another level of government, using volunteers rather than paid employees, and not filling vacant positions are strategies to "buy time," delay payment, manipulate the budget, or borrow from other funds. Reordering spending priorities is another technique to delay payment. By transferring responsibilities to another level of government, the government can defer the payment to the future, expecting the economy will change for the better. Using volunteers rather than paid employees and not filling vacant positions are likely to decrease personnel costs, which is another way to buy time. All of these strategies are included in the first category, "denial and delay," in Charles Howard Levine et al. (1981)'s cutback strategy model.

Lay-offs and retirement incentives are the second category of "stretching revenues" strategies. Lay-offs and retirement incentives are assumed to be ways to decrease employee numbers to reduce personnel costs. According to Charles Howard Levine et al. (1981)'s model, lay-offs and retirement incentives follow the "stretching revenues" strategy because they trigger resistance from interest groups. Therefore, the decision to lay-off or offer retirement incentives depends on the expertise of the decision makers in

HRM. It requires complicated knowledge in HR to develop and adopt effective lay-offs and retirement incentives.

The last category, “cutting strategies,” includes increasing employees’ contributions to pensions or health benefits, employee salary freezes, consolidating departments or offices, consolidating or reducing services, reducing work schedules, and using furloughs. Charles Howard Levine et al. (1981) theory predicts that interest groups will resist these strategies and they will not be used unless there is an acute resource decline. These strategies usually are subject to legislative debates, public hearings, and often collective bargaining, a process that may take a long time. Further, some strategies in this category apply only to new employees because they are implemented based on seniority in the government workplace.

Budget maximization theory

The negative effects of cutback strategies on employee well-being have been documented well in the management literature, although the empirical evidence in the public sector remains limited (van der Voet & Van de Walle, 2015). Previous literature has argued that negative consequences of cutbacks on employee morale, job satisfaction, work motivation, work-related stress, and intention to leave are inevitable (M. K. De Vries & Balazs, 1996; Kiefer, Hartley, Conway, & Briner, 2014; Charles H Levine, 1978, 1984; K. E. Mishra, Spreitzer, & Mishra, 1998; Raudla, Savi, & Randma-Liiv, 2013). Much of this work has examined the relationship between cutbacks and the work-related attitudes of employees in the private sector, while those individuals in government organizations have received far less attention.

Niskanen's (1971) budget maximizing model can be used to explain the relationship between cutbacks and work-related attitudes (van der Voet & Van de Walle, 2015). This model argues that public officials, referred to as bureaucrats in this line of work, may derive positive outcomes from the budget size of their department. In this view, outcomes such as income, prestige, and power are a function of the budget size. Therefore, government employees can be expected to maximize their budgets. Because of cutbacks, however, civil servants see their budgets reduced, which in turn may have negative effects on their (future) income and career opportunities, as well as their organization's prestige. Thus, the negative relationship between cutbacks and public officials' work attitudes is a reaction to the negative consequences to the prestige, power, and legitimacy of their organization, as well as their personal interests.

Survivor syndrome

The general management and psychology literature indicates that downsizing decreases the work related well-being of the employees who remain, which has been referred to as survivor syndrome (Appelbaum, Everard, & Hung, 1999; Brennan & Skarlicki, 2004; Brockner, Davy, & Carter, 1985; Brockner, DeWitt, Grover, & Reed, 1990; Brockner, Wiesenfeld, & Martin, 1995; Davy, Kinicki, Scheck, & Sutton, 1988; M. F. K. De Vries & Balazs, 1997; Kernan & Hanges, 2002; A. K. Mishra & Spreitzer, 1998; Shah, 2000; Van Dierendonck & Jacobs, 2012). Many previous studies have focused on the survivor syndrome in the private sector. For example, Brennan and Skarlicki (2004) suggested that downsizing can result in negative outcomes in terms of survivors' job attitudes and behaviors. In a similar vein, Brockner et al. (1985) found that layoffs

caused participants to experience increased feelings of remorse and develop more negative attitudes toward their co-workers. M. F. K. De Vries and Balazs (1997) found that downsizing can be a destructive process, but reframing downsizing as a continuous process of corporate transformation and change is a more constructive approach. A. K. Mishra and Spreitzer (1998) described two factors, trust in top management, and the perceived justice of the downsizing implementation, that shape the primary appraisal process by reducing the evaluation of the threat inherent in downsizing. Using an extensive literature review, Appelbaum et al. (1999) addressed the approaches to downsizing and their specific strategies, such as workforce reduction, work redesign, and systemic strategy.

Several studies of survivor syndrome have explored ways in which layoffs affect public servants' job attitudes in the public sector. However, although Levine et al. developed their framework to explain cutback strategies in local governments, previous studies are limited to research on federal governments or privatized organizations in the U.S., Canada, and U.K. For example, drawing on research on survivors of downsizing carried out by the U.S. Department of Energy, Campbell and Pepper (2007) found that a critical factor that influenced these responses is not downsizing, which is the exposure faced by those who lose their jobs, but the loss of social cohesion that downsizing ultimately represents to survivors. Amundson et al. (2004) conducted thirty-one interviews of downsizing survivors in both the public and private sectors to determine incidents that either helped or hindered their transition through one or more organizational downsizings. Using a 3-year longitudinal panel study of employees in the Canadian federal government during a large scale reduction in their workforce (more than

20 percent), Armstrong-Stassen (2002) found that survivors' perceptions of job security decreased continuously throughout the period surveyed. Campbell-Jamison, Worrall, and Cooper (2001) examined the psychological effects of downsizing and redundancy in a recently privatized organization in the U.K. However, there is still a gap in the literature with respect to survivor syndrome among U.S. local government officials. Thus, to fill this gap, the unit of analysis in this study was U.S. county governments.

Hypotheses

What influences HR strategies in response to local government cutbacks?

Five areas contributed in building a theoretical model to begin to answer whether public managers implement HR strategies in response to local government cutbacks. Because there is little known about the use of HR strategies in response to cutbacks, this study drew from public management and related literature to develop the testable hypotheses discussed in the following sections. Furthermore, the exploratory interviews supported theory development and shaped the hypotheses discussed in the following sections.

Training and development

As a large percentage of the workforce prepares for retirement, local governments will have to replace a greater percentage of knowledge workers than will the private sector. These workers require specialized training and education that enable them to fill various roles, such as healthcare worker, legal professional, natural scientist, engineer, educator, and manager (Jacobson, 2009). If local governments wish to do more with less, they must develop strategies to maximize their human capabilities (Goodman et al., 2013).

In this respect, HRM must integrate training and development in their core functions. Training and development include, among other things, mentoring, cross training, and professional development (J. Pynes, 2003). These training methods are important in successful cutback management, and ensuring continuity of services and mission implementation (Goodman et al., 2013). As such, the first hypothesis states:

Hypothesis 1: There is a relationship between the importance a local government places on training and development and the personnel strategies that it chooses to respond to cutbacks.

Information management

Beginning in the 1960s, personnel systems began using computers to store and analyze employment records to comply with new federal and state laws (Goodman et al., 2013). As information technology became more accessible during the 1980s and 1990s, the role of HRM began to shift from being primarily concerned with "...transactional and traditional HR activities to dealing with more transformational ones" (Thite, Kavanagh, & Johnson, 2012). HR information systems (HRIS) allowed HR managers to generate reports that enabled organizations to "translate" their "strategic plans to operational decisions" (Kavanagh & Thite, 2009).

Thite et al. (2012) stated that HRIS supports various organizational levels from operational, to managerial and executive processes. At the operational level, HRIS helps reduce transaction costs and increase efficiency. For example, HRIS can be used to process payroll, track time and attendance, and create and disseminate online applications. At the managerial level, HRIS is used to produce reports, calculate merit increases, and help with recruiting decisions. At the executive level, HRIS provides data for reporting

and evaluation, such as balanced scorecards, and also is used across boundaries. It helps assess staffing needs, and conduct labor market analyses, employee skill matching, training, and scheduling (Goodman et al., 2013). Integrated information management is a key component in effective personnel management that allows public managers to access data needed for workforce analyses and forecasting more effectively (Sally Coleman Selden, 2008; Sally C Selden & Jacobson, 2007). In summary, adequate HRIS is important when public managers administer human resources in response to cutbacks (CedarCrestone, 2011; Kavanagh & Thite, 2009). Thus, the second hypothesis states:

Hypothesis 2: There is a relationship between the importance a local government places on HR information technology and the personnel strategies that it chooses to respond to cutbacks.

Political leadership

Political leadership may influence the strategies county governments choose in response to cutbacks. Liberal governments generally are believed to spend more on welfare than do conservative governments. For example, Liu and Mikesell (2014) found that states that have Democrat governors spend more. This becomes clearer when we think about the importance of a governor's leadership on labor-management relations. Public administration scholars have long considered managerial leadership an important factor in the effective functioning of government organizations, including the delivery of higher quality and efficient services (Andrews & Boyne, 2010; Brewer & Selden, 2000; Hassan & Hatmaker, 2014; Meier & O'Toole Jr, 2002; Rainey, 2009; Rainey & Steinbauer, 1999; Terry, 2003; Wart, 2003). However, research on political influence within the public sector literature lags behind that of broader organizational scholarship

and questions in what way, and to what degree, it still matters. This research attempted to advance this work by examining the way in which state-level politics shape local governments' choice of personnel strategies in response to cutbacks. The third hypothesis states:

Hypothesis 3: There is a relationship between the importance a local government places on political leadership (at the state and county levels) and the human resource strategies it chooses to respond to cutbacks.

Diversity as a goal

Incorporating "diversity considerations" has been identified as one of the most important practices for HRM (Schreiber et al., 1993). Managing diversity refers to leaders' ability to develop strategies, as well as programs and policies, that accommodate diversity in their workplaces (N. Riccucci, 2002). In addition, governmental regulations with respect to hiring female and minority workers have heightened the need for personnel strategies that address diversity in an entity's workforce (West & Berman, 1993). Diversity management also has become increasingly important because of the changes evidenced in the government workforce at all levels, and because of the increasingly diverse communities that public administrators serve. The implications of this diversity are important considerations for public administrators at the local government level as they develop their organization's missions, strategic plans, and leadership training programs (Soni, 2004). The fourth hypothesis states:

Hypothesis 4: There is a relationship between the level of importance a local government places on diversity and the human resource strategies it chooses to respond to cutbacks.

Role of unions

Unions may be considered an external interest group because of their affiliation with larger external organizations (de Lancer Julnes & Holzer, 2001). There is a long history of debate about the appropriateness of unionism in the public sector (Bent & Reeves, 1978; Kearney & Mareschal, 2014; Klinger Donald & Nalbandian, 2003; Nigro, Nigro, & Kellough, 2013; Perry, 1985; N. Riccucci, 1990; Rosenbloom & Shafritz, 1985; Wellington & Winter, 1969). Examples suggest that the effects of unions can be positive or negative, depending on the circumstances (de Lancer Julnes & Holzer, 2001). Fiscal and performance pressures may lead to union cooperation in reform efforts. In New York City, the municipal unions have long cooperated in productivity improvements as a function of fiscal pressures (de Lancer Julnes & Holzer, 2001; Holzer, 1988). Unions also may feel justified in opposing change when it may have negative consequences for its members. For example, the Oregon Department of Transportation's implementation of performance measures eliminated one third of all management positions—a favorable outcome for the agency, but not for the employees involved (de Lancer Julnes & Holzer, 2001; J. E. Pynes, 2008). Although employers are free to ignore the view of the unions and make unilateral decisions with respect to the terms and conditions of employment (J. E. Pynes, 2008), unions become an inevitable partner with top management in implementing personnel strategies. Therefore, I hypothesized,

Hypothesis 5: There is a relationship between the level of importance a local government places on the role of unions and the HR strategies that it chooses to respond to cutbacks.

What changes did local governments make?

Local governments can make various changes in their HR practices and strategies in response to cutbacks, including increasing employees' contributions to pensions or health benefits, freezing salaries, restructuring, alternative work arrangements, increasing the use of technology to reduce costs, telework, enhancing revenues, and partnerships. As HR activities are integrated fully into the public organization's long-term strategy, the importance of HR strategies in the cutback climate is evident. The information provided by these managerial tools allows the organization to anticipate its current and future staffing needs to meet the demands of the external environment, and also implement HR activities, policies, practices, and changes that are needed to support or improve the organization's operational and strategic objectives overall (J. E. Pynes, 2004).

Increasing employees' contributions to pensions or health benefits

In local pension or health benefits systems, employee contributions are usually fixed at certain rates that also are specified in the state statutes or contracts that establish pension plans. Decisions about employee contribution rates are subject to legal constraints similar to those for benefits, because increasing employee contributions is another way to cut pension or health benefits. The same influencing factors that affect benefits, including executive proposal, legislative review, and negotiation with unions, also affect decisions related to employee contributions (Chen, 2016).

Employee salary freezes

Numerous state and local governments enacted pay freezes while they trimmed budgets during the Great Recession, and some remain in place. The implications of these long-term pay freezes have been far-reaching, from hindering employee retention to

damaging morale. Using a randomized field experiment, Schaubroeck, May, and Brown (1994) found that the fairness of the decision process mitigated the effect of the ongoing pay freeze on employee attitudes, turnover intentions, and perceptions of procedural justice.

Restructuring

Faced with economic hardship and greater demands for cost controls, organizations are taking the fast track to cost-cutting by downsizing, reorganizing their divisions, streamlining their operations, and closing down unprofitable divisions. G. Lee and Teo (2005) found that both trust and satisfaction on the part of employees in an organization declined significantly when compared to pre-restructuring levels.

Alternative work arrangements

Reilly and Reed (2011) found that local governments have implemented reduced work schedules and lay-offs, used volunteers rather than paid employees, not filled vacant positions and offered retirement incentives to reduce costs. S. Lee and Sanders (2013) confirmed these results and found that governments also are relying on four-day work weeks and furloughs. In addressing financial crises and the trend toward privatization, governments have become more strategic, particularly when handling personnel. Options that prevent lay-offs, i.e., furloughs, hiring freezes, wage cuts, and pay schedule delays, have been adopted (S. Lee & Sanders, 2013).

Increased use of technology

More and more governments have begun to use information and communication technology (ICTs) tools, including virtual meetings, and have increased their use of electronic applications/paperwork (e.g., licenses, requests for services, etc.) to reduce

costs in HR management (Kavanagh & Thite, 2009). The use of information technologies, or e-government, has several advantages compared with traditional methods of HR management, including reducing employee costs in time and money, promoting more effective and efficient two-way interactions, and so on. However, Sally C Selden and Jacobson (2007) indicated that cities are the least likely type of government to operate integrated HRIS. The following question explored whether county governments have made increased use of technology to reduce costs in response to cutbacks.

Telework

Telework has several other advantages for organizations with respect to cost savings related to office maintenance, transportation, energy, and the environment, as well as the increased continuity of operations in emergency situations and natural disasters (Caillier, 2011; D. Lee & Kim, 2016; Major, Verive, & Joice, 2008; Maruyama, Hopkinson, & James, 2009; Overmyer, 2011). Rather than resorting to budget cuts, local governments have implemented telework as a proactive way to reduce costs, increase efficiency, and help employees obtain a more desirable work/life balance.

Revenue enhancement

This study also added revenue or financial strategies, because some of these strategies are related to HR. For example, tax increases can be used as local government strategies instead of cutting wages. An increase in fees for services can also be an alternative to making staff cuts. Therefore, this study added revenue enhancement strategies, such as taxes and debts to HR strategies.

Using data from a survey of county and city governments, Perlman and Benton (2012) found that local governments introduced recovery strategies such as tax increases, tax structure reform, use of rainy day funds, increased fees for services, or debt restructuring to enhance revenue in response to the changes brought on by the recession. The goals local governments often are trying to achieve might be categorized as temporarily buttressing shortfalls and reducing their greater costs. Local governments are trying to manage and hope that fiscal pressures will decrease (Perlman & Benton, 2012).

Partnerships

In dealing with financial crises, governments have reduced costs by increasing partnerships—those with the private sector, with non-profits, with academic institutions, and by privatizing services or contracting with other local governments (Grossman, 2012). Grossman (2012) emphasized that the skills of public-private partnership management are required as we move toward more and more forms of partnership governance to solve social and technical problems, reduce investment risk in public projects, and provide a variety of public services.

What are the consequences of HR strategies?

The strategies discussed above have various consequences for local government organizations, including organizational capacity, employee morale, and trust. These effects are significant because “...public organizations must shoulder the burdens of publicness” (Pandey, 2010). However, the link between cutback management and its effects is difficult to assess, and evidence for theory is weak (CEPIKU, MUSSARI, &

GIORDANO, 2015; Lodge & Hood, 2012; McCann, 2013; Posner & Sommerfeld, 2013; Schick, 2011).

Organizational capacity

Organizational capacity is the foundation necessary for governments to perform well and achieve their goals. Capacity takes many forms (Collins & Gerber, 2006, 2008; Denhardt & Denhardt, 2000; Hall, 2008a, 2008b; Terman & Feiock, 2014), and many of these may be relevant to implementation. However, local administrative and fiscal capacity have proven to be particularly salient (Howlett, 2009; Terman & Feiock, 2014).

Although these studies have examined many factors, limitations still exist, in that there are few to no evaluations of the effects of cutback strategies on government capacity. Without a reasonable level of capacity and resources, it is difficult for local governments to provide public services to constituents.

This study was designed to fill this gap in the previous literature and explain the consequences of personnel strategies from the perspective of government capacity. The research questions are as follows: What are the effects of personnel strategies on budgets and administrative capacity? Do personnel strategies reduce the timeliness and accuracy of public service delivery to meet the citizens' needs?

Hypothesis 6: The personnel strategies used to respond to cutbacks have negative effects on local governments' budgets.

Hypothesis 7: The personnel strategies used to respond to cutbacks have negative effects on local governments' administrative capacity.

Morale and trust

Trust includes both internal (organizational) and external (environmental) perspectives (Battaglio & Condrey, 2009; Nyhan, 2000). The external view has received the most consideration pertaining to trust and power in government by examining the level of trust or confidence the public has in public institutions and their goods and services (Battaglio & Condrey, 2009; Nyhan, 2000). However, the former view, although no less important, has received considerably less attention. The internal perspective focuses on the "...dynamics of interpersonal trust within public organizations" and has garnered attention more recently with respect to its influence on organizational performance overall (Battaglio & Condrey, 2009; Condrey, 1995; Gersick, 1994; Greeberg, 1996; Morgan & Zeffane, 2003; Neves & Caetano, 2006; Nyhan, 2000; Sheppard, Lewicki, & Minton, 1992; Tzafrir, 2005).

According to Battaglio and Condrey (2009), based on Nyhan (2000) extensive review of the literature, trust consists of "...three major overlapping constructs: fairness, confidence, and risk taking." According to Nyhan (2000), these constructs serve as the "antecedents" in his conceptual model of trust. Confidence and fairness are reliable attributes of trust (Battaglio & Condrey, 2009; Nyhan, 2000). Furthermore, there is a difference between the "dyadic" relationship of the supervisor and subordinate with respect to trust, versus the issue of employee trust in the organization (Battaglio & Condrey, 2009; Nyhan, 2000). Employees who have consistent confidence in the fairness of the organization and in their dyadic relationships experience trust as a measure of reciprocity, a notion grounded in social exchange theory (Tzafrir, 2005). Employing Nyhan (2000) and Battaglio and Condrey (2009) approach, this research proposed the

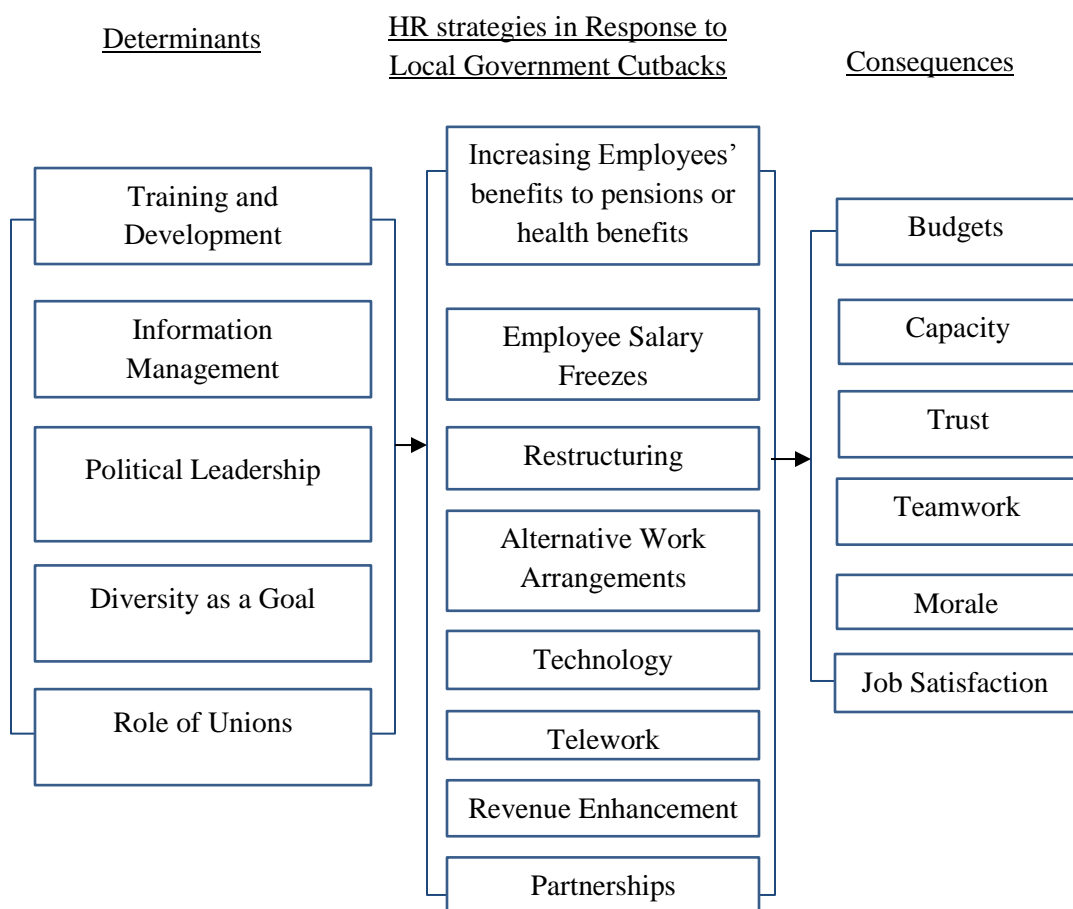
following four hypotheses to measure the effect of personnel strategies on employees' trust in management and the organization as a whole.

Hypothesis 8: The personnel strategies used in response to local government cutbacks have negative effects on employees' trust in the organization.

Hypothesis 9: The personnel strategies used in response to local government cutbacks have negative effects on employees' perceptions of teamwork.

Hypothesis 10: The personnel strategies used in response to local government cutbacks have negative effects on employee morale.

Hypothesis 11: The personnel strategies used in response to local government cutbacks have negative effects on job satisfaction.

Figure 2-2. Conceptual Framework

Effect on HR strategies of the level of cutbacks

One of the purposes of this study was to examine the relation between cutback levels and local government behavior using an experimental design. Specifically, this study tested the way in which the level of cutbacks affected directors' willingness to choose more severe HR strategies. Thus, this study tested the following hypothesis:

Hypothesis 12: Public managers will choose more severe strategies if they experience greater cutbacks.

Summary

This chapter began with a review of cutback management frameworks, budget maximization theory, and survivor syndrome. HR management is an integral part of local government operations. State and county political leadership vary in their authority in decision making about local government personnel management, which may influence the outcomes of decisions. The adverse effects of cutbacks on employee well-being have been documented well in the literature. However, no study has organized cutbacks' determinants and subsequent consequences in a theoretical framework. This study examined the influences of fiscal stress on various aspects of HRM. It also examined the effect of cutback strategies on budgets, capacity, and work attitudes in local governments.

Since the Great Recession that persisted from December 2007 to June 2009, local governments have adopted a series of cutback strategies as counties experienced decreasing revenues and large budgetary gaps. Thus, they implemented strategies to reduce personnel costs. Borrowing from previous studies of public personnel

administration, this study adopted multiple indicators to measure the different determinants of HR strategies to study their influences on local governments' HRM.

This chapter discussed the pattern of cutback strategies in local governments, and adopted Charles Howard Levine et al. (1981) framework to explain the patterns of cutback strategies in local governments. Following this framework, the study anticipated that political leadership on the part of the state and the role of unions would influence personnel decisions. This study also hypothesized the way in which the importance of training and development, information management systems, and diversity as a goal affect the patterns of cutback strategies. Furthermore, this study hypothesized that when subjected to different levels of fiscal stress, county governments respond with a sequence of cutback strategies.

This chapter also reviewed the subsequent consequences of cutback strategies. Previous literature has suggested that negative consequences of cutbacks on employee morale, job satisfaction, work motivation, work-related stress, and intention to leave are inevitable. Various theories have been applied in the cutback management literature to explain the relation between cutbacks and employees' work-related attitudes. Such theories include the budget maximization and survivor syndrome theories. This study used budgets, capacity, trust, teamwork, morale, and job satisfaction to measure the negative consequences of cutback strategies. These variables were organized into a theoretical framework, and hypotheses were proposed according to the predictions in the previous literature. The next chapter discusses the definitions, measurements, and data sources for the variables, as well as the methodologies used in estimation.

Chapter Three: Research Design

This chapter outlines the research design, research methods employed, sample selected, instruments, and data collection procedures. The cutbacks that resulted from the fiscal and economic effects of the Great Recession have constituted one of the most important challenges facing those who participate in the management of American local government (Box, 1997). This study used a mixed methods approach to study the complexity of the phenomenon, as well as the intricate context of interest. A qualitative pilot study was conducted first and used a theory-building exercise through in-depth qualitative interviews. Together with the literature review, the results of this initial qualitative stage were then used to develop a primary survey to allow systematic testing of the propositions. This mixed methods approach made it possible to converge lines of inquiry across multiple data sources and increased the reliability of the study's findings (Kim, 2014). Each step is explained in greater detail after discussing the rationale for the use of mixed methods.

Rationale for, and Summary of the Use of Mixed Methods

There has been considerable philosophical and methodological controversy about the relative merits of qualitative versus quantitative research in social sciences (Jennifer C. Greene, 2008; Remler & Van Ryzin, 2010). The selection of appropriate research methods relies largely on the researcher's philosophical perspective, the nature and purpose of the research question, and resources available (Jennifer C. Greene, 2008; Kim, 2014; N. M. Riccucci, 2010). Both quantitative and qualitative approaches have value;

in fact, they complement each other because the two traditions represent distinct cultures that have different values, beliefs, and norms (Mahoney & Goertz, 2006).

According to Yin (2013), “Mixed methods research can permit investigators to address more complicated research questions and collect a richer and stronger array of evidence than can be accomplished by any single method alone.” Thus, this study employed a mixed methodology to investigate personnel strategies in response to cutbacks in U.S. counties. Clark and Creswell (2011) explained that mixed methods research involves “...philosophical assumptions that guide the direction of the collection and analysis and the mixture of qualitative and quantitative approaches in many phases of the research process.” They suggested that a combination of quantitative and qualitative data collection and analysis in a single study or series of studies “...provides a better understanding of research problems than either approach alone” (Clark & Creswell, 2011). N. M. Riccucci (2010) believed that the use of mixed methods “...combines the benefits of qualitative and quantitative methods,” as well as “...provides flexibility in efforts to find solutions to practical, real-world problems.”

To answer the research questions in this study, information about both the qualitative component and quantitative component must be obtained. This is because the research questions embed both quantitative and qualitative research questions within them.

This dissertation reflects the pragmatic stance and was designed to use both qualitative and quantitative methodologies as appropriate for the research topic. According to Johnson, Onwuegbuzie, and Turner (2007), mixed method research is the research paradigm that partners with the philosophy of pragmatism. Onwuegbuzie,

Johnson, and Collins (2009) argue that the mixed methods research paradigm offers an important approach for generating important research questions and providing warranted answers to those questions. Based on this pragmatic approach, the pragmatist researcher who holds a mixture of philosophical positions (i.e. belonging to both quantitative and qualitative traditions) finds it natural to combine statistical analyses with an array of qualitative analyses (Onwuegbuzie et al., 2009).

The use of mixed methods in public personnel research

Mixed methods have been used increasingly in the public administration context, which was dominated previously by quantitative research. Mixed methods research is considered to be an alternative in public personnel management studies to counter the weaknesses of quantitative methodology. Pitts and Wise (2010) examined diversity management research, identified articles on workforce diversity published in a core set of public administration journals between 2000 and 2008, and found that roughly 11 percent of the articles used mixed methods, while 55.1 percent used quantitative, and only 3.4 percent used qualitative methods. According to Jennifer C Greene (2005), mixed methods can be implemented well in complex, real world contexts, because they include characteristics that are both unique to a particular context and shared across contexts. This is another reason that mixed methods were used in this study of personnel strategies in response to local government cutbacks.

The type of mixed methods approach in this study

Because there are three main types of mixed methods based on the sequence in which the quantitative and qualitative methods are used (Clark & Creswell, 2011), it is important to choose whether to conduct qualitative research first, after, or simultaneously to study the research topic comprehensively. For little researched topics, such as cutback management, qualitative methods can be used to explore the issues and develop survey questionnaires. However, a qualitative study has limitations, in that it usually excludes large numbers of people from the selection process, and relies mostly on people who volunteer to participate (Dillman, Smyth, & Christian, 2014). In contrast, using a probability sampling method, quantitative research can produce population estimates and provide results that can be generalized to a larger target population. However, without prior in-depth qualitative investigations, quantitative research may fail to include crucial issues and therefore not reflect the cultural context properly.

Accordingly, this study used an exploratory mixed method wherein the researcher conducted in-depth interviews during the first phase and then a quantitative survey during the second. By implementing an exploratory mixed method, this study tried to include organizational and contextual factors that may influence personnel strategies and the way in which these strategies shape administrative capacity and trust. An initial qualitative phase prevented this study from overlooking crucial issues, and helped develop and elaborate the survey questionnaire. A second quantitative phase can help test hypotheses that evolved from the first phase, and yield results useful for explanation, prediction, and broader generalization (Remler & Van Ryzin, 2010).

After the qualitative phase, a closed-ended, self-administered survey was given to a larger random sample of county health and human services departments across the United States to provide more quantitative evidence of patterns and causal relationships.

Table 3-1. Summary of Research Design

Stage	First-exploratory	Second-explanatory
Approach	Qualitative	Quantitative
Source of Data	In-depth interviews	Original survey responses
Sample Size	17	497
Goal	To explore factors based on grounded theory	To test theoretical hypothesis presented in chapter 2

Stage One: Qualitative Interviews

In the first stage, this study uses open-ended interviews with local government employees to generate considerable information, which may lead to reconceptualization of the issues under study. In accordance with grounded theory, stage one was designed to develop theory through systematic examination of the phenomenon (Corbin & Strauss, 2014; Kim, 2014). In this sense, the first stage was intended to search for patterns to understand better what influences HR strategies and how they affect budgets and employee morale. Qualitative interviews are often used in initial studies on topics unfamiliar to researchers, which is very important in cross-cultural and multicultural research when the psychological repertoire of a population is not readily known (Teddle & Tashakkori, 2009).

The researcher used pilot testing using two local government employees. A pilot phase was utilized to solidify the interview approach, determine the appropriateness of the questions, and how much time to allow for the total interviews as well as opportunities for revisions if necessary. The sample size was 17, which is an appropriate size for phenomenological research.

A series of face-to-face, semi-structured, open-ended questions in a relaxed, cooperative environment of the participant's choosing were used. After success of the pilot testing one-on-one interviews were conducted on 17 participants that fit the criteria. Context for the study was local governments in New York, New Jersey, Connecticut, and Pennsylvania. 9 agencies were narrowed to include only those organizations that fit the following criteria: 1) municipal or county governments, 2) human resources or social services agencies. Following a grounded theory approach (Glaser & Strauss, 2009), a

search was made for patterns in earlier interviews that led to questioning some of the factors further during the course of later ones (Kim, 2014). When the interviews were conducted, interviewees were asked about their work experience and involvement in HR issues in their department. The initial interview protocol is provided in Appendix A.

The researcher is the instrument of the data collection. An interview protocol was used and time for interviews was between 30 minutes and 1 hour. The interviewer used one-on-one semi-structured questions. The participants were recorded on two different digital tape recorders. Researcher took notes during the interview to pace the conversation, refocus with distractions and probe. Qualitative questions focus on the meanings given, not cause-and-effect.

Qualitative sample selection

As stated in the previous chapter, the target population of the study was health and human service departments in county governments in the U.S. For the first, qualitative phase of the study, a small, purposive sample was selected to participate in the interviews. A purposive sampling scheme is added to generate new theories, insights, fresh perspective, guided by the research question and the conceptual framework (Miles, Huberman, & Saldaña, 2014). The primary goal was to explore what influences HR strategies and the way in which they affect budgets and employee morale in county governments. Therefore, this study drew a purposeful sample of county governments that experienced budget cutbacks, as such a sample can be more useful in revealing HR strategies in response to cutbacks.

Invitations to participate in interviews were e-mailed to directors in the sampling process and those who responded were contacted. One of the greatest challenges was that many managers rejected the requests for interviews. Despite this, the results were satisfactory, as a total of seventeen directors from nine local governments were interviewed by June 16th 2016. The participants were identified from contact information available publicly. Nine local governments constituted a balanced mix of county governments located in rural, suburban, and urban areas across the states. Personnel, Human Service, Social Services, or Business Administration agencies in local governments in New York, New Jersey, Pennsylvania, and Connecticut were included in the final sample of the qualitative study.

This study was targeted at top-level public managers, because they are involved in the overall HR administration from recruitment to discipline to dismissal in cutback

situations. Therefore, participants in this study primarily were directors who are involved in the daily supervision of all of their staff, and in all interviewing and staff selection as well.

Qualitative data collection

The public managers from Personnel, Human Services, Social Services, and Business Administration agencies at the local governments selected were interviewed on-site. A series of personal, semi-structured, open-ended questions was asked in a relaxed, cooperative environment of the participant's choosing. Conducting face-to-face interviews made it possible to obtain a full range and depth of information, as well as make observations of government offices.

Prior to the interview, all participants were provided a full description of the purpose and confidentiality of the study, were informed of the voluntary nature of their participation, and that they could stop the interview for any reason at any time without explanation. Participants were also asked for permission to record the interviews. The Rutgers University Institutional Review Board (IRB) for the protection of human subjects in research reviewed and approved the interview protocol and consent form.

Qualitative data analysis

The content analyses of the words in the transcripts aim to add anything new to our understanding on HR strategies in response to local government cutbacks. The content analyses, which were accompanied by word clouds and cluster analyses, were conducted by reading, coding and analyzing the full text of transcripts. Research mode is

reflective, so data analysis occurred throughout the research process. A professional transcriptionist was contracted to prepare verbatim transcripts of each interview. Analysis of the audio-recorded, transcribed interview contents were performed with R. In addition to word cloud and cluster analyses, these qualitative data were used to develop the study's hypotheses, create an original survey questionnaire, and provide specific examples that help interpret the quantitative results.

Stage Two: Quantitative Survey

The second, quantitative stage focused on exploring what influences HR strategies in response to cutbacks, and the way in which they affect budgets and employee morale. A web-based questionnaire, the primary instrument for collecting the quantitative data, was designed based on both the qualitative findings from the interviews, as well as on the previous literature (Battaglio & Condrey, 2009; Goodman et al., 2013). The initial survey invitation, which included an embedded link to the online survey, was sent via the USPS to county governments with populations of at least 10,000 residents. Health and human services managers' addresses from across the U.S. were collected by searching sources available publicly, primarily, although not exclusively, on each county government's official website.

Selection of the self-administered web survey

The questionnaire was based on web surveys but added multiple modes of communication to gain more opportunities to increase benefits, decrease costs and build trust (Dillman et al., 2014). This is because this study targets local government

employees, especially those leading public organizations. In general, it is a dominant view that surveys on public officials produce lower response rates. Therefore, various methods have been used to achieve high response rates and to save costs.

The basic method is a web survey for the following two reasons. First, it is inevitable to use a web survey for random assignment of survey experiments. In the experiments, we randomly assign respondents to treatment groups in order to eliminate systematic differences between treatment and control groups (Gerber & Green, 2012). Using the randomizer feature of Qualtrics, the researcher can completely randomly assign respondents to the treatment groups. Second, the interviewees preferred web surveys to paper questionnaires in the qualitative phase. The reasons for this are that paper questionnaires are easily lost, and mobile surveys can be implemented by using smart phones or tablet PCs at home after work.

Using multiple contact attempts and varying the timing, delivery method, and mode of those attempts are a few ways that the researcher produced higher response rates (Dillman et al., 2014). This study used mailed letters with an embedded link to the online survey, because it was not always possible to acquire valid e-mail addresses. After the initial invitations were sent, the first and second reminders were sent to those managers with valid e-mail addresses. Phone reminders were made to the respondents whose email addresses were not known between the initial invitation and the first reminder. This is because in order to obtain a response, the researcher first had to make contact with the members of the population and then the researcher had to convince them to cooperate with his request to complete the survey (Dillman et al., 2014). Follow-up phone calls

were made to a total of 546 agencies sampled randomly that did not have valid e-mail addresses.

Study population

The population sampled was health and human services agencies in county governments with populations of at least 10,000 citizens. A database was developed using Excel, and a total of 1,995 agencies was generated as the final sample. Although some states were overrepresented slightly, the final sample overall represents this study's sampling frame in the U.S. A self-administered survey requires obtaining the addresses of selected county governments' health and human service directors. This was accomplished by visiting each county government's webpage. If a government did not disclose its contact information publicly, the next government on the list was tried until one was found that listed its human service director's address.

The research sample for this study was health and human services directors for the following reasons. First, directors make HR decisions from a holistic perspective, while HR directors have a narrower perspective. Second, health and human services agencies experience budget cutbacks because they rely on block grants from federal or state government. Because the largest portion of the budget is used for personnel, a budget cutback influences HR management in health and human services agencies significantly. Finally, these agencies are responsible for one of the most important government functions, in that they serve needy populations, such as aged or disabled citizens. Therefore, conducting research on HRM in health and human services agencies

helps us understand better the way in which cutback management influences public service delivery.

This study uses a nationwide probability sampling with a good response rate. My sampling strategy may need more explanation and, importantly, some discussion should be added about how generalizable the results are likely to be. There are at least two aspects to address: How representative is your sample of health and human services directors nationwide? And, how representative are health and human services agencies of public organizations more generally in terms of their HR policies and practices?

First, there are regional and state differences. According to Table 5-2, the Northeast was 14.14%, the Midwest was 40.45%, the South was 31.76%, and the West was 13.65%. This shows that the response rates in the Northeast and the West are lower than the Midwest and South. As a result there would be nonresponse error.

Second, health and human services agencies may not completely represent government operations. There is a difference in the labor structure between the health and human services agencies and other agencies. As a result, union structure can be different. In the health and human services agencies, civil servants are professional workers, such as doctors, nurses, laboratory technicians and clinical social workers. On the contrary there are many blue collar workers in the operational division, such as transportation, education and law enforcement. Therefore, unions can be stronger in policing. Furthermore, a union is more powerful in education. Although health and human services are major areas of government, the labor structure can be different from other operational divisions.

Designing the questionnaire

The survey questionnaire went through a very long creation-to-implementation process involving dozens of people in different work groups, from those who participated in the dissertation committee to those who are potential respondents working in local governments. Parts of a survey or questionnaire are sometimes examined in detail and changes made independently from others. It is not surprising that many surveys include features that disproportionately affect the cost-benefit-trust evaluations they make (Dillman et al., 2014). Efforts to find and eliminate, or at least reduce, these features are a major concern from the creation of the questions to computer programming to make the survey work.

Until the initial invitation was sent on September 1, 2016, the survey questionnaire had been constantly reviewed by the committee members, other faculty members and local government employees in terms of reducing the burden of length, asking interesting questions, making the questionnaire relevant to the respondents, and reducing complexity. The researcher started to create a survey questionnaire from September 1, 2015 when he first began his interviews through an independent study. After reflecting on comments from interviewees, the first draft questionnaire was reviewed by the committee members in the proposal defense on May 5, 2016.

The qualitative data were used to create an original survey questionnaire. For the second stage, this study conducted a national survey of health and human services leaders. This study collected original data. The researcher sent out survey invitation to health and human services directors in counties with populations over 10,000 residents. The survey used primarily close-ended questions. The last question is: Are there any comments you

would like to add? [Optional] The comments provided specific examples that help interpret the quantitative results.

This study focused on making a concise and interesting survey questionnaire. Reducing length takes on increased importance as a way to increase response rates. This is because length is a huge cost of being a respondent (Dillman et al., 2014). Furthermore, when questions are interesting, so will be the answers.

In the beginning, participants were asked a direct question: what importance do you assign to health and human services? Further, they were asked to indicate how many years they had worked in the public sector. Questions in the main section were divided into separate blocks to facilitate viewing each question on the screen. Questions covered what influences HR strategies in response to cutbacks, what changes local governments made, and the effects of HR strategies on budgets and employee morale.

Participants were instructed to answer most questions based on their organizations' experience in the last five years. The last section was devoted to respondents' demographic information, including gender, age, race, population, and region of the country. Demographic variables can have rich explanatory powers in HRM research (Edgar & Geare, 2004; Goodman et al., 2013).

The complete questionnaire is shown in Appendix B, and presents the sources from which the questions were either adopted directly or adopted with modifications. The questions were selected based on the results of the interviews conducted in the previous stage, in addition to the literature review. Some of the survey questionnaires are from the County Administrator Survey conducted by the University of Florida in 2012. They are adjusted to reflect the HR strategies examined in this study. This is because

there are a series of questions that have aspects related to HRM, but the County Administrator Survey was originally collected to study management changes in local governments as a result of the Great Recession.

Furthermore, the questionnaire was shared with committee members and professors to evaluate each item with respect to unclear directions, confusing choices, ambiguous items, and unnecessary overlap among the elements. In collaboration with local government professionals, this study used the survey questionnaire in a way which is more helpful for the respondents to memorize how often their agencies have implemented the HR strategies in the last five years.

The survey and invitation message were pre-tested before distribution to the counties selected randomly. Before the launch, a pre-test was sent to 100 organizations to validate the instrument and test its reliability. The results of the pre-testing confirmed the questionnaire's content validity.

Survey experiment embedded in the questionnaire

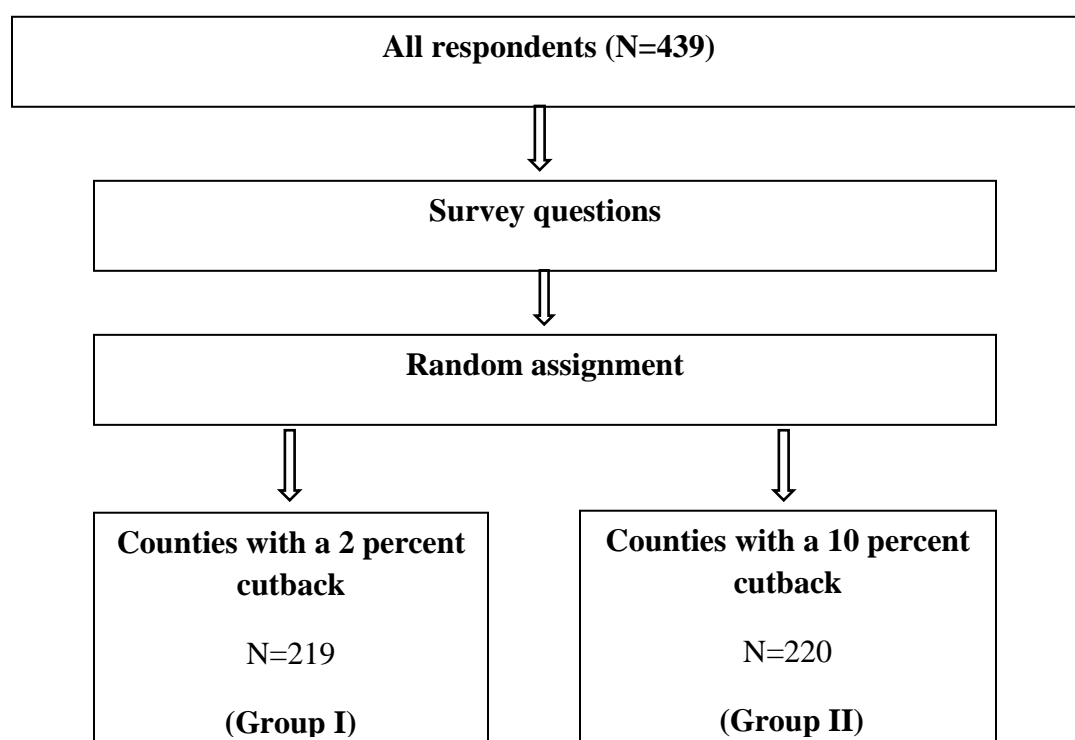
Experimental research designs have the important advantage of increasing the internal validity of a study, and thus are especially strong in demonstrating causal relationships (Remler & Van Ryzin, 2010; Shadish, Cook, & Campbell, 2002). In certain social science disciplines, such as psychology or political science, the use of experiments, particularly survey experiments, has become more common in recent years (Morton & Williams, 2010; Van de Walle & Van Ryzin, 2011). However, in the public personnel sector, only a few studies to date have used experimental methods. For example, Van Ryzin (2015) used an experimental design to examine the way in which cognitive bias

affects the work motivations of public service professionals. Moreover, Weibel, Rost, and Osterloh (2010) used an experimental design to explore the way in which pay for performance influenced performance in the public sector. However, no previous literature in the public personnel literature of which I am aware has employed the experimental method to examine HR strategies in response to local government cutbacks.

Thus, the questionnaire included an embedded experiment in which participants were assigned randomly to one of two treatment groups, which will be described in detail shortly. Respondents were presented with one of two hypothetical cutbacks: (1) 2 percent, and (2) 10 percent. In particular, this study sought to test in what way/s the severity of cutbacks influenced the willingness of public managers to choose varied cutback strategies. One group was asked to imagine 2 percent cutbacks, while the other was asked to assume 10 percent cutbacks. This study used these percentage cuts from the budget sequestration in 2013 that the federal government implemented. Through a special provision in the Budget Control Act of 2011, Medicare spending rates were reduced by a fixed 2 percent per year versus the other domestic percents planned for the sequester. Defense spending likewise was reduced by 10 percent in 2013. Federal pay rates (including military) were unaffected, but the sequestration did result in involuntary unpaid time off, also known as furloughs. Local governments were influenced directly by these federal spending cuts. Therefore, it would be instructive for policymakers to understand the way in which local cutback levels are related to the likelihood to implement cutback strategies. This varied description constituted the experimental treatment, the purpose of which was to see its influence on respondents' choices of HR

strategies in response to cutbacks. Figure 3-1 shows the experimental design of the research.

Figure 3-1. Experimental Design



In the experiment, this study considers 2 percent to be nominal cutbacks, while 10 percent are significant cutbacks. The present study was designed to compare the baseline willingness (2 percent) with the effects of much larger cutbacks (10 percent). This study sees 2 percent as a reasonable benchmark.

Survey data collection

This study adopted a web-based survey accompanied by multiple contacts to maximize responses. In order to obtain a response, the researcher first has to make contact with the members of the population, and then he has to convince them to

cooperate with his request to complete the survey (Dillman et al., 2014). Respondent-friendly questionnaires, shorter (rather than longer) survey instruments and follow-up requests that target likely nonrespondents are a few ways that are intended to increase the likelihood of the members of the population cooperating with the request.

The first-round postal invitations to respond to the web survey were sent to all panel members with a message that described the survey and the way in which they could contact the primary investigator to ask any questions they might have. The invitation contained the embedded URL to the web survey, and explained that they were selected randomly for a national study of health and human service directors, as well as the importance of their participation. Each questionnaire asked the name of the county to track it conveniently. Most importantly, it emphasized the confidentiality of the data. The questionnaire instrument was administered using Qualtric's online survey software (which stores the data automatically) to which respondents were directed by entering the link. On Thursday, September 1st 2016, an invitation was sent to the leaders of all 1,995 agencies via letter, and was followed by two reminders sent two weeks and a month after the initial invitation.

On Thursday, September 22nd 2016, the first round of follow-up e-mails was sent to the respondents with valid e-mail addresses. Approximately two thirds of the survey population was constituted of agencies for which the directors' e-mail addresses were not identified. The reminder contained the embedded URL to the web survey. Over the course of survey administration, several calls and e-mails were received to ask either about the legitimacy or procedures of the survey.

On Friday, October 21st 2016, the second-round of follow-up e-mails was sent to all non-respondents with valid e-mail addresses. The reminder highlighted the importance of the response rate and the contribution the research could bring to practice.

To improve the response rate, follow-up phone calls were made to 546 agencies sampled randomly that did not have valid e-mail addresses. One of the greatest challenges was the low response rate. In the phone calls, the purpose of the research and its contribution to the field were described briefly. The survey was closed on Friday, November 4th 2016. The initial invitation and two reminders are shown in Appendix C.

Quantitative data analysis

Factor analysis and multivariate regression typically are employed to analyze quantitative data. Factor analyses are used to identify a feasible factor structure within a given set of observed data, i.e., survey responses (Remler & Van Ryzin, 2010).

Multivariate regression analysis is undoubtedly the most important and widely-used statistical method in research today (Remler & Van Ryzin, 2010; Tabachnick, Fidell, & Osterlind, 2001). Conducting a multivariate regression analysis served to answer the research questions by exploring the relation between the explanatory variables created from the factor analysis procedure and the dependent variables. In the analysis of the survey experiment, cross-tabulations and Chi-squared tests of association were employed. STATA version 14 was used for all statistical analyses.

Ethical Considerations

Because this research involved human participants, separate IRB approvals were obtained for the qualitative interviews (IRB# E16-187) and the online survey questionnaire (IRB# E17-030). Each application to the IRB review described the project, methods and procedures, and sample selection. Informed consent was provided to, and obtained from, all interview participants, and their confidentiality was protected by coding each interviewee numerically and using pseudonyms. Interview participants were informed that their real names and those of their organizations would not appear in any written reports. All research data were stored in a secure location, and all information that matched individual respondents with their answers, including audio tapes and the code to cipher identifying numbers will be destroyed after a reasonable period.

Chapter Four: Results of Qualitative Interviews

In the initial phase of this study, interviews were conducted with public managers from counties and municipalities. Their feedback was instrumental in designing the project survey, which represents the second and third phases of the study (findings are presented in the following two chapters). This chapter presents the results of the qualitative interviews and explores the major factors and outcomes of cutback management. The chapter begins with a description of each of the nine organizational directors who were interviewed. Responses were gathered from four states, and their feedback revealed several important insights and interpretations.

Profile of Respondents as a Group

For this phase of the study, organizations were selected purposefully from the states of New Jersey, New York, Pennsylvania, and Connecticut. The organizations varied in their sizes and annual budgets. Table 4-1 summarizes the total expenses and population estimate in fiscal year 2015.

Table 4-1 Budget Size and Population of Interviewed Organizations

State	Name of the County	Total Expenditures 2015	Population 2015
NJ	Union County	\$522,239,696	555,786
NJ	Morris County	\$342,091,270	499,509
NJ	City of Newark	\$660,956,519	281,944
NJ	Middlesex County	\$453,143,356	840,900
NJ	Mercer County	\$302,266,856	371,398
NJ	Sussex County	\$104,565,938	145,930
PA	Bucks County	\$393,275,600	627,367
CT	Fairfield County	\$291,088,646	948,053
NY	Greene County	\$107,599,581	47,625
Total Interviewed Organization			9

Description of Organizations Interviewed

The interviewees were individuals who have served in formal leadership positions and experienced a high level of engagement with HR issues. In addition, they were selected from among those who were willing to reflect on their cutback experience, as honest self-reflection was crucial in obtaining meaningful data. To ensure such self-reflection, the interviewees were promised confidentiality. The total sample included seventeen interviewees who represented nine local governments.

The sample was diverse in several ways. Participants worked in Personnel, Human Services, Social Services, or Business Administration. They included three African Americans and fourteen Whites, five males and twelve females. Thirteen of them worked in county governments, while four worked in municipalities. Table 4-2 summarizes the data in detail.

Table 4-2 Sample Characteristics

Variable		Freq.	Percent
Gender	Female	12	70.6
	Male	5	29.4
Race	African American	3	17.6
	White	14	82.4
Position	Director	11	64.7
	Assistant Director	5	29.4
	Manager	1	5.9
Division	Personnel	6	35.3
	Human Services	6	35.3
	Social Services	4	23.5
	Business Administrator	1	5.9
Level	County	4	23.5
	Municipalities	13	76.5

Results

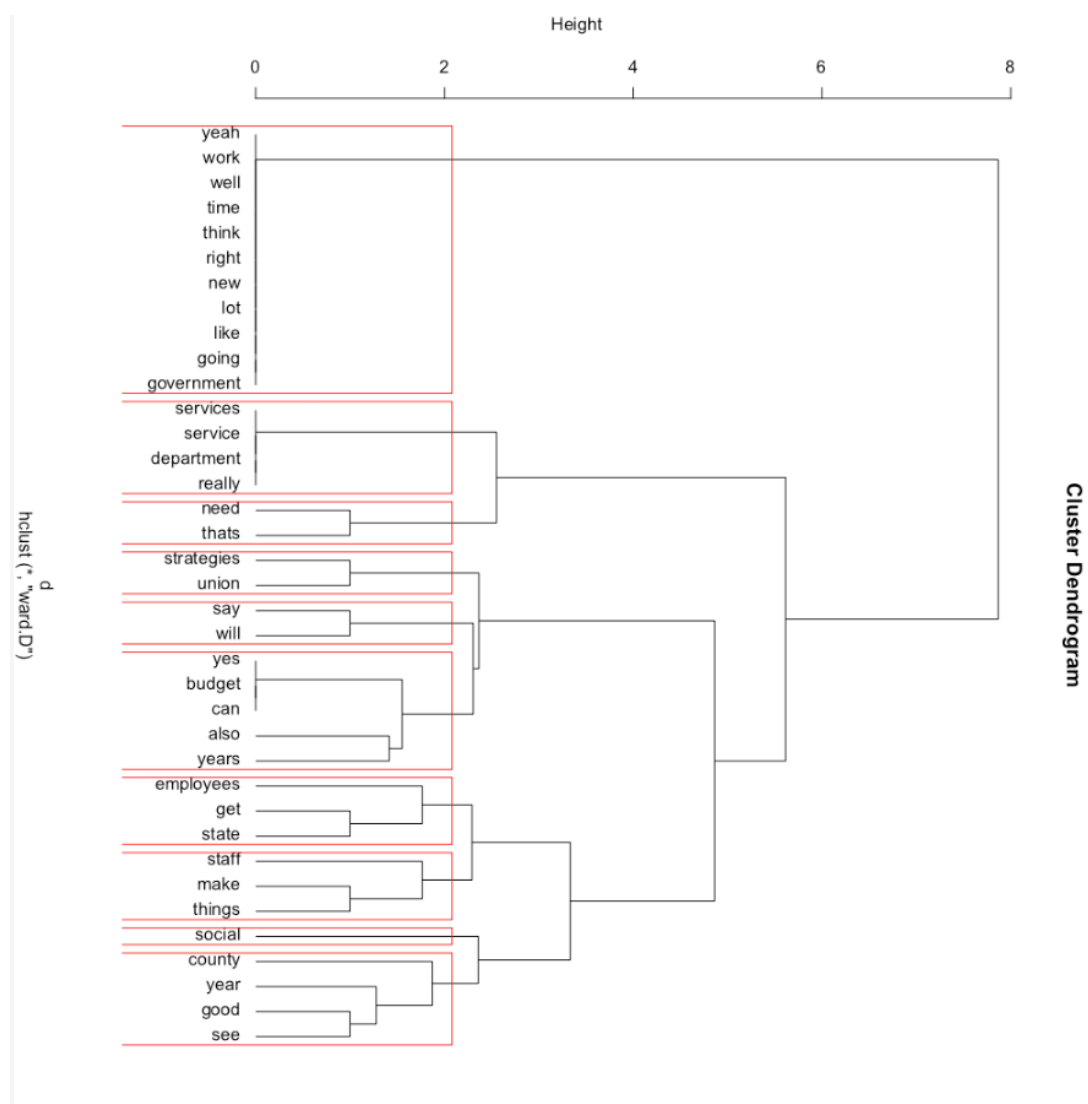
The organizations of all participants interviewed had experienced budget cutbacks during the past five years. However, the determinants and strategies differed depending on various contextual factors. Each organization has its own political culture, mission, program, and infrastructure, and no single element appeared to be salient across agencies. Nevertheless, the results of the interviews indicated that certain factors were influential in shaping an organization's response to cutbacks. This chapter first presents the results of the word cloud and clustering based on the content analyses of the interview transcripts, and then discusses each determinant and outcome of cutback management.

Word cloud and cluster analyses

A systematic and more objective content analysis of words in the interview transcripts was confirmed. The content analysis, which used word clouds and clusters to identify important topics, was based on Li and Van Ryzin (2017). Figures 4 and 5 illustrate the word clouds and clusters, respectively, that were used frequently in these transcripts.

Figure 4-1. Word cloud of interview transcripts

Figure 4-2. Word clusters that appeared frequently in interview transcripts



The word cloud in Figure 4-1 shows the words used most frequently across transcripts: the larger the font size, the higher the frequencies. The word cloud included the main topics, “county,” “work,” and “employees.” “Services,” “budget,” and “union” then were the words used most frequently because of their relevance to the theme (Figure 4). Figure 4 also shows that most of the interviewers focused on “state,” “budget,” “personnel,” “social,” and “union.” However, the word cloud alone did not provide precise information about linkages between words. Thus, Figure 4-2 shows a related cluster analysis that presents the way in which these words were linked in the transcripts. The cluster analysis shows strategies, unions, budget, employees, states, staff, social, and county, and a large and rather mixed cluster composed of a variety of other words that appeared in the transcripts. These results complemented the previous categorization of topics and suggested that strategies, unions, budget, employees, states, staff, social, and county are some of the most common themes to date in the practices of cutback management.

Determinants of local government cutback strategies

The results of the qualitative interviews indicated that all of the organizations interviewed experienced particular kinds of cutbacks that influenced local governments’ personnel strategies directly. One manager stated:

If you took a look at the budget, it is probably 75percent salary and salary related items. As an example, the City of Newark’s operating budget is approximately \$600 million, and \$100 million of that [are] employee healthcare expenses. So, when I say, the budget is 75percent of salaries, when you consider everything it

takes to hire an employee, you get employee healthcare, worker compensation, social security... you have all of these costs, and personnel makes up a huge part of the city's budget. If you are going to reduce expenses, it most likely is going to be by reducing your headcount or the number of employees that you have working.

As this manager noted, pay and benefits constitute a large proportion of an agency's budget. Thus, both HR managers and budget officers are involved heavily in budget management throughout the year. Agency managers and supervisors play the primary role because they are responsible for controlling and reallocating human resources to meet program priorities within budget constraints. Agency personnel managers respond to the priorities managers set by filling positions, paying employees, and otherwise implementing their decisions. In a cutback situation, agency personnel managers may have to help prepare plans to reduce personnel expenditures. Commonly, these include freezes on hiring and promotions, and cutbacks on hours worked, proposed reductions in benefits, and the replacement of permanent workers with part-time or temporary employees or volunteers (Klingner, Nalbandian, & Llorens, 2015).

No single characteristic or set of circumstances explained the personnel strategies in response to local government cutbacks fully, and, indeed, the interviews revealed that it is often difficult to make a clear distinction between each strategy. Nevertheless, the findings of the qualitative interviews indicated that certain factors seem to be influential in shaping an organization's response to cutbacks.

Training and development. Most of the managers interviewed mentioned that training and development methods are important to successful implementation of personnel strategies in response to local government cutbacks. One interviewee said:

Training and development is a key to any kind of redevelopment or changes. And, so, we have a very robust training program as it is. It is about 6 months for a person to be hired and to be able to process claims independently. So, one of the things that we had to do is redevelop a modified version, if you will, for some of them [who]... were familiar and trained in areas that they will go back to and others will not be. So, there is going to have to be a training component built into it, and that is very critical to this whole process. So, yes, there will be modified expectations, if you will, in the sense that we are really going to have to work with staff to get them up to speed.

The need for greater investment in training and development of public employees is recognized widely and is an element of strategic thought. When training is a component of the strategic planning process, it broadens the development focus to encompass individuals, groups, and the organization as a whole (Klingner et al., 2015). Because cutback management is accompanied necessarily by changes in personnel, training and development are essential to enable employees to adapt to new roles.

Although not all, some of the interviewees indicated that training and development is an ongoing issue, because it takes time for local governments to respond to recent cutbacks. One of the interviewees, for example, put ongoing training and development in this way: "That [training and development] is ongoing. That hasn't been affected by the budget. Our training programs that we have in place still exist. That

hasn't been cut down. So, whether it is a new employee or whether it is a tenured employee, they are still receiving their annual training.”

Unlike the expectation that training and development will be cut first when budgets are reduced, they appear to be consistently important regardless of fund changes.

In conclusion, training and development seemed to be one of the crucial factors that influenced personnel strategies of local governments. Another manager noted,

Some employees did require intensive training. We have a training unit that mainly helped. They were a big help in doing that. Some of the employees had to be placed in the classroom for a few weeks to learn their new jobs. Other times the trainers came out and gave training, [for example] to the clericals. They trained them on certain ways to do things that they didn't do before. Some of the trainings took an hour, some took weeks. But, yes, our training staff was instrumental in helping us in accomplishing that.

Training facilitates learning current responsibilities and tasks. Much of this learning focuses on building skills, but also can include understanding concepts and theories, as well as increasing self-awareness of one's own personal attributes, perceptions, attitudes, and ways of thinking (Klingner et al., 2015). Because changes in the appearance of the organizations require continuous training and development to maintain the nature of the institutions, these are important factors in determining cutback strategies.

HRIS use. Most of the managers interviewed stated that HRIS helps reduce transaction costs and increases efficiency. For example, one interviewee indicated that HRIS allows HR managers to generate reports that enable organizations to “translate”

their “strategic plans to operational decisions” (Thite et al., 2012). She emphasized, “I think the office of information technology absolutely plays a role in helping us, county government, manage the many issues that can help track and measure results.” The ability to think and plan strategically depends in part on access to reliable information about the past, present, and future, as well as the ability to integrate information produced in the past by separate administrative processes that may be maintained in separate databases (Klingner et al., 2015). For example, knowing the seniority breakdown of an organization’s workforce will alert managers to staffing issues related to cutback management. This means that a strategic HRIS plays an important role in achieving data-driven HRM in organizational downsizing.

Consistent with the historical development of HRIS, the role of HRM has altered. The concern has shifted from “...traditional HR activities to dealing with more transactional ones such as computing technology became more accessible through the 1980s and 1990s” (Thite et al., 2012). For example, one of the interviewees stated,

Originally, when we first started there were multiple programs. There is the Temporary Assistance to Needy Families program. There is the food stamp program, and there is the Medicaid programs. All of them had different computer systems. None of them talked to each other in the beginning. Now, we can just do one [application]. In fact, in the old days, we would have to do separate applications for each one of those programs. Now, because of technology, we can do one application for all the questions of all the programs that our agency offers.

It is possible to design, purchase, or contract a management information system that collects information routinely on various factors that contribute to organizational

effectiveness, and presents this information to managers as reports they can use to make necessary changes in policies or procedures. An agency might collect information routinely on equipment and personnel costs, overtime, and productivity. HRIS also is integrated routinely with accounting, purchasing, and budgeting software (Klingner et al., 2015). The introduction of technology has helped reduce time and money, which means that it is now indispensable in the government sector.

Diversity as a goal. Contrary to expectations, diversity management does not seem to play a role in implementing personnel strategies. The most important reason for this is the civil service rule determines who to lay off based on employees' seniority after local government submits the cutback plan to the civil service department. Thus, local governments lay off employees based on seniority when they have to downsize. When asked about the issues of race or gender in implementing personnel strategies, one respondent said, "We did not focus on race or gender in our decisions. Once we [Director and Assistant Director] put together our plan and the county put together their entire plan and submitted everything to civil service, civil service made the decision on who had seniority, who had bumping rights, who would go out the door." Thus, there is no room for race or gender to intervene in actual individuals' layoffs.

Another case also showed that the civil service rule is more influential in local governments' decision making than is diversity management. A county government's Assistant Director of Personnel said, "The thing is [that] when we laid off those people, let's say there were about 25 clericals as an example, we laid them off. We follow our civil service rules because we go by civil service." Because a civil service system is a complete system, HRM has a balanced emphasis on each of the four major personnel

functions—Planning, Acquisition, Development, and Sanction (Klingner et al., 2015).

Whether or not to lay off employees depends solely on their seniority. Further, because the civil service rules are applied very strictly to workforce reductions, diversity is not considered at all.

The role of unions. The majority of interviewees indicated that management-union relations are critical in operating personnel strategies during cutbacks. One interviewee stated, “I had discussed this matter with labor relations and our attorneys and our leadership. Then, the Director of off-temporary assistance had meetings with them just to let everybody know. We had meetings with the staff, I was there with the staff to let everybody know that there was [sic] no layoffs, and that everybody was going to be retrained.” Leaders communicated with unions to persuade them that there were sufficient reasons for such layoffs.

Although not invariably, the majority of interviewees indicated that there is a positive relationship between the importance leaders place on management-union relations and successful implementation of personnel strategies under fiscal stress. One of the interviewees, for example, has regular meetings with labor unions to involve their voice in management. The director explained that a harmonious relationship with unions can help employees maintain trust in management:

A harmonious management/union relationship is very important. It really doesn't work to have an antagonistic or confrontational relationship with the union. It really doesn't work. It doesn't work for management, and it doesn't work for the laborers either. And, another thing is that over the 25 years of my position, I have developed a certain level of trust with the unions. They trust me, because when I

tell them that we are going to do X, Y, and Z, we actually do [it]. I don't mislead them or give them false information. I'm never untruthful to them. That is very important, to be able to give and keep your word with the union. Then you develop a level of trust and honesty with them that they appreciate.

The strength of collective bargaining as a public personnel system is affected by unions' ability to persuade the public and its leaders that strong unions are associated with vital public policy concerns that transcend the more narrow economic concerns of their current members. The number of union members in the public sector has leveled off, and traditional adversarial relationships are giving way to partnerships and alternative methods to resolve disputes (Klingner et al., 2015). This interviewee's response showed that a discussion with unions enables top management to establish mutual trust, which is necessary in successful cutback management.

State political leadership. Most of the respondents agreed that the Governor's party can influence local governments' personnel strategies in nontrivial ways. One interviewee said,

I absolutely do [agree that Governor's party shapes personnel strategies]. What I will say is that each county has its own political climate. That is why I think unifying things at the state level is difficult. Because, there are very localized priorities and localized climates. So, one of the things that I always think and say to people who are asking about this kind of a pilot, because again it is big, an outsourcing relationship is not going to be for every county. It might not even get past an initial conversation in some counties, because when the numbers started to grow for Medicaid, a lot of counties went out and hired 20-60 people and other

counties. Their freeholders and leadership were not vested in increasing the staffing footprint by that many number. So, I think an opportunity for us to address it in this unique way is probably because our political climate is open to it. But, again, it is not going to be for every county. I don't know if every county would be open to something like that. So, I do agree.

The interviewee's response indicated that the state political leadership plays a crucial role in shaping cutback strategies. Because pay and benefits constitute the largest part of agency budgets, personnel departments cannot design jobs or fill positions until elected officials do their jobs. Furthermore, political leaders must designate and authorize the personnel system (Klingner et al., 2015). Therefore, state political leadership inevitably will influence personnel administration during cutback situations.

The majority of interviewees indicated that the Governor's own values are critical, and influence local governments' personnel strategies. For example, in New Jersey, Governor Chris Christie signed Chapter 78 into law, effective in June 2011. According to Chapter 78, all state and local government employees have to contribute to their healthcare benefits cumulatively based on their annual income. One assistant director explained,

Chris Christie overhauled it and Chapter 78 was adopted. Now people are paying... We used to pay a certain percentage of our salary. Now we're paying... it is done by a formula depending on the plan you have, if you have a single plan... I'll provide you with a copy of the information. If you have a single plan, or a parent/child, or husband/wife, or family plan, there is a matrix grid of what you make and what the percentage is that you should be paying. Every time you get a

raise, it goes up. It has become quite expensive for people to have their health benefits now. I don't know about state employees, I don't think that they paid for years, but local government employees paid into their benefits. Now it has gotten quite expensive. It is difficult for people. Every time they get a raise, it gets eaten up by this Chapter 78 contribution.

Because of Chapter 78, the New Jersey state government is facing an angry backlash from government employees. This is a good example of the importance of state political leadership. Elected officials, such as governors, are responsible for setting agency missions and objectives legislatively, and for engaging administrative officials, hopefully in a partnership, to control agency resources externally. Furthermore, their concern may be to develop and implement administratively sound and politically sensitive HR plans that reflect strategic thought (Klingner et al., 2015).

Dimensions of local government cutback strategies

Local governments' use of strategies varied. For example, Bucks County, Pennsylvania introduced a rainy day fund when there was a budget impasse in July, 2016.

The director of an agency explained his motive in this way:

We introduced the rainy day funds when there was no money coming from the state. Bucks County chose to take money out of our general fund out of the county reserves while we were waiting for the county budget to come through.

The county laid out over \$30 million of cash reserves to keep human services going while they were waiting for the state to approve the budget.

A rainy day fund is critical to most counties' operations, as they do not permit their governments to assume debt, because services would have to be cut in the absence of reserve funds.

Technology also has been used to a greater extent as a cutback strategy. For example, one of the interviewees gave tablet PCs to caseworkers. In explaining why they began to move in this direction, one director mentioned,

I think greater uses of technology are all good, and we've already, as I said, started to move in this direction where we gave them tablets. We are trying to go paperless as much as we can; the state has done that. Putting a lot of forms and things that were on paper and now have it all be electronic...If you're asking me to prioritize these, I would say the increases of technology and going paperless are probably the two biggest ones.

As Schmenner and Lackey (1994) stated, technology decreased the time that managers spent "pushing paper work" significantly. Interestingly, during the interview,

he emphasized that technology played a role in cutback management despite the cost of introducing new equipment.

Outcomes of local government cutback strategies

The interviewees also had various opinions about the outcomes of cutback management, and indicated that there were many ways to respond to their negative consequences. Importantly, the results of cutback management were influenced by many contextual factors. Thus, the consequences for local government differed for each state.

Budgets and administrative capacity. Most of the interviewees agreed that personnel strategies help local governments improve budget deficits. However, they were worried about compromised administrative capacity with respect to the timeliness and accuracy of public service delivery. For example, one assistant director of personnel indicated that her organization goes through audits after it lays off all the provisional street level employees. She mentioned,

We did the best that we could with what we were left with, but that resulted in problems with timeliness, processing the cases and accuracy. We ended up resulting in a federal audit that we are under now. Because our timeliness became so poor. So, we are under this audit now, and they expect to see 98percent timeliness on the processing of cases, which we have been able to meet.

Most of the supervisors stated that they are significantly understaffed. This indicates that some cutback strategies can hamper administrative capacity significantly. For example, as contracting increases, in-house government capacity diminishes because of staffing cuts and resource constraints (Auger, 1999; Girth, 2014; Milward & Provan, 2000; Van Slyke, 2003, 2007).

A subset of organizations interviewed appeared to lay off employees in response to cutbacks, and the number of employees in one office decreased from eight to one. The assistant director stated,

So, that is just an example of how we have lost staff and when we had eight people, you still had a lot of overtime. Now, to just go down to one person, so you know that critical things are just not being done. But, this is what happens when you have a layoff that is that significant. So, yeah, we still have impacts from that. And, so far, now there are two people who work in the benefits office, and the second of which just started working here eight weeks ago, if that. And, it is still a huge deficit, because he didn't have a background that suited him for this particular office, so there is a lot of training that has to be done.

This meant that one employee had to do the work that several people had performed in the past. This is because they had to maintain the essential functioning of the agency even if the organization's external appearance changed.

Morale and trust. Despite the fact that personnel strategies might have improved the budget balance of local governments, the majority of interviewees indicated that those strategies aggravated the remaining employees' trust in the organization and management. One of the interviewees explained the damaged trust in this way:

Those layoffs have damaged that trust [in] trying to operate and make this agency function. The morale here is horrible. The people who are left here to do the jobs [are], for the most part, your rank-and-file employees and a lot of your middle management supervisors. I think that they have a great lack of trust in our ability to manage. I don't think that they can appreciate the decisions that were made

and why they were made, because they don't know all of the details that go into why we have to make the decisions that we do. The morale is very poor in the agency, because we have increased the caseload. In five years, we have doubled it, and now you are cutting the staff. We didn't have enough staff to do the job before, and now we have made it that much worse. It is wonderful that the county has agreed that we need the staff here in social services, and they have agreed to fund some extra staff for us, but it has caused a lot of damage to our relationship with the staff, I feel.

This interviewee's response illustrated that survivor syndrome applies equally to civil servants, in that, after the organizational downsizing, the remaining employees must continue to work under the stress of not knowing when they also are going to be laid off.

The case of one municipality also indicated that personnel strategies destroyed employees' trust in management and the organization. While explaining her organizations' cutbacks, one assistant director mentioned,

The layoff happened, and employee morale, of course, goes down the drain...Everybody got a layoff notice. No matter who you were, you got a notice from the city saying, "We are going to be doing a layoff. You may be affected." So, people are afraid that they are about to lose their jobs. So, when you do that to people, they have no trust in management; they have no trust in the administration. And, people are very angry and upset because they are just waiting to find out, "Am I the one who is going to be laid off?"

Layoffs result in the loss of job security and damage trust in management and the organization further. This study began with the assumption that there would be fewer

negative side effects of layoffs in the public than in the private sector, because public officials have higher public service motivation. The results of the interviews, however, demonstrated that layoffs also affect public officials adversely.

Summary

In summary, these interviews shed light on the factors that drive cutback management and their subsequent outcomes. The interview data revealed the significance of training and development, information management, state political leadership, and the role of unions. Interviews with leaders of these agencies demonstrated that they are conscious of the key issues that will influence cutback management. It was clear that strategic applications varied according to the state's political leadership. The leaders also spoke of the negative effects of cutback management and their serious concerns about the solutions. Finally, the use of the semi-structured protocol made it possible to pursue peripheral topics as they arose during the course of interviews, particularly the importance of technology, revenue enhancement, and partnerships.

There are some unexpected findings I gathered from interviewing health and human services directors. One finding is the fact that diversity is not considered when implementing HR strategies in cutback situations. When local governments lay off employees due to budget cuts, public managers only consider the seniority. They do not take diversity into account. This is because it requires strict compliance with civil service rules.

Overall, the qualitative interview protocol was effective in both serving as a guide and allowing variation as the interviews progressed. In particular, the last question asked

about suggestions for surveys. All of the interviewees provided very helpful suggestions, because they said that they preferred web-based to paper surveys. A few reviewed the survey items during additional meetings after the interview. The key findings of this qualitative study, together with the literature review in the previous chapter, were instrumental in designing the survey questionnaire reported in the following chapters.

Chapter Five: Survey Results

Response Rate

By the close of data collection, 497 health and human services agencies had participated in the survey. After excluding responses completed only in part, 414 completed responses remained. These came from 1,995 agencies (after excluding 60 mails that were returned), for a response rate of 24.9%. The initial survey invitations sent to health and human services managers in county governments with populations of at least 10,000 residents were followed by reminder phone calls. Among 546 phone calls to managers in a list sampled randomly, 143 had retired, moved, resigned, or could not be reached because of the outdated information. Considering those agencies, 1,517 agencies were estimated to have received the survey, representing an adjusted response rate of 32.8%. Of the 414 observations that could be analyzed, 87 respondents chose to leave comments about the survey, which were helpful in understanding the survey outcomes better.

Representativeness and Description of the Population

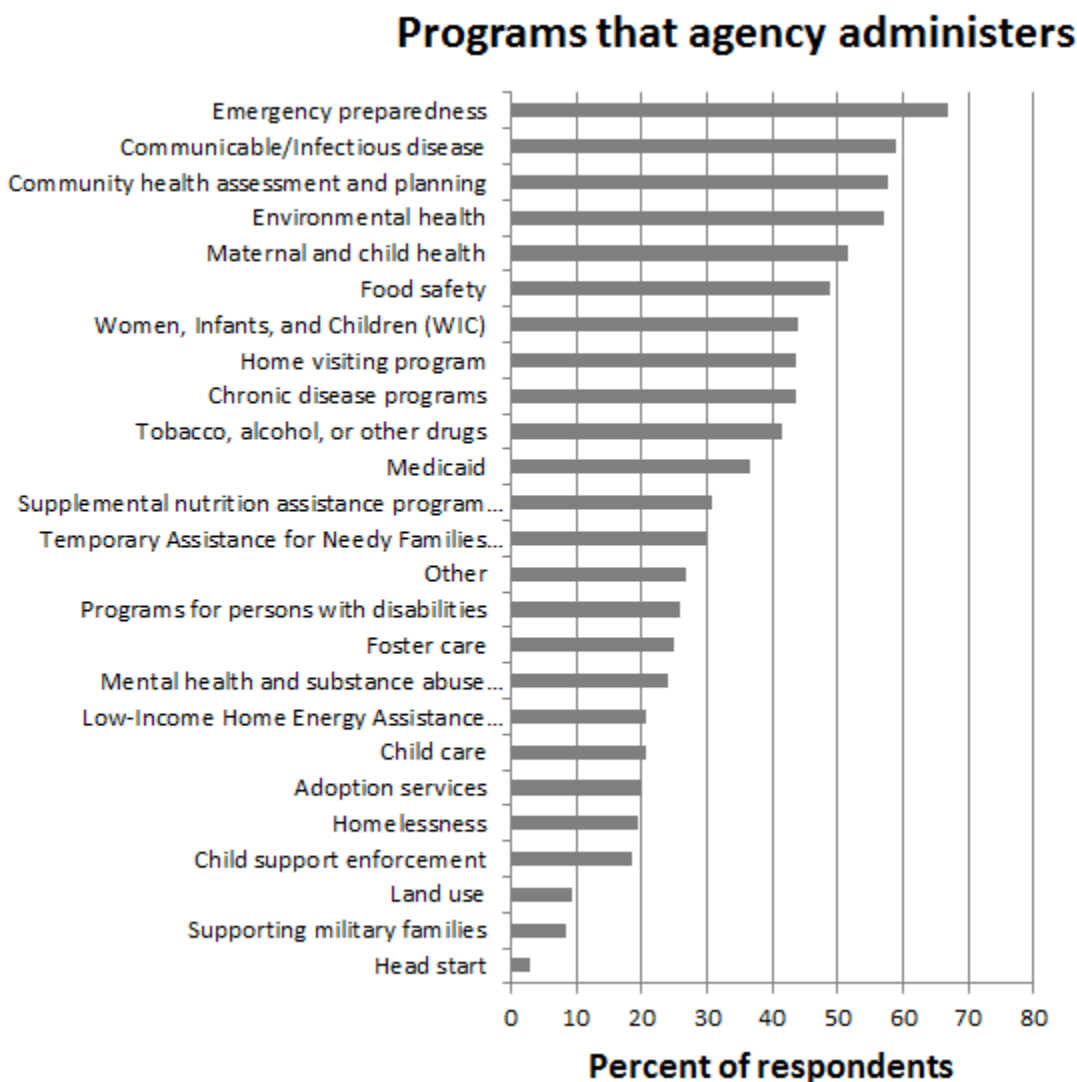
As described earlier, all survey invitations were addressed to directors or those in equivalent positions at health and human services agencies in county governments. As Table 5-6 shows, nearly 65% of responses (N=300) were completed by those who identified themselves as a commissioner/director/deputy director when asked, “Which of the following best describes your current position?” Some respondents who chose “other” specified their job as a “Health Commissioner” or “Director, Public Health Practice.” Given the substantial number of surveys completed by leaders at each agency, this study reported the way in which health and human services leaders responded to

local government cutbacks, and examined the factors and outcomes of the cutback strategies.

Table 5-1. Which of the Following Best Describes Your Current Position?

	Freq.	Percent
Commissioner	19	4.08
Director	264	56.65
Deputy Director	17	3.65
County Administrator	44	9.44
County Manager	19	4.08
Program Manager	37	7.94
Other	66	14.16
Total	466	100

The survey asked organizations to indicate what programs their agencies administered. The 24 survey items, adopted from the National Association of County & City Health Officials (NACCHO)'s 2013 National Profile of Local Health Departments, were designed to measure organizational engagement in a wide variety of health and human services programs. The study asked respondents to check all that applied to their organization. Figure 5-1 shows the results ranked in order of involvement.

Figure 5-1. Rank Order of the Programs that Agencies Administered

Demographic variables can provide rich explanatory power in HRM research (Edgar & Geare, 2004; Goodman et al., 2013). For example, evidence has demonstrated differences in attitudes and behaviors between males and females in HRM, with females and minorities having more favorable opinions about diversity than do men (Barak, Cherin, & Berkman, 1998; Goodman et al., 2013; Konrad & Hartmann, 2001). Many HRM policies target employees of protected classes specifically, such as those of

underrepresented races and gender (Goodman et al., 2013). As women and minorities take on larger roles in organizations, they can represent actively those issues that are important to underrepresented groups (Goodman et al., 2013; Sally Coleman Selden, 1997). Table 5-2 provides a summary of the descriptive statistics from survey items that asked public managers about respondents' characteristics and organizational contexts. Of the total population that completed the surveys, approximately 72% were female. A dummy variable was used to control for the gender of the survey respondents (coded 1 for female and 0 for male).

Regarding race/ethnicity, 4.4% were African American, 89% were white, 0.5% were Asian, 1.5% were Native American, and the rest indicated other or preferred not to answer. The variable of race was used as a control in the model (coded 1 for minority and 0 for nonminority).

With respect to organizational context, 49% were health agencies, and the remaining organizations indicated that they provided human services, health and human services, social services, or other. With respect to the counties' size, 13% were 10,000 to 24,999, 18% were 25,000 to 49,999, 26% were 50,000 to 99,999, 21% were 100,000 to 249,999, 9% were 250,000 to 499,999, and 9% were 500,000 or more. 14% were in the Northeast, 40% were in the Midwest, 32% were in the South, and 14% were in the West.

Table 5-2 Respondents Characteristics and Organization/Context

Variable	Variable name	Mean	SD
Respondent characteristics			
Race	Minority Coded (0= White, 1=Black/African American, Asian/Pacific Islander, Native American, Other, Prefer not to answer)	0.11	0.31
Gender	Gender Coded (0=male, 1=female)	0.73	0.44
Organization/context			
Whether it is a health agency or not	Health Coded (0=other, 1=health)	0.51	0.50
Population	Size of county		
Region	N		Proportion (N=403)
Northeast	57		14.14%
Midwest	163		40.45%
South	128		31.76%
West	55		13.65%

Descriptive Results

Table 5-3 summarizes the findings from the survey items that asked public managers about the importance of functions and activities in their agencies. The first hypothesis tested focused on training and development and their influence on cutback strategies. The first hypothesis stated, *There is a positive relationship between a local government that places more importance on training and development and the cutback strategies it chooses*. To measure training and development, this study constructed an index that captured their importance to local government directors. Table 5-3 reports three survey items that measured training and development issues. A large percentage of respondents indicated that professional development (81.5%), cross training (73.7%), and mentoring (58.1%) are very important functions in HRM today. To measure the importance of training and development, an index was created by summing the three survey items reported in the top portion of Table 5-3 to create the *training and*

development index. The index ranged from 1.3 to 3, with a mean of 2.7. The Cronbach's α was 0.54, which represents a moderate degree of internal reliability.

HRIS and subsequent automation are important tools in human capital management (Goodman et al., 2013). The second hypothesis addressed the relationship between HRIS (technology) and cutback strategies, and stated, *There is a positive relationship between a local government that places more importance on HR information technology and the personnel strategies it chooses*. To test this hypothesis, an index was constructed to measure HRIS/technology. The middle portion of Table 5-3 reports survey responses to the question about the importance of various information applications used commonly by health and human services agencies. The table indicates that 24.2% of local government managers believed it is very important to master HRM software. Similarly, 15.9% believed that computer-assisted testing is a very important aspect of their jobs. 11.6% of the survey respondents reported that resume databases were very important in today's HRM. As mentioned above, the study developed a proxy variable for integrated IT systems by summing the three survey items reported in the middle of Table 5-3 to form the HRIS. The HRIS index ranged from 1 to 3 with a mean of 1.8. The Cronbach's α was 0.77, and indicated that the index had a high degree of internal validity.

The third hypothesis tested stated, *There is a positive relationship between the level of the importance local government places on diversity management and the personnel strategies that it chooses*. The survey asked local government supervisors to rate the importance of diversity as an HR management goal in response to cutbacks in the last five years. The survey item was measured on a Likert-type scale that ranged from

Not important (1) to *Very important* (3). Responses ranged from 1 to 3, with a mean of 2.35. A large percentage (44.35%) indicated that diversity as a goal was a very important part of HRM.

The fourth hypothesis stated, *The role of unions is a necessary part of the process when local governments choose personnel strategies in response to cutbacks*. The role of unions was measured on a scale of 1-3, where 1 was “Not important,” 2 “Somewhat important,” and 3 “Very important.” 11.9% indicated the role of unions was very important.

The final hypotheses stated, *There is a positive relationship between state political leadership and the implementation of cutback strategies and there is a positive relationship between county political leadership and the implementation of cutback strategies*. Political leadership was measured by a survey item, where “Not important” was coded as 1, “Somewhat important” as 2, and “Very important” as 3. Most survey respondents (45.9%) answered that state political leadership was very important. Similarly, 52.5% indicated that county political leadership was very important.

Table 5-3 Importance of Functions and Activities

Importance of these functions and activities...					
	Very important%	Somewhat important%	Not important%	Mean	SD
Training and development					
Professional development	81.51	18.49	0.00	2.82	0.39
Cross-training	73.74	24.02	2.23	2.72	0.50
Mentoring	58.1	38.27	3.63		
N=358; Index: mean 2.69, SD 0.35 Cronbach's a=0.5371					
Information management issues					
Computer-assisted testing	15.86	49.58	34.56	1.81	0.69
Resume databases	11.61	39.38	49.01	1.63	0.68
HR management software	24.15	44.03	31.82	1.92	0.75
N=354; Index: mean 1.79, SD 0.59 Cronbach's a=0.7719					
Political leadership of county	52.54	35.59	11.86	2.41	0.69
Political leadership of state	45.89	39.66	14.45	2.31	0.71
Diversity as a goal	44.35	46.05	9.6	2.35	0.65
Role of unions	11.86	24.86	63.28	1.49	0.70

Table 5-4 reports the dimensions of cutbacks strategies. The strategies used in this study came from the County Administrator Survey conducted by the University of Florida Survey Research Center in 2012. Because the dependent variables were categorical (ordinal) variables, and thus lacked the continuous, normal distribution assumed for ordinary least squares regression (OLS), ordered logistic regression was used instead.

The first strategy was increasing employees' contributions to pensions or health benefits. 13% indicated they implemented this strategy more than a few times. The second strategy was employee salary freezes, and 18% indicated that they used this more than a few times.

The third strategy was restructuring, which was measured with four survey items. Large percentages of respondents indicated that reordering spending priorities (33.8%), consolidating departments or offices (14.3%), and consolidating or reducing services (16.9%) occurred more than a few times. Smaller percentages answered that they transferred responsibilities to another level of government (4.6%) more than a few times. To measure restructuring, an index was created by summing the four survey items. The index ranged from 1 to 3, with a mean of 1.85. The Cronbach's α was 0.68, indicating that the index had a moderate degree of internal reliability.

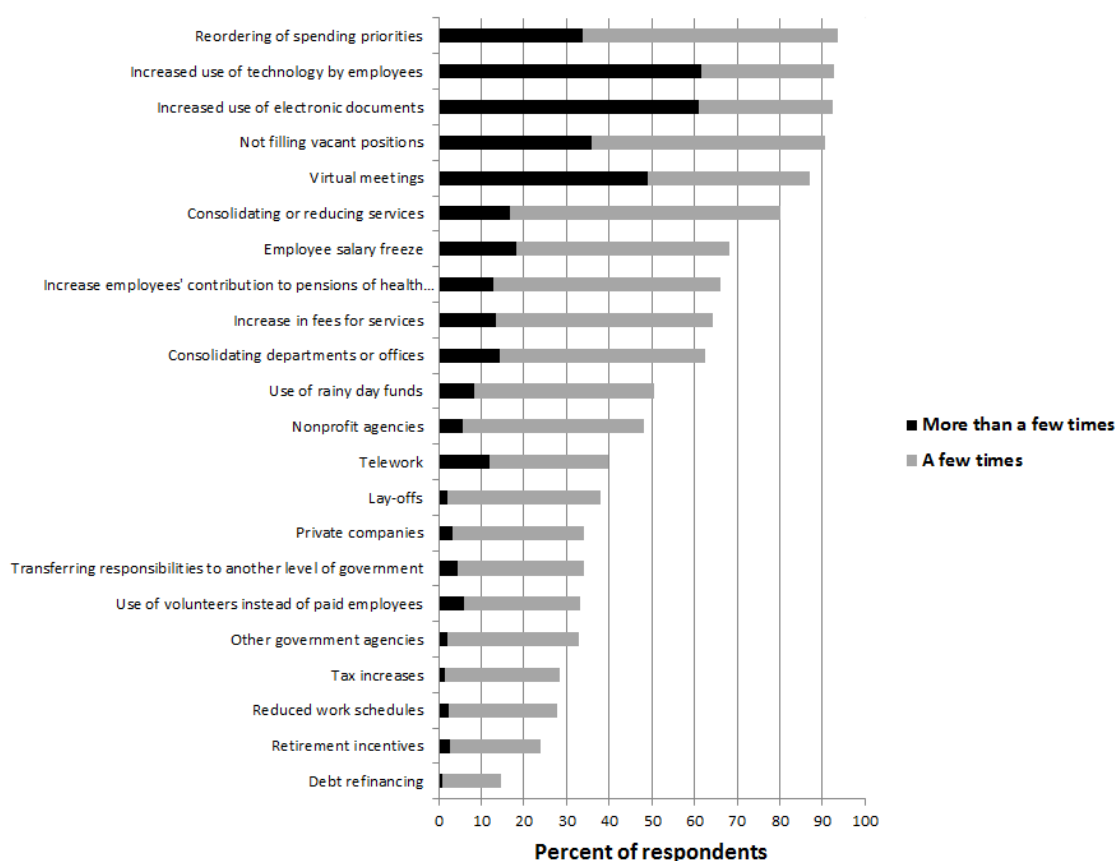
The fourth strategy was alternative work arrangements. A large percentage of respondents indicated that not filling vacant positions (35.9%) was used more than a few times. A smaller percentage believed that reducing work schedules (2.3%), lay-offs (2.0%), using volunteers rather than paid employees (6.0%), and retirement incentives (2.6%) were used more than a few times. To measure alternative work arrangements, an index was created by summing the five survey items. The index ranged from 1 to 3, with a mean of 1.53. The Cronbach's α of 0.47 indicated that the index had a moderate degree of internal reliability.

The fifth strategy was greater use of technology to reduce costs. A large percentage of respondents indicated that virtual meetings (49.2%), increased use of electronic documents (61.0%), and employees' increased use of technology (61.7%) were used more than a few times. To measure technology, an index was created by summing the three survey items. The index ranged from 1 to 3, with a mean of 2.5. The Cronbach's α of 0.85 indicated that the index had a high degree of internal reliability.

The sixth strategy was telework. 11.9% indicated they implemented this strategy more than a few times. The seventh strategy was revenue enhancement, and a large percentage of respondents indicated that they increased fees for services (13.3%) more than a few times. A small percentage of respondents answered that tax increases (1.5%), use of rainy day funds (8.2%), and debt refinancing (0.9%) were used more than a few times. To measure revenue enhancement, an index was created by summing the four survey items. The index ranged from 1 to 2.75, with a mean of 1.46. The Cronbach's α of 0.55 indicated that the index had a moderate degree of internal reliability.

The last strategy was partnerships. A small percentage of respondents indicated that partnerships with private companies (3.2%), nonprofit agencies (5.8%), and other government agencies (2.0%) were used more than a few times. To measure partnerships, an index was created by summing the three survey items. The index ranged from 1 to 3, with a mean of 1.42. The Cronbach's α of 0.72 indicated that the index had a high degree of internal reliability.

Figure 5-2. Rank Order of the Cutback Strategies that Agencies Implemented in the Last Five Years



The pattern of rank orders presented in Figure 5-2 is worth examining.

Reordering spending priorities appeared at the top of the ranking, while reduced work schedules, retirement incentives, and refinancing debt ranked rather low on the list. Employees' increased use of technology, increased use of electronic documents, not filling vacant positions, and virtual meetings also ranked high on the list.

Table 5-5 reports the responses to survey questions that addressed the way in which public managers described the current status of their budgets, administrative capacity, and employee morale. The table shows that 30% of local government public managers believed they had large *or* small budget deficits. Similarly, 67.61% believed

their agencies were very understaffed or somewhat understaffed. With respect to trust, 12.18% disagreed strongly or somewhat strongly with the statement that employees trusted each other. 5.35% disagreed strongly or somewhat strongly with the statement that employees worked well together. With respect to employee morale, 35.21% believed that employee morale in their organizations was low, and with respect to job satisfaction, 15.34% disagreed strongly or somewhat strongly that most of the employees were satisfied with their jobs.

Table 5-4 Dimensions of Cutback Strategies

In the last five years, how often has your agency taken the following	Variable name	More than a few times%	A few times %	Never %	Mean	SD
Increase employees' contribution to pensions of health benefits	Benefits	13.13	52.51	34.36	1.79	0.66
Employee salary freeze	Salary	18.23	49.45	32.32	1.86	0.70
Program & organization restructuring	Restructuring					
Reordering of spending priorities		34.17	59.72	6.11	2.28	0.57
Consolidating departments or offices		14.09	48.34	37.57	1.77	0.68
Consolidating or reducing services		17.17	62.88	19.94	1.97	0.61
Transferring responsibilities to another level of government		4.99	29.36	65.65	1.39	0.58
N=361; Index: mean 1.85, SD 0.44, Cronbach's a=0.6843						
Alternative work arrangements	Alternative					
Reduced work schedules		2.22	25.48	72.3	1.30	0.50
Lay-offs		2.22	35.28	62.5	1.40	0.53
Use of volunteers instead of paid employees		5.87	27.65	66.48	1.39	0.60
Not filling vacant positions		35.91	54.42	9.67	2.26	0.62
Retirement incentives		3.35	20.95	75.7	1.28	0.52
N=358; Index: mean 1.53, SD 0.33, Cronbach's a= 0.4841						
Greater use of technology to reduce costs	Technology					
Virtual meetings		48.76	38.29	12.95	2.36	0.70
Increased use of electronic documents		60.56	31.67	7.78	2.53	0.64
Increased use of technology by employees		60.94	31.58	7.48	2.53	0.63
N=361; Index: mean 2.47, SD 0.58, Cronbach's a=0.8440						
Telework	Telework	11.85	28.65	59.5	1.52	0.70
Revenue enhancement	Revenue					
Tax increases		1.42	26.35	72.24	1.29	0.49
Use of rainy day funds		8.00	42.00	50.00	1.58	0.64
Increase in fees for services		12.92	50.84	36.24	1.77	0.66
Debt refinancing		0.87	13.58	85.55	1.15	0.38
N=353; Index: mean 1.45, SD 0.37, Cronbach's a=0.5572						
Partnerships	Partnerships					
Private companies		3.07	31.84	65.08	1.38	0.55
Nonprofit agencies		5.6	42.3	52.1	1.54	0.60
Other government agencies		2.25	30.7	67.04	1.35	0.52
N=357; Index: mean 1.42, SD 0.45, Cronbach's a=0.7232						

Table 5-5 Outcomes of Cutbacks Strategies

Variable				Mean	SD
Dependent variables	Large surplus/ Small surplus%	Balanced%	Large deficit/ Small deficit%		
Budgets	23.06	46.94	30	2.86	0.91
Administrative Capacity	Very overstaffed/ Somewhat overstaffed	Staffed appropriately	Very understaffed/ Somewhat understaffed		
	3.28	28.96	67.76	2.26	0.70
	Strongly agree/ Somewhat agree	Neither agree nor disagree	Strongly disagree/ Somewhat disagree		
Trust	81.04	7.14	11.81	3.97	0.97
Teamwork	90.17	4.64	5.2	4.23	0.82
Employee morale	45.9	18.85	35.25	3.17	1.24
Job satisfaction	69.7	14.88	15.43	3.66	0.96

The focus of the regression analyses in the next section was limited to only those agencies that actually experienced budget cutbacks in the last five years. Table 5-6 reports that 70 respondents (15.09%) answered, “No budget cutbacks” when asked, “How would you describe the budget cutbacks in the last five years?” Organizations that did not experience cutbacks in the last five years were removed because of concerns that they might not be able to answer the questions that asked whether cutback strategies exist in fact, and not merely as a possibility.

Table 5-6 How Would You Describe the Budget Cutbacks in the Last Five Years?

	Freq.	Percent
No budget cutbacks	70	15.09
Modest budget cutbacks	265	57.11
Substantial budget cutbacks	129	27.80
Total	464	100.00

Regression Analyses and Results

Determinants of local government cutback strategies

Table 5-5 presents the findings from an ordered logistic regression for eight models. The likelihood ratios (χ^2) indicated that the model as a whole was statistically significant, indicating that it is extremely unlikely that these results were due to chance. Table 5-5 reports the coefficients for the independent variables, which gives us an appreciation for the magnitude of their effects. The coefficients can be interpreted as the degree to which a particular variable increases or decreases the likelihood of implementing cutback strategies.

A brief overview of the regression results is given first, before turning to a more detailed interpretation of their meaning and implications. First, looking at various

cutbacks strategies, the information management index appeared to have strong and significant relations with the likelihood that a local government implemented salary freezes, program and organizational restructuring, alternative work arrangements, telework, and revenue enhancement strategies. This supports earlier findings from the qualitative study and confirms Hypothesis 2 in part. Second, the importance of state political leadership also was a significant predictor of program and organizational restructuring, alternative work arrangements, technology, telework, and partnerships. The regression results showed that the importance of state political leadership appeared to play a role in implementing those cutbacks strategies, which supports Hypothesis 5-A in part. Third, the training and development index did not appear to be related statistically significantly to cutback strategies, except partnerships, and therefore, provided only partial support for Hypothesis 1. Fourth, the variable that measured the importance of county political leadership provided mixed results, but the regression results showed that county political leadership appeared to play an important role in implementing revenue enhancement strategies. Thus, Hypothesis 5-B also was supported only in part. Fifth, diversity as a goal also was a significant predictor of increasing employees' contributions to pensions or health benefits. Therefore, Hypothesis 3 was accepted only in part. Finally, the importance of unions showed mixed results, although the regression showed that unions appear to be associated positively with program and organizational restructuring. Overall, the information management index and importance of state political leadership appeared to matter most in predicting a higher level of implementation of cutback strategies. In addition, the importance of county political leadership was related strongly and negatively to a higher likelihood of applying cutback

strategies. This provides evidence that cutback strategies are important tools for public managers in managing a county's human capacity strategically when an organization is struggling to weather difficult times. In general, the quantitative findings supported the results from the qualitative phase.

Table 5-7. Regression Analyses of Determinants of Cutback Strategies

	Benefits	Salary	Restructuring	Alternative	Technology	Telework	Revenue	Partnerships
Training and Development Index	-0.381	0.062	-0.126	-0.094	0.279	0.048	-0.104	0.417*
Information Management Index	0.104	0.443**	0.544***	0.785***	0.137	0.273*	0.300*	0.183
Importance of Political leadership of county	-0.057	0.041	-0.062	-0.342**	0.210	-0.412**	0.341**	-0.086
Importance of Political leadership of state	0.236	0.105	0.370**	0.343**	0.269*	0.438**	0.164	0.257*
Diversity as a goal	0.341**	-0.082	0.048	0.039	0.126	0.239	-0.003	-0.160
Importance of unions	-0.050	-0.047	0.253*	-0.017	-0.271**	-0.171	0.092	-0.048
Respondent characteristics								
Minority	-0.410	0.222	-0.307	-0.085	-0.788**	-0.352	0.072	-0.463*
Gender	0.312	-0.182	0.230	0.355*	-0.039	-0.101	-0.150	-0.265
Organization/contexts								
Health	-0.918***	0.124	-0.465**	0.036	-0.170	-0.258	0.402**	-0.423**
Size of county	0.118*	0.147**	0.162**	0.318***	0.153**	0.026	0.048	0.080
Region								
Northeast	-0.540	-0.030	-0.399	-0.493	-0.671	-1.026**	0.756**	-0.314
Midwest	-0.229	0.208	0.476*	0.018	0.243	-0.384	0.330	-0.342
South	-0.423	0.540*	0.348	-0.038	-0.014	-0.320	-0.280	-0.038
/cut1	-0.590	0.886	-1.360	-0.826	-1.267	0.782	0.417	0.500
/cut2	2.198	3.195	0.134	1.213	-0.581	2.451	1.635	1.424
Observations	321	325	326	323	325	324	323	324
X ²	31.7***	19.21*	39.74***	47.64***	27.42***	19.95**	27.7***	15.85
Pseudo R2	0.051	0.029	0.032	0.039	0.026	0.033	0.025	0.257

Note: Table shows standardized coefficients. Reference region = West.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$ (one-tailed tests).

Specifically, the results showed that the information management index is related positively to implementing salary freezes, program and organizational restructuring, alternative work arrangements, telework, and revenue enhancement. The effects of the information management index on increasing employees' contributions to pensions and health benefits, technology, and partnerships were not significant, but the pattern of the findings was in the same direction. This suggests that public managers who place more importance on automation and HRIS implemented higher levels of cutback strategies. Information systems provide the tools managers need to minimize operating costs while maintaining the level of services. Thus, respondents who indicated a greater emphasis on information management systems, such as computer-assisted testing, resume databases, and HRM software, were more likely to implement cutback strategies.

The importance placed on state political leadership also resulted in a significant relationship with implementing program and organizational restructuring, alternative work arrangements, technology, telework, and partnerships. The importance of state political leadership refers to the scope and amount of power granted legally to local administrators and state elected officials. According to Charles Howard Levine et al. (1981), formal authority is conditioned by the charters of local governments, which delineate the degree of local authority granted by the state and other aspects of state-local relations. State statutes that regulate labor relations and collective bargaining also may constrain formal authority. The charter also typically prescribes several other aspects of formal authority, including the executive's power over the budget, power related to vetoing city council actions, power to appoint and remove department heads, and other employees, and the terms of office, salary, and method of selection and removal of the

executive and other elected and appointed officials (Charles Howard Levine et al., 1981). The results of this study confirmed Charles Howard Levine et al. (1981) theoretical framework by showing that public managers are more likely to implement cutback strategies as information management becomes more important.

The training and development index was statistically significant in partnerships, but not for the remaining strategies. The relation was in the direction hypothesized for salary freezes, technology, and telework. Counties that placed importance on training and development issues formed partnerships with private companies, nonprofit agencies, and other government agencies. Public agencies are working increasingly with private and nonprofit organizations, as well as other agencies across multiple levels of government to deliver services more efficiently and effectively. In this environment, one of the strongest arguments against partnerships is private producers' failure to embrace broader public values in the delivery of services (Frederickson, 2006). Counties that place importance on training and development issues, such as professional development, cross training, and mentoring, used partnerships to ensure cost efficient quality control.

It is noteworthy that the variable that measured the importance of county political leadership showed mixed results. The importance of county political leadership is related positively to implementing revenue enhancement strategies, while it is related negatively to applying alternative work arrangements and telework. However, the importance of county political leadership does not show any statistically significant influence an increase of employees' contribution to pension or health benefits, salary freezes, program and organizational restructuring, technology, or partnerships. One of the reasons for the mixed results is that the majority of counties do not have elected officials. For example,

in New Jersey, only three counties—Mercer, Essex and Bergen—have elected county executives. Although counties have their own political culture, public managers perceived that the degree of local authority granted by the state influences state-local relations more than does county political leadership.

The importance placed on managing for diversity had a strong positive relationship with increasing employees' contributions to pensions or health benefits. Diversity as a goal had no significant relationship with the level of implementing the remainder of the cutback strategies reported. I found in the interview phase that public managers considered seniority when they made a decision in response to local government cutbacks. Therefore, the non-effect of diversity as a goal on administering cutback strategies is consistent with the findings from the interviews. This is an area that future research should address, because managing for diversity and cutback management are two necessities in 21st century management.

The role of unions has both positive and negative effects on the propensity to use various strategies. Unlike the previous literature, the importance of unions has a positive effect on restructuring and a negative effect on technology. First, the finding suggests that managers who value unions are more likely to implement organization-level strategies rather than individual-level strategies. This is because unions are more involved in individual well-being, such as defined contributions, salary freezes and alternative work arrangements. On the contrary, restructuring is more about the consolidation of departments or offices, which has a minimal impact on individual well-being.

Second, the results reveal that negative effects of unions on technology can be explained by the job displacement from technology. Public managers who value unions

are more likely to worry about the fact that technology may replace human workers. Automation has been the bigger long-term threat to blue-collar jobs. Although increased automation would create new, better jobs, there will be very little employment increases in other occupations to offset the job losses of blue-collar men without college degrees.

With respect to respondent characteristics, first, minority public managers were less likely to use technology and partnerships. Second, female public managers were more likely to implement alternative work arrangements. These are areas for future research because demographic variables can have strong explanatory power in HRM research (Edgar & Geare, 2004; Goodman et al., 2013). However, race and gender had no significant relationships with the level of implementation reported for the remaining cutback strategies. The absence of race and gender effects in implementing cutback strategies is consistent with the findings from the previous interviews, which indicated that seniority had the highest priority when public managers made layoff decisions in response to local government cutbacks.

With respect to the agencies' functions, pure health agencies were less likely to increase employees' contributions to pensions or health benefits, restructure programs and organizations, or implement partnerships. On the other hand, they were more likely to carry out revenue enhancement. For example, they were less likely to consolidate or reduce services, because it has adverse effects on the quality of life of most citizens. Therefore, public managers preferred to increase funding sources with tax increases, use of rainy day funds, increases in fees for services, or debt refinancing. By doing so, health agencies can minimize service effects on residents while they overcome fiscal crisis.

With respect to organizational context, the size of the county appeared to be important, because it was related positively to the likelihood of implementing increased employees' contributions to pensions or health benefits, salary freezes, program and organizational restructuring, alternative work arrangements, and technology. With respect to telework, revenue enhancement, and partnerships, the relationship was not significant, but was in the direction hypothesized. When the size of the county is larger, public managers were more likely to implement cutback strategies. In summary, these analyses suggested that it is critical to understand respondent characteristics and organizational contexts to understand the factors that influence cutback strategies.

Outcomes of local government cutback strategies

Table 5-8 reports the results of the six ordered logistic models. The likelihood ratios (χ^2) indicated that the models as a whole are statistically significant, thus illustrating that it is extremely unlikely that these results were due to chance.

In examining the various cutback strategies, some had significantly negative effects on the outcomes variables. First, as hypothesized, program and organizational restructuring, telework, and revenue enhancement had strong and negative influences on budgets. However, partnerships were related positively to budgets. Therefore, Hypotheses 6 was supported in part. Second, program and organizational restructuring, and revenue enhancement were related negatively to administrative capacity. However, cutback strategies did not appear to be statistically significant, except for those two, and therefore, Hypothesis 7 was substantiated only in part. Third, employee salary freezes, program and organizational restructuring, and alternative work arrangements were associated negatively with organizational trust at $p < 0.10$ or lower. However, the results provided no evidence for an influence on organizational trust of increasing employees' contributions to pensions or healthcare benefits, technology, or revenue enhancement and partnerships. Thus, Hypothesis 8 was accepted in part. Fourth, no variable that measured cutback strategies appeared to be statistically significant, except for technology, and therefore, provided only partial support for Hypothesis 9. Fifth, employee salary freezes, program and organizational restructuring, and partnerships were associated negatively with employee morale at $p < 0.05$ or lower, while technology had a positive relationship with employee morale at $p < 0.05$. Other strategies had no statistically significant effects, and accordingly, Hypothesis 10 was accepted only in part. Finally, employee salary

freezes, program and organizational restructuring, and alternative work arrangements had negative associations with job satisfaction at $p < 0.10$ or lower, while technology and partnerships were associated positively with job satisfaction at $p < 0.10$, thus providing partial support for Hypothesis 11.

Overall, cutback strategies in the last five years appeared to have negative effects on the current budgets and administrative capacity. Further, implementing cutback strategies eroded organizational trust, teamwork, employee morale, and workers' job satisfaction, just as the theories of survivor syndrome suggest (Brockner & Greenberg, 1990). Interestingly, program and organizational restructuring was associated strongly with the reduced level of budgets, capacity, trust, employee morale, and job satisfaction. In response to fiscal stress, supervisors used cutback strategies to increase efficiency and achieve their goals. While these strategies were effective in responding to fiscal stress, they had perceived negative consequences. This study provided evidence that health and human services leaders' perceptions of cutback strategies were indeed detrimental overall, because they had negative side effects on budgets and organizational capacity, as well as the wellbeing of surviving employees.

Table 5-8. Regression Analyses of Outcomes of Cutback Strategies

	Budgets	Capacity	Trust	Teamwork	Morale	Job Satisfaction
Benefits	0.127	-0.198	0.045	0.083	0.109	0.179
Salary	0.203	-0.156	-0.285**	-0.193	-0.438***	-0.265*
Restructuring	-1.097***	-0.675**	-0.428*	-0.536	-0.595**	-1.029***
Alternative	-0.346	-0.116	-0.669*	0.064	-0.428	-0.961**
Technology	0.140	0.095	0.221	0.478**	0.350**	0.316*
Telework	-0.236*	-0.162	0.078	-0.152	-0.139	-0.210
Revenue	-0.682**	-0.450*	0.278	0.403	0.105	0.449*
Partnerships	0.359*	-0.011	-0.138	-0.336	-0.545**	-0.227
Respondent characteristics						
Minority	0.181	-0.228	-0.303	-0.463	-0.181	-0.704**
Gender	-0.064	0.131	0.449**	0.438**	0.340*	0.317
Organization/contexts						
Health	0.366*	-0.031	0.449**	0.485**	0.274	0.324*
Size of county	0.147**	0.218**	-0.062	-0.118	-0.047	0.131*
Region						
Northeast	-0.586*	-0.213	-0.114	-0.139	-0.859**	-0.907**
Midwest	0.335	0.366	0.118	-0.191	-0.412	-0.206
South	-0.148	0.539*	-0.400	-0.563*	-0.830***	-0.657**
/cut1	-4.457	-4.082	-5.498	-4.780	-5.138	-6.754
/cut2	-2.754	-0.872	-3.281	-3.315	-3.341	-4.429
/cut3	-0.446	1.691	-2.719	-2.523	-2.504	-3.371
/cut4	2.346	3.102	-0.206	0.287	-0.719	-0.420
Observations	316	318	317	318	318	315
X2	35.53***	24.74**	32.14***	31.4***	54.26***	55.99***
Pseudo R2	0.044	0.038	0.043	0.047	0.056	0.072

Note: Table shows standardized coefficients. Reference region = West. *p < 0.10, **p <

0.05, ***p < 0.01 (one-tailed tests).

Specifically, the results showed that program and organizational restructuring, telework, and revenue enhancement were related negatively to the agencies' budgets at $p < 0.10$ or lower. Among cutback strategies, program and organizational restructuring had the strongest effect. This suggests that organizations still undergo budget deficits even though they have applied these strategies in the last five years. Contrary to expectations, partnerships were associated positively with budgets, in that partnerships with private companies, nonprofit agencies, or other government agencies appeared to improve budgets.

With respect to administrative capacity, program and organizational restructuring, and revenue enhancement were related negatively to administrative capacity at $p < 0.10$ or lower. Although not statistically significant, the remaining cutback strategies, except for technology, were in the direction expected. These regression results largely confirmed the detrimental effects of cutback strategies on organizations' administrative capacity.

Employee salary freezes, program and organizational restructuring, and alternative work arrangements were related negatively to organizational trust at $p < 0.10$ or lower. This finding is consistent with the previous literature, which has indicated that organizational downsizing has a negative influence on "survivors'" trust (Brockner, 1990).

Concerning teamwork, greater use of technology led to a higher level of trust in the organization at $p < 0.05$. This is consistent with previous studies that more integrated and better use of IT allows public managers to downsize more rationally and efficiently without decreasing employee teamwork (Pinsonneault & Kraemer, 2002). For example,

Pinsonneault and Kraemer (1990) found that electronic meetings had a positive effect on group processes and outcomes. Similarly, greater use of technology, such as virtual meetings, increased use of electronic documents, and employees' increased use of technology appeared to have positive outcomes.

With respect to employee morale, salary freezes, program and organizational restructuring, and partnerships had negative effects on surviving employees' morale. Again, this result is consistent with the previous literature on survivors' reactions to job layoffs (Brockner & Greenberg, 1990). On the other hand, greater use of technology had a positive effect on survivors' morale ($p < 0.05$). Clearly, this finding is consistent with much of the literature on the effects of electronic meetings on group processes (Pinsonneault & Kraemer, 1990).

Employee salary freezes, program and organizational restructuring, and alternative work arrangements were associated negatively with workers' job satisfaction, consistent with previous studies (Brockner et al., 1994), while greater use of technology had a positive effect on survivors' job satisfaction. Contrary to expectation and the qualitative findings, revenue enhancement had a statistically significant effect on job satisfaction. Nonetheless, analyses that are more rigorous are necessary to examine this subtle relationship between revenue enhancement and survivors' job satisfaction.

The absence of effects of increasing employees' contributions to pensions and health benefits is interesting. No clear relationship was found between increasing employees' contributions and outcomes. This is contrary to the hypothesis that it may have damaged outcomes. For example, the qualitative findings suggested that workers experienced decreased morale after Governor Christie signed Chapter 78 to introduce

pension and health benefit reforms in 2011. The absence of a statistically significant relationship between increasing employees' contributions to pensions and health benefits and outcomes raises an interesting issue for future exploration.

To conclude, the results shown in Table 5-8 provided evidence that cutback strategies, except technology, resulted in decreased budgets, capacity, trust, morale, and job satisfaction. This conclusion largely confirms the previous literature on survivor syndrome (Brockner & Greenberg, 1990). In addition, the positive effect of technology on teamwork and morale is congruent with existing studies that have suggested that electronic meetings increase confidence in decisions and group members' satisfaction with those decisions (Pinsonneault & Kraemer, 1990).

Summary

What influences cutback strategies?

The first research question asked what factors influence cutback management at the local government level? The models presented in this study provided empirical evidence for the importance of variables stressed in normative analyses of cutback management, and illustrated the ways in which local governments use cutback strategies. The results showed that counties that place importance on training and development issues used partnerships. Training and development are important tools that local governments must take seriously if they expect to continue to provide services as more and more employees are laid off. Paradoxically, training and development tended to be the first budget items cut, regardless of how vital they are in securing a talented

workforce (Goodman et al., 2013). This is why training and development were not significant in the other variables except for partnerships.

The information management index was significant in the models of salary increase, restructuring, alternative work arrangements, telework, and revenue enhancement. A HRIS is critical for adequate cutback management, as information management provides for future needs and helps public managers accordingly (Goodman et al., 2013).

Managers who recognized the importance of state political leadership saw the need to implement cutback strategies. Another important finding was the significance of diversity as a goal. In the model, managers who viewed diversity as important were more likely to increase employees' contributions to pensions or health benefits. Also unexpected was the positive relationship between union presence and restructuring. It appeared that unions are partners in restructuring, while they are a hindrance in implementing technology. This finding warrants further research.

How cutback strategies influence outcomes

As the preceding results section indicated, past employee experiences with restructuring in the workplace was the most consistent variable across the models. As hypothesized, the perception that the agency implemented restructuring more than a few times had adverse effects on managers' perceptions of budgets, capacity, trust, morale, and job satisfaction. The results also indicated that salary freezes were detrimental to employees' trust, morale, and job satisfaction. These findings are consistent with previous literature on the effects of downsizing and staff dismissals on survivors' work

related attitudes and behaviors (Appelbaum, Delage, Labib, & Gault, 1997; Astrachan, 1995; Brockner, Grover, Reed, DeWitt, & O'Malley, 1987; Brockner, Grover, Reed, & Dewitt, 1992; Gilson, Hurd, & Wagar, 2004; Luthans & Sommer, 1999). If this is so, cutback strategies indeed may undermine the very public management systems they were intended to strengthen.

As hypothesized, the perception that the agency used technology to reduce costs affected employees' teamwork, morale and job satisfaction positively. This finding confirmed the previous literature that has suggested that IT can be a catalyst in the redesign of business processes (Pinsonneault & Kraemer, 2002). Information technology includes virtual meetings, increased use of electronic documents, and employees' incremental application of technology. IT also can enhance the depth of analysis of groups, increase participation, decrease domination by a few members, and increase decision quality (Pinsonneault & Kraemer, 1990). This indicates that increased use of technology to reduce costs may be the best alternative plan in response to local government cutbacks.

Interestingly, county size also was a significant predictor, indicating that respondents in larger counties tended to have larger budgets, capacity, and higher levels of job satisfaction. With respect to an agency's function, health agencies reported that their employees were more trusting, teamwork oriented, and satisfied. It also is interesting to note that female respondents tended to report that their employees were more trusting, teamwork-oriented, and satisfied. One way to interpret these findings is that female managers adopt a more democratic (or participative) style than do their male counterparts (Eagly, Karau, & Johnson, 1992). Perhaps female managers' "...less

hierarchical and more participatory, interactional, flexible, consociational, and multifaceted” (Meier, O’Toole, & Goerdel, 2006, p. 25) management style enables employees to be more trusting, teamwork-oriented, and satisfied in response to cutbacks, although this relationship needs further investigation.

Chapter Six: Experimental Results

As Chapter 3 described, the experimental design included two groups—one group was asked to imagine 2 percent cutbacks, while the other was asked to assume 10 percent cutbacks. This study used these two conditions from the budget sequestration in 2013 that was implemented by the federal government. Through a special provision in the Budget Control Act of 2011, Medicare spending rates were reduced by a fixed 2 percent per year versus the other domestic percents planned for the sequestration. Defense spending likewise was reduced by 10 percent in 2013. Federal pay rates (including military) were unaffected, but the sequestration did result in furloughs. Because they benefitted from federal support, federal spending cuts affected local governments directly. Therefore, it would be instructive for policymakers to understand the way in which local cutback levels are related to the likelihood of implementing cutback strategies.

This chapter focuses on managers' reactions to budget cutbacks under the two cutback scenarios. As discussed in Chapter 2, there are various cutbacks strategies. Cost reductions in compensation involve increasing employees' contributions to pensions or health benefits and employee salary freezes. Program and organizational restructuring encompasses reordering spending priorities, consolidating departments or offices, consolidating or reducing services, and transferring responsibilities to other levels of government. Alternative work arrangements include reduced work schedules, furloughs, lay-offs, using volunteers rather than paid employees, not filling vacant positions, and retirement incentives. Increased use of technology to reduce costs consists of virtual meetings, increased use of electronic documents, and employees' increased use of technology, as well as telework (i.e., telecommuting). Revenue enhancement comprises

tax increases, use of rainy day funds, increased fees for services, and debt refinancing.

Finally, partnerships include those with private companies, nonprofit agencies, and other government agencies.

This chapter begins by presenting descriptive findings, including measures of cutback strategies in local governments. It then presents Chi-squared test results that examined whether the level of hypothetical cutbacks influenced the strategies leaders chose.

Descriptive Results

Appendix D shows the number of participants in each of the two treatment groups, as well as their demographic characteristics and counties. In a typical fully randomized design, the treatment and control groups should have the same characteristics with the exception of the treatment they are given (Remler & Van Ryzin, 2010). Comparison of the profiles of responding organizations and respondents did not demonstrate any significant differences between the two. Thus, it appears that there was no obvious, systematic difference or potential bias in the two groups related to the types of organizations, and the individuals who responded. The absence of statistically significant differences across groups assigned randomly to each condition confirmed the statistical equivalence of the experimental groups (Appendix A).

Results Overall

It is important and necessary to compare whether different levels of cutbacks generated preferences for different strategies. This study used Chi-squared tests to compare the results of the 2 percent and 10 percent cutback conditions with respect to the strategies used. The following results are organized by strategy type, specifically

compensation, restructuring, work arrangements, technology, revenue enhancement, and partnerships.

Cost reductions in compensation

Figure 6-1 shows a comparison of the percentage of respondents who chose to increase employees' contributions to pensions or health benefits. Consistent with Hypothesis 11, more respondents in the 10 percent cutback condition (50%) than in the 2 percent cutback condition (42%) answered that they would be "somewhat likely" or "very likely" to increase employees' contributions to pensions or health benefits. This difference was statistically significant at $p < 0.05$ or lower. When faced with more severe fiscal stress, public managers increased employees' contributions to pensions or health benefits.

Figure 6-1. Increase Employees' Contributions to Pensions or Health Benefits

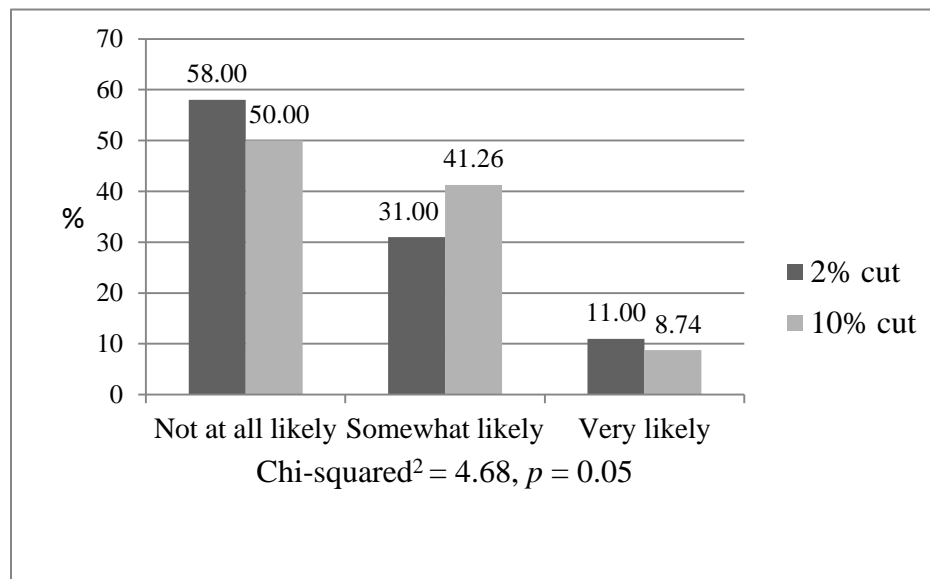
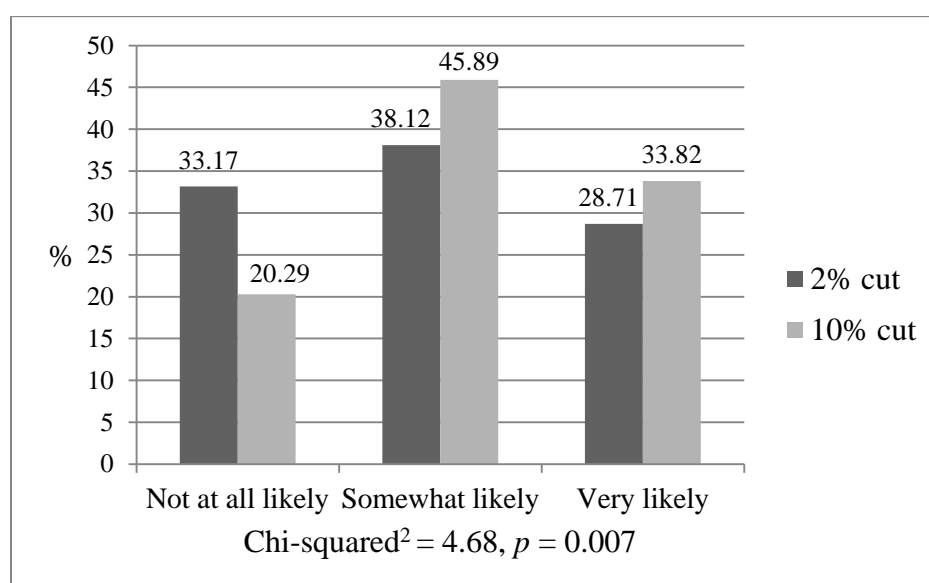


Figure 6-2 shows a comparison of the percentage of respondents who chose employee salary freezes; while 33.8% of those in the 10 percent cutback condition chose "very likely" to freeze employee salaries, only 28.6% in the 2 percent cutback condition

made this choice. This difference was statistically significant at $p < 0.01$ or lower. This finding again provides clear support for Hypothesis 11 that administrative responses are associated directly with changes in resource levels. When the decline in financial resources becomes severe, governments begin to use targeted cutting strategies (Chen, 2016).

Figure 6-2. Employee Salary Freezes



Program and organization restructuring

Figure 6-3 reports a comparison of the percentage of respondents who chose to reorder spending priorities. There was no significant difference between those in the 2 percent and 10 percent cutback conditions, thus providing no support for Hypothesis 11. However, the patterns of the findings was in the same direction as the previous findings.

Figure 6-4 shows a comparison of the percentage of respondents who chose to consolidate departments or offices. 69.9% in the 10 percent cutback condition indicated

they were “somewhat likely” or “very likely” to consolidate departments or offices, while only 62.33% of those in the 2 percent condition made this choice. This difference was statistically significant at $p < 0.10$ or lower, thus supporting Hypothesis 11. When the decline in financial resources becomes severe, governments begin to use targeted cutting strategies, such as organizational changes.

Figure 6-3. Reordering Spending Priorities

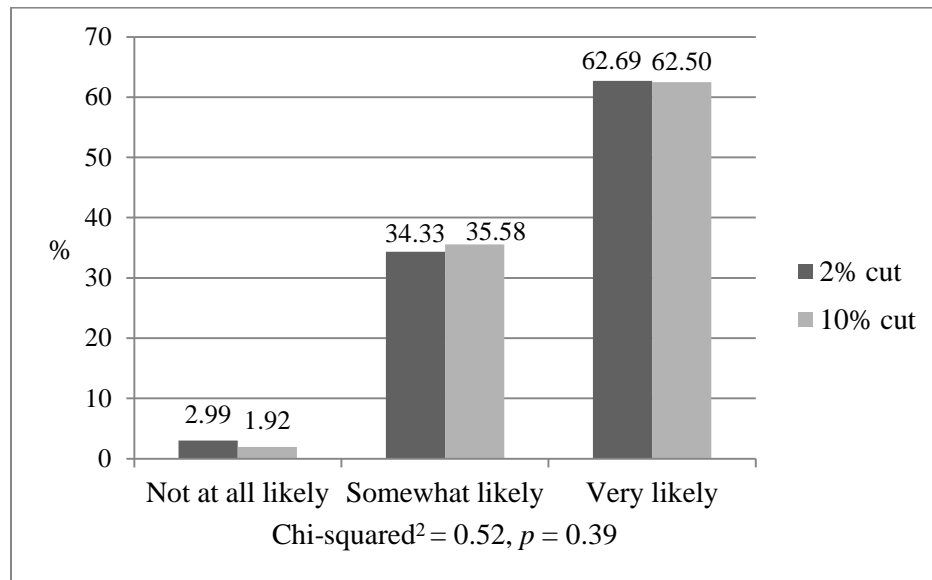


Figure 6-4. Consolidating Departments or Offices

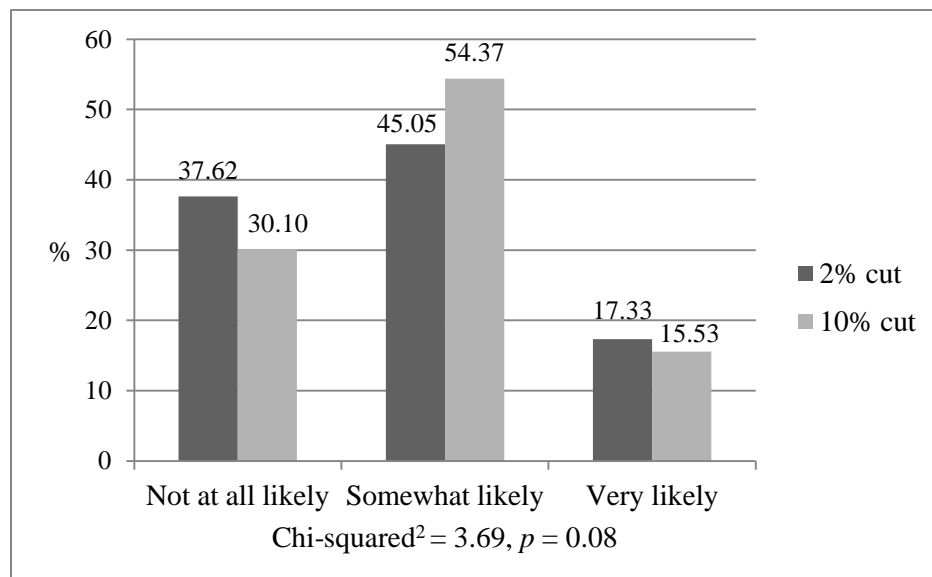


Figure 6-5 reports a comparison of the percentage of respondents who chose to consolidate or reduce services. There was no significant difference between the two cutback conditions. This finding suggests clearly that, with respect to service cuts, public managers tended to either ignore problems or postpone spending to the future.

Figure 6-6 reports a comparison of the percentage of respondents who chose to transfer responsibilities to another level of government. 26.70% in the 10 percent cut chose “somewhat likely” to do so, and 22.73% in the 2 percent condition made this choice, which was not a significant difference, again providing no evidence to support Hypothesis 11.

Figure 6-5. Consolidating or Reducing Services

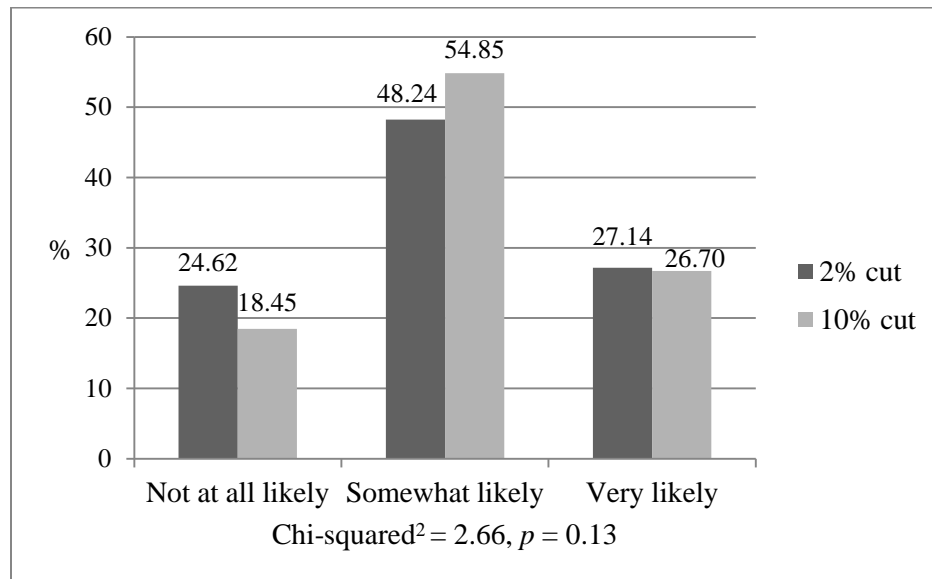
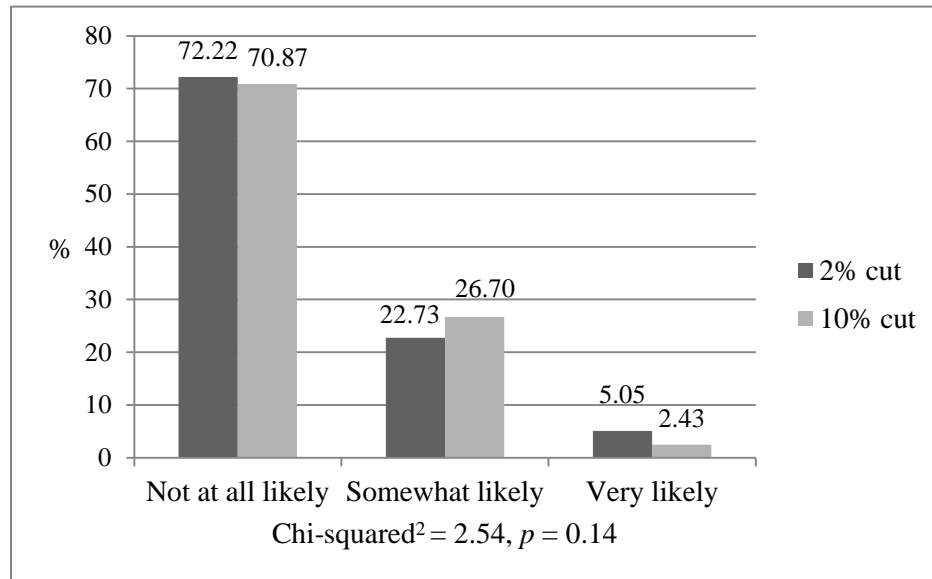


Figure 6-6. Transferring Responsibilities to another Level of Government

Alternative work arrangements

Figure 6-7 reports a comparison of the percentage of respondents who chose to reduce work schedules. While 52.91% in the 10 percent condition chose “somewhat likely” or “very likely” to reduce work schedules, only 39.2% in the 2 percent condition made this choice. The difference was statistically significant at $p < 0.01$ or lower. This finding supported Hypothesis 11, in that the comparisons confirmed that governments began to use targeted cutting strategies when the decline in financial resources was severe.

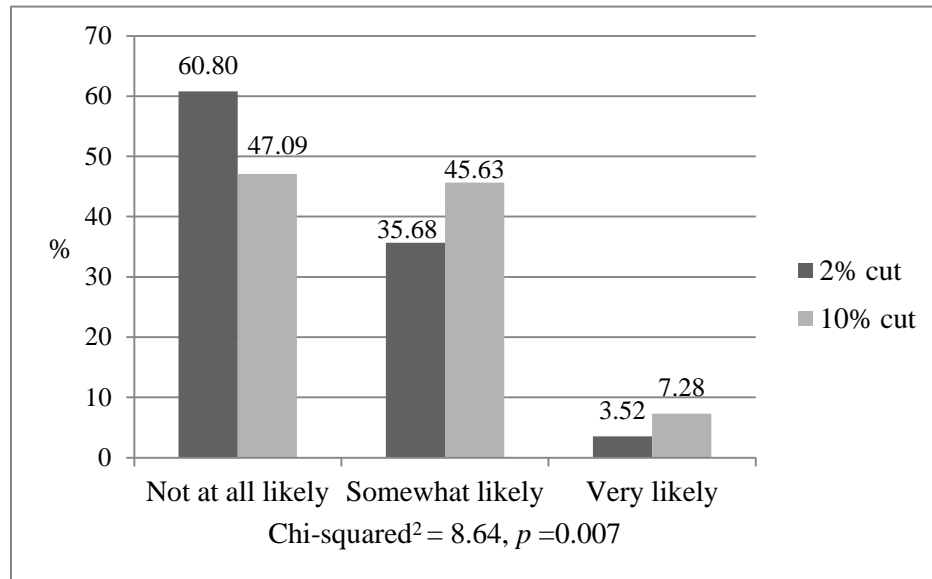
Figure 6-7. Reduced Work Schedules

Figure 6-8 shows a comparison of the percentage of respondents who chose furloughs. Consistent with Hypothesis 11, 41.75% of those in the 10 percent cutback condition indicated that they would be “somewhat likely” or “very likely” to choose furloughs, while 34.34% of those in the 2 percent condition made this choice. This difference was statistically significant at $p < 0.10$ or lower. Therefore, with a moderate decline in financial resources, governments used revenue stretching strategies or across-the-board cuts, and when the decline became severe, they began to use such targeted strategies as furloughs.

As Figure 6-9 shows, there was no significant difference in lay-offs between the two cutback conditions, although the direction of the effect was as hypothesized—more respondents in the 10 percent cutback condition were “somewhat likely” or “very likely” to choose lay-offs than were those in the 2 percent condition. Overall, therefore, there

was no direct relation between the severity of cutbacks and lay-offs. Increasing the level of cutbacks may not be sufficient to lead leadership to lay off employees.

Figure 6-8. Furloughs

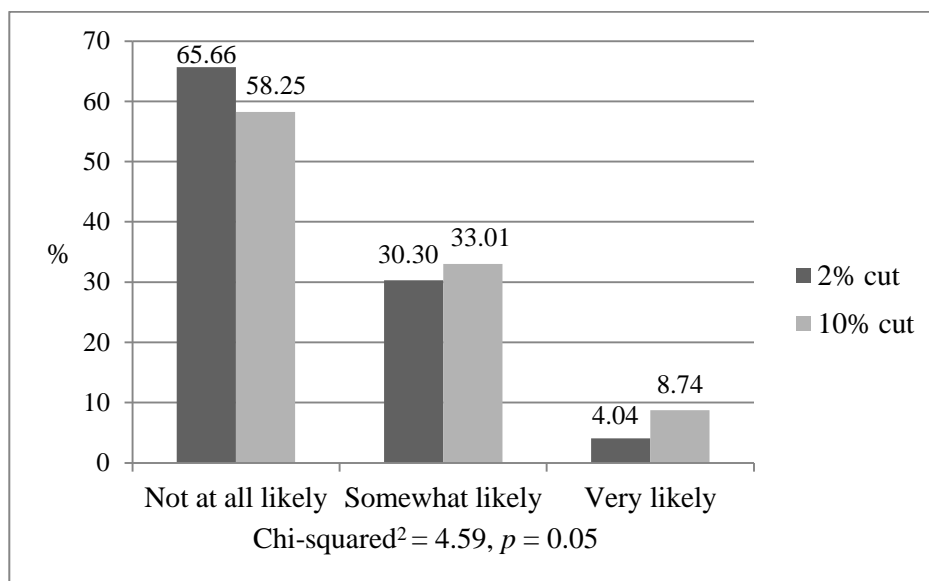


Figure 6-9. Lay-offs

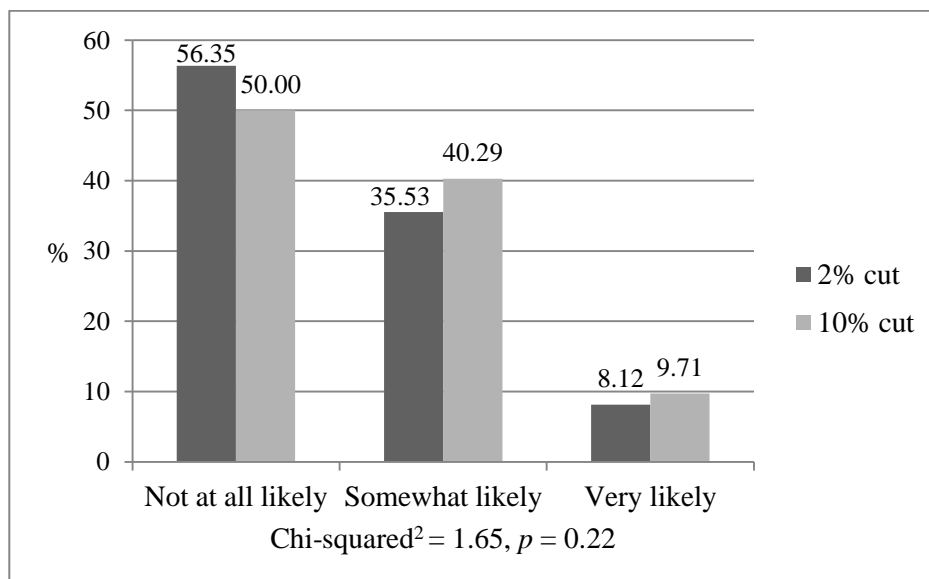


Figure 6-10 shows the results of a Chi-squared test on the use of volunteers rather than paid employees. 7.21% of respondents in the 10 percent condition chose “very likely” to reduce paid employees work schedules, and 7% in the 2 percent condition did the same. There difference were not significant, again providing no support for Hypothesis 11. According to the findings, public managers in local governments did not use volunteers rather than paid employees strategically in response to budget cutbacks. Instead, they were likely to maintain the status quo.

Figure 6-10. Use of Volunteers Rather than Paid Employees

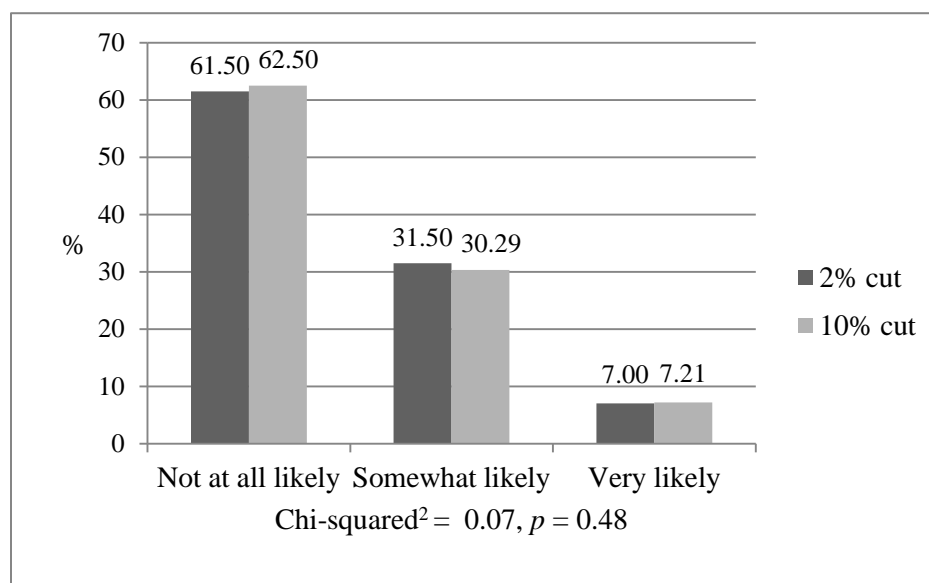


Figure 6-11 reports comparisons of the percentage of respondents who chose not to fill vacant positions. 62.98% in the 10 percent cutback condition chose “very likely” to reduce work schedules, and 62.07% in the 2 percent condition made this choice, a non-significant difference that provided no support for Hypothesis 11. Although the results were not significant, the patterns of the findings were in the same direction. One possible

reason for this finding is that the level of cutbacks simply was not enough to represent a significant change in cutback strategies. When financial resources decline, but only slightly, governments tend to either ignore problems or postpone spending to the future—the “denial and delay” strategy (Chen, 2016). Not filling vacant positions is such a strategy, in that 62.07% of respondents in the 2 percent cutback condition were very likely to choose not to fill vacant positions.

Figure 6-11. Not Filling Vacant Positions

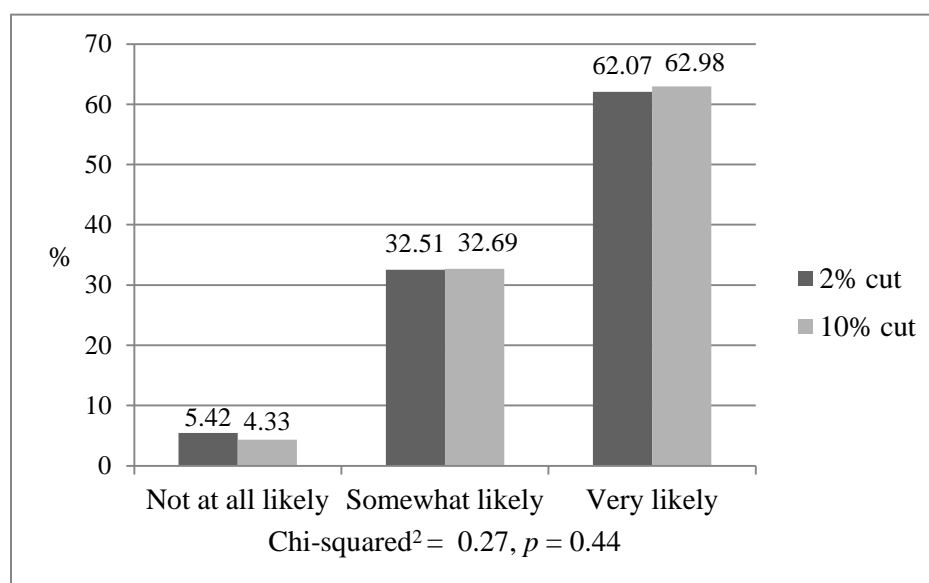
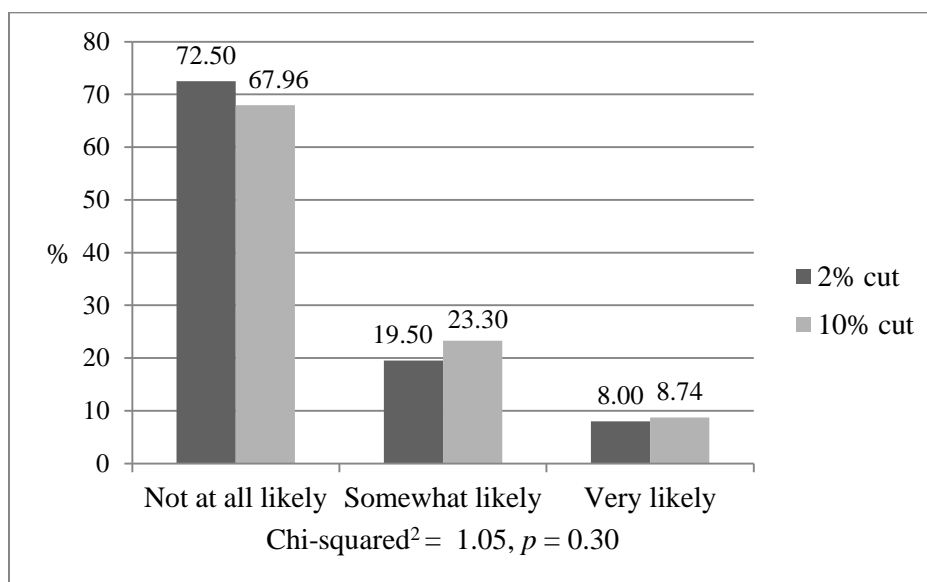


Figure 6-12 reports comparisons of the percentage of respondents who chose to offer retirement incentives. 8.74% of those in the 10 percent cutback condition chose “very likely” to provide retirement incentives, and 8% in the 2 percent condition made this choice. There was no significant difference between these, which again, provided no evidence to support Hypothesis 11. 72.5% of respondents in the 2 percent cutback condition chose “not at all likely” to provide retirement incentives compared to 68.96%

in the 10 percent condition. Therefore, increasing the level of cutbacks may not be sufficient to cause leadership to offer retirement incentives.

Figure 6-12. Retirement Incentives



Greater use of technology

Figure 6-13 shows comparisons of the percentage of respondents who chose virtual meetings. 32.37% in the 10 percent cutback condition chose “very likely” to have virtual meetings, and 29.85% in the 2 percent condition made this choice. The two percentages did not differ significantly, and thus did not support Hypothesis 11. Therefore, there was no direct relation between the level of cutbacks and virtual meetings.

Figure 6-14 reports comparisons of the percentage of respondents who chose increased use of electronic documents. 34.78% in the 10 percent cutback condition chose “somewhat likely” to increase use of electronic documents, and 33.33% in the 2 percent condition did so, a non-significant difference that did not support Hypothesis 11.

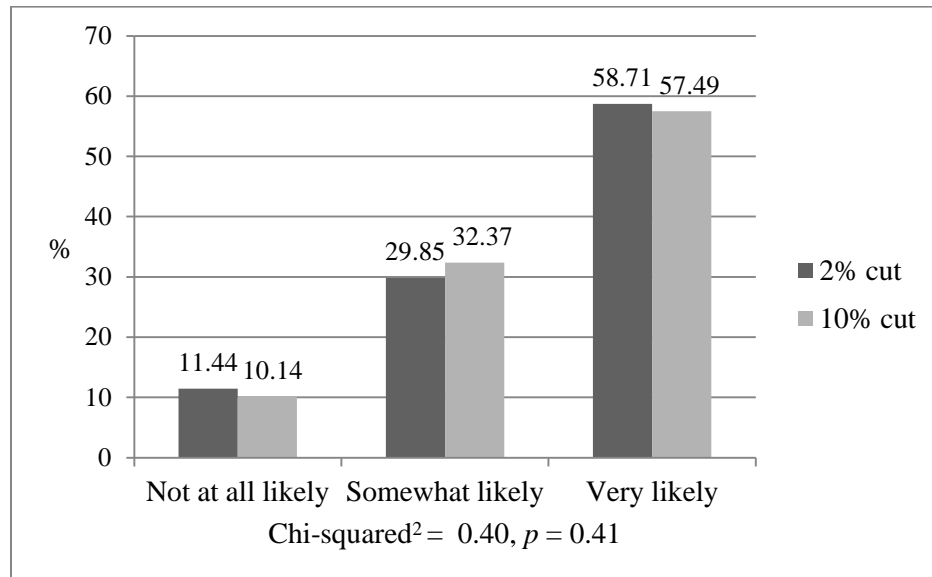
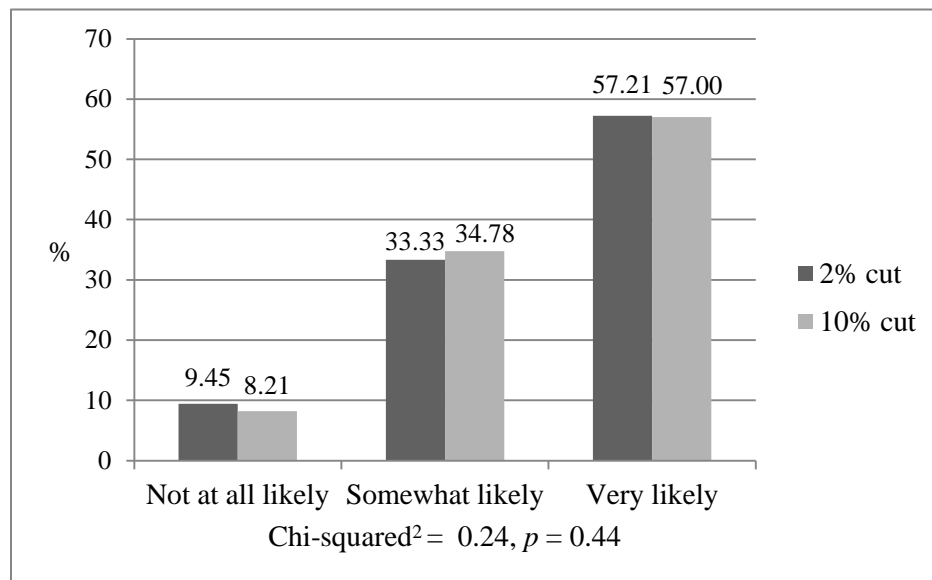
Figure 6-13. Virtual Meetings**Figure 6-14. Increased Use of Electronic Documents**

Figure 6-15 shows comparisons of the percentage of respondents who chose increased use of electronic documents. 58.65% in the 10 percent cutback condition chose “somewhat likely” to increase employees’ use of technology, and 54.46% in the 2 percent

condition made this choice. There was no significant difference between the two cutback conditions, again providing no evidence to support Hypothesis 11.

Figure 6-15. Employees' Increased Use of Technology

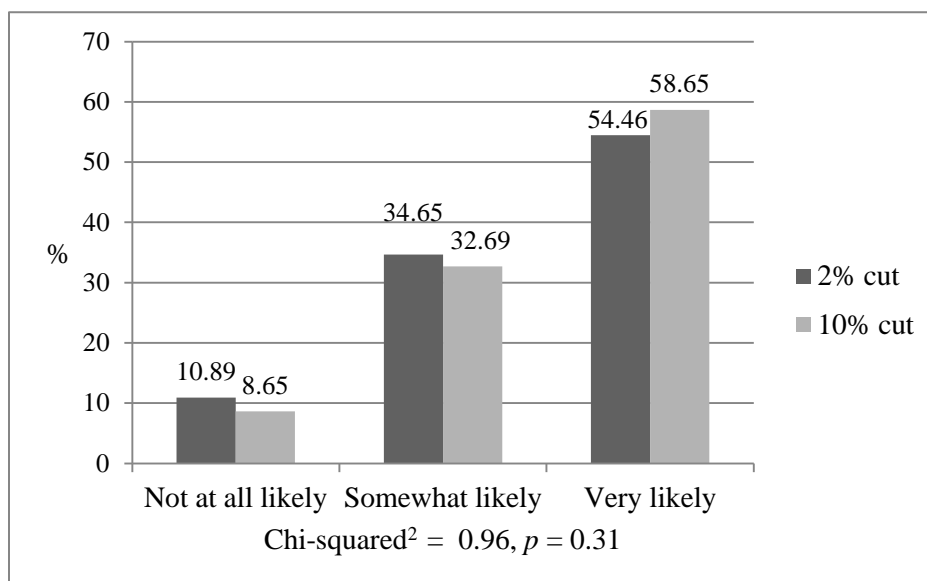
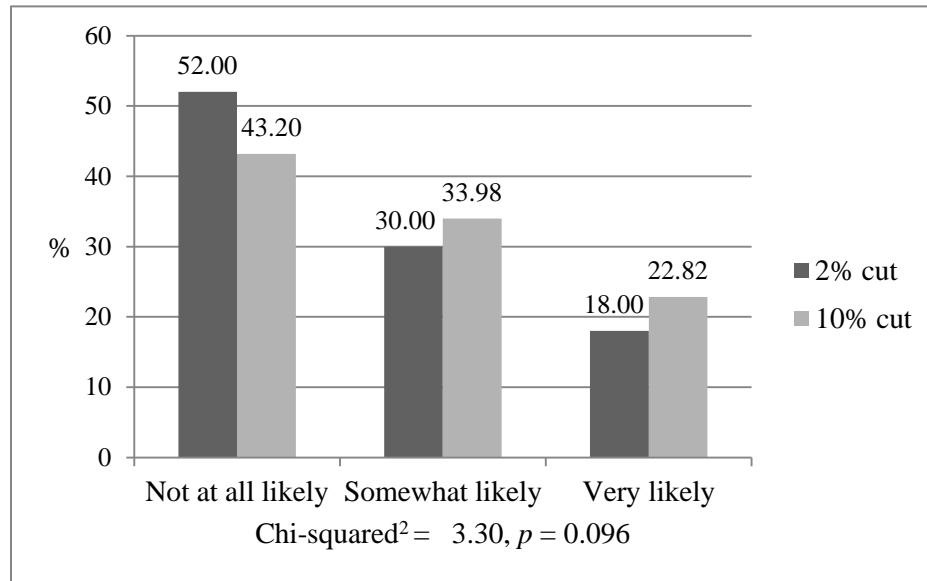


Figure 6-16 shows comparisons of the percentage of respondents who chose telework. While 22.82% of those in the 10 percent condition chose “very likely” to implement telework, only 18% in the 2 percent condition made this choice. This difference was statistically significant at $p < 0.10$ or lower, consistent with Hypothesis 11. In organizations in which the leaders perceived severe cutbacks, they were more likely to respond with greater use of telework. Although an improved work-life balance is one of the primary benefits of telework, such arrangements have several other advantages for organizations in cost savings related to office maintenance, transportation, energy, and the environment, as well as the increased continuity of operations in emergency situations and natural disasters (Caillier, 2011; D. Lee & Kim, 2016; Major et al., 2008; Maruyama

et al., 2009; Overmyer, 2011). Thus, increasing the level of cutbacks may lead leadership in local governments to implement telework.

Figure 6-16. Telework (i.e., telecommuting)



Revenue enhancement

Figure 6-17 shows comparisons of the percentage of respondents who chose tax increases. While 7.32% in the 10 percent condition chose “very likely” to increase taxes, only 4.10% in the 2 percent condition made this choice. The difference was statistically significant at $p < 0.10$ or lower, consistent with Hypothesis 11. The results indicated that leaders were more likely to increase taxes during times of scarcity to increase tax revenues. This finding suggests that the severity of cutbacks influenced tax increase decisions.

Figure 6-18 reports comparisons of the percentage of respondents who used rainy day funds. 22.33% of those in the 10 percent condition chose “very likely” to use rainy

day funds, while only 14.95% in the 2 percent condition made this choice. This difference was statistically significant at $p < 0.05$ or lower, consistent with Hypothesis 11. Use of rainy day funds, also known as budget stabilization funds (BSF), is an alternative to avoid cyclical revenue volatility by setting aside funds during prosperous years to cover shortfalls during economic downturns. The results suggested that public managers would spend rainy day funds to meet unmet needs in response to the 10 percent cutback, but were likely to maintain these funds in response to the 2 percent cutback.

Figure 6-17. Tax Increases

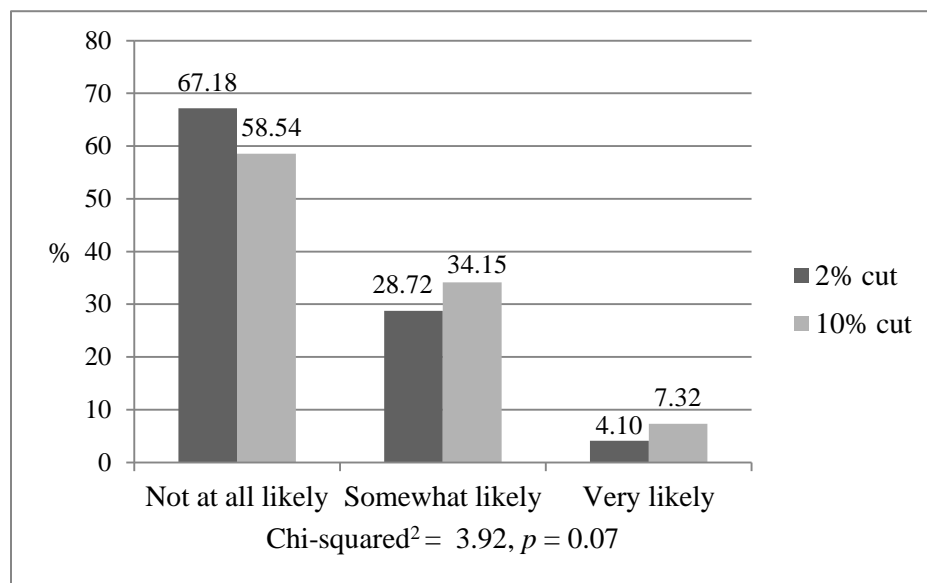


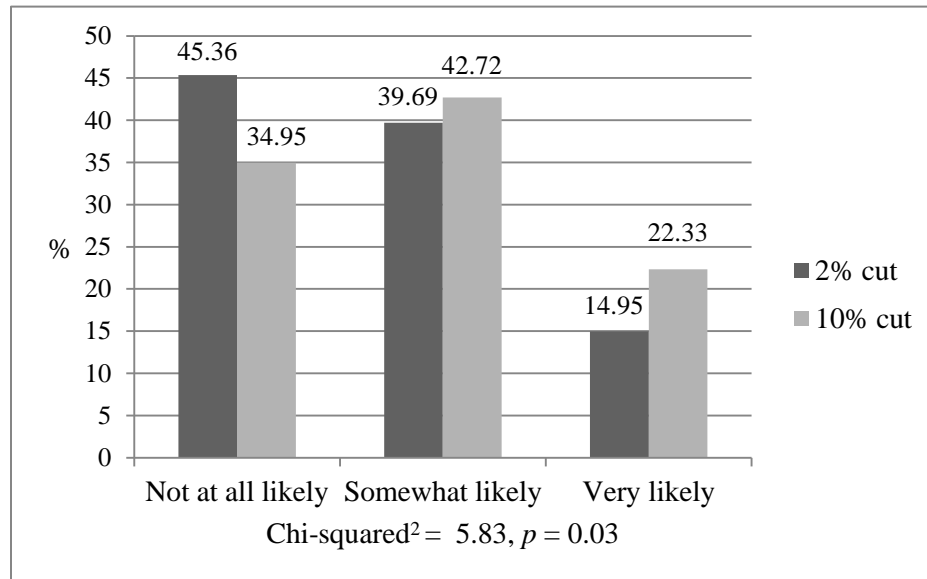
Figure 6-18. Use of Rainy Day Funds

Figure 6-19 reports comparisons of the percentage of respondents who chose to increase fees for services. 24.64% in the 10 percent condition chose “very likely” to increase fees for services, and 23.86% in the 2 percent condition made this choice. There was no significant difference between the two conditions, again providing no evidence to support Hypothesis 11.

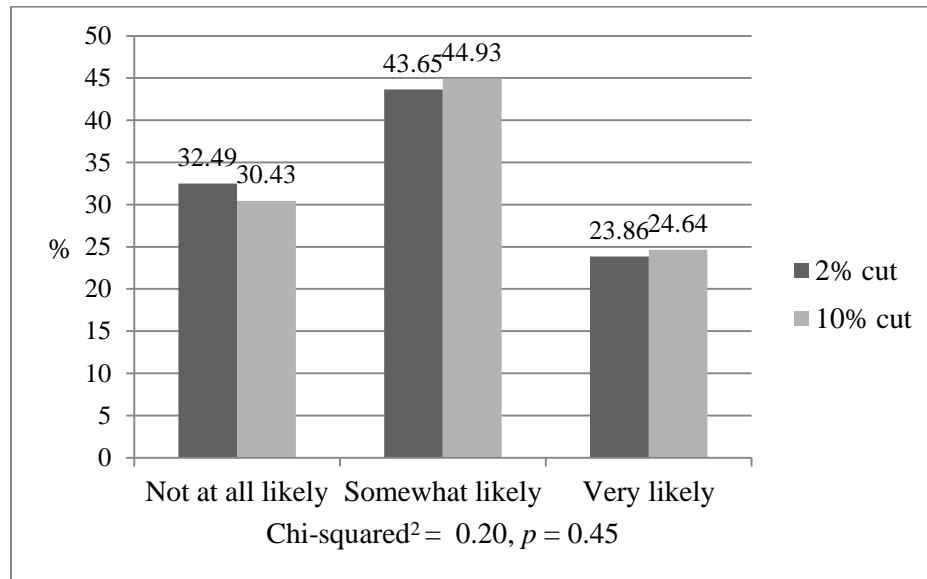
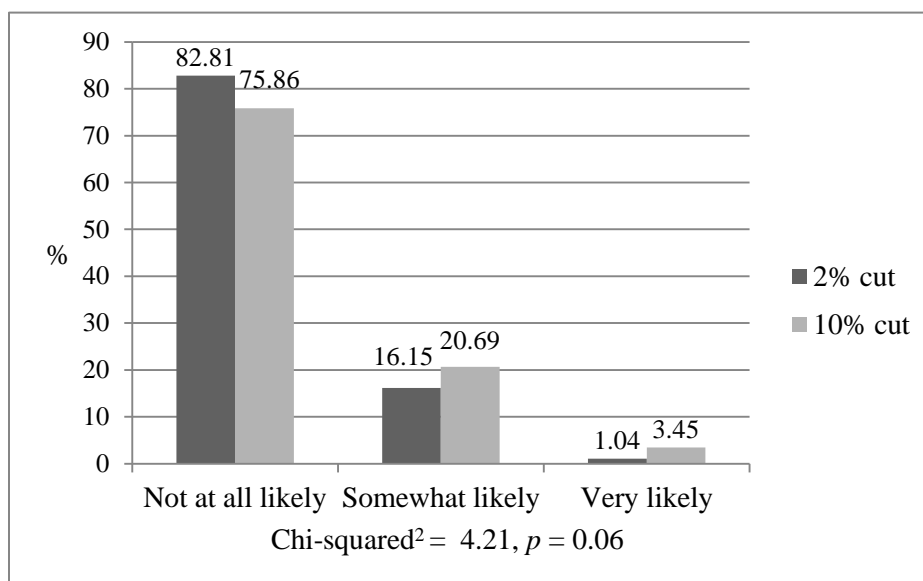
Figure 6-19. Increase Fees for Services

Figure 6-20 reports comparisons of the percentage of respondents who chose debt refinancing. While 3.45% of those in the 10 percent cutback condition chose “very likely” to increase fees for services, only 1.04% in the 2 percent condition made this same choice. This difference was statistically significant at $p < 0.10$ or lower, consistent with Hypothesis 11. This finding suggested that the level of cutbacks is an important factor associated with refinancing decisions, in that the more severe the cutbacks, the greater the likelihood to refinance. This finding is intriguing, as the decision to refund bonds is critical because of the potentially large economic benefits associated with refinancing in the future at lower interest rates (Moldogaziev & Luby, 2012). Because of these potential benefits, it would be instructive for policymakers to understand that the level of cutbacks influences this important debt management decision.

Figure 6-20. Refinance Debt

Partnerships

Figures 6-21 to 6-23 report comparisons of the percentage of respondents who chose partnerships with private companies, nonprofit agencies, and other government agencies, respectively. While the direction of the effects was as hypothesized—more participants in the 10 percent cutback condition chose “somewhat likely” to have partnerships with those organizations—the results were not statistically significant. Overall, therefore, there is no direct relation between the level of cutbacks and strategies of contracting out. One possible reason that this is not significant is that local governments, particularly health and human services agencies, already contract out with such entities because of cost efficiency. Therefore, increasing the level of cutbacks may not be sufficient to direct leadership attention to partnerships.

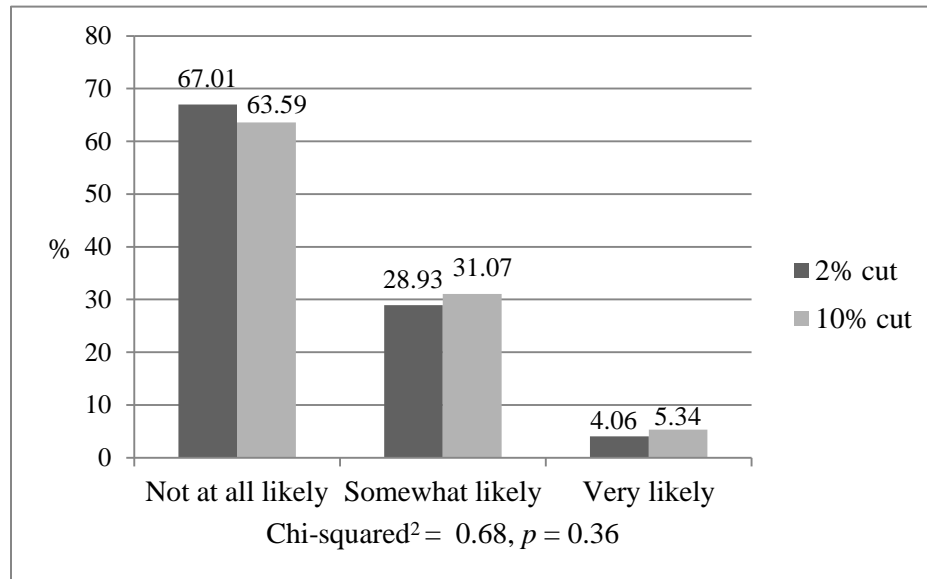
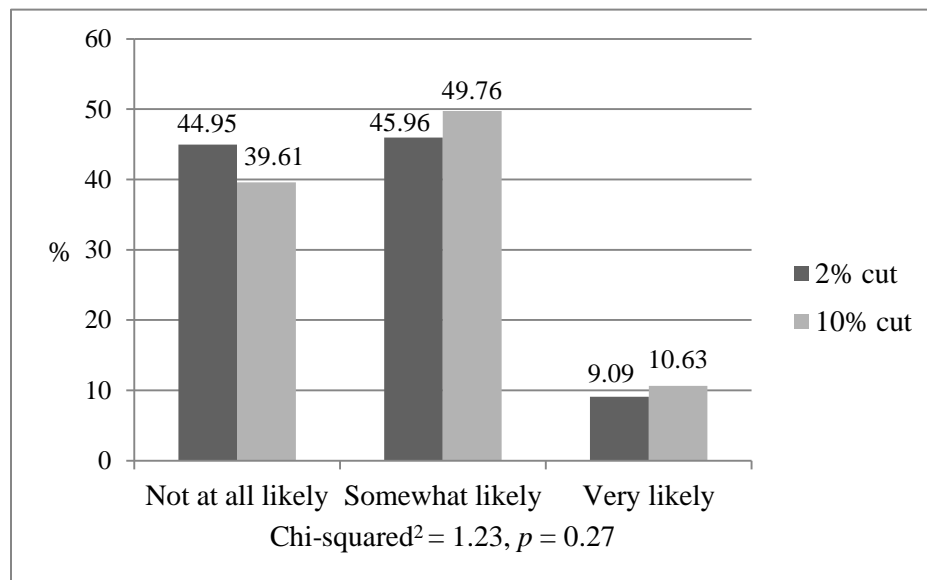
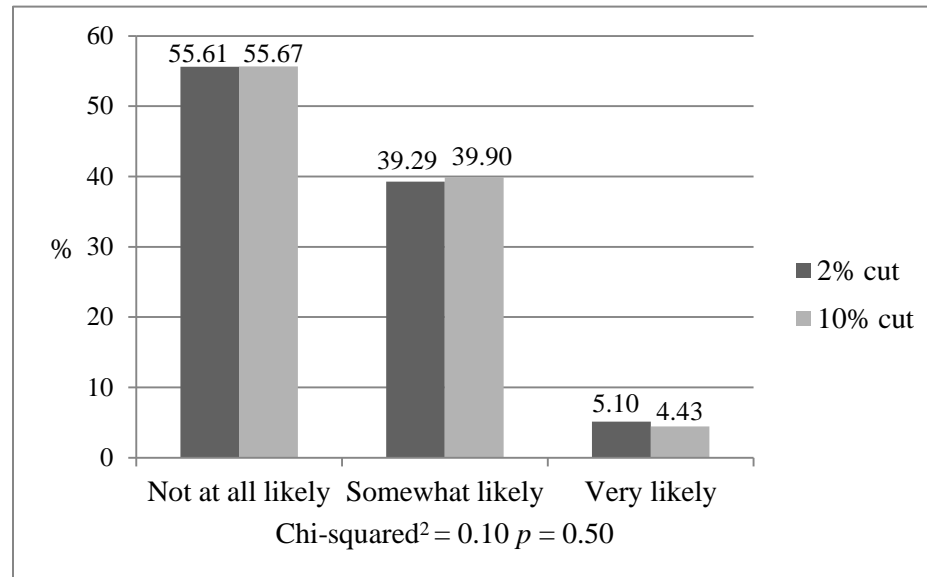
Figure 6-21. Partnerships with Private Companies**Figure 6-22. Partnerships with Nonprofit Agencies**

Figure 6-23. Partnerships with Other Government Agencies

Summary

In summary, the experimental findings confirmed the preliminary conclusion of the qualitative phase of this study, in that the level of cutbacks influenced cost reductions in compensation, increasing employees' contributions to pensions or health benefits, and employee salary freezes. With respect to program and organizational restructuring, consolidating departments or offices was associated with the severity of cutbacks. However, the experimental results showed no evidence that cutback levels influenced reordering spending priorities, consolidating or reducing services, or transferring responsibilities to another level of government. Among alternative work arrangements, the results showed some empirical evidence that the severity of cutbacks led to reduced work schedules and furloughs. However, there was no effect on lay-offs, using volunteers rather than paid employees, not filling vacant positions, or offering retirement incentives. With respect to greater use of technology to reduce costs, the experiment

indicated that the level of cutbacks was related closely to managers' approaches to telework. However, there were no significant effects on virtual meetings, increased use of electronic documents, or employees' increased use of technology. With respect to revenue enhancement, the results showed especially significant effects on tax increases, use of rainy day funds, and debt refinancing, although varying the level of cutbacks did not have an effect on increased fees for services. With respect to partnerships, cutback level had no effects on the likelihood of forming partnerships with private companies, nonprofit agencies, and other government agencies.

Consistent with the previous literature, the severity of cutbacks appeared to be one of the most important factors in explaining why some local governments made these important cutback management decisions, especially increasing employees' contributions to pensions or health benefits, freezing employee salaries, consolidating departments or offices, reducing work schedules, and increasing furloughs, telework, taxes, use of rainy day funds, and debt refinancing. These results confirm Rubin and Willoughby (2009) finding that the severity of budgetary crises affects state budgetary decisions. The experiment found empirical evidence that public managers take advantage of direct personnel costs, organizational restructuring, and revenue enhancement to reduce costs and keep the organization functioning.

The lack of significant findings are also important, as they suggest that the effects of cutback levels may be strategy-specific. There are three strategies used in administrative responses to different levels of fiscal stress: denial and delay, stretching revenue, and cutting and smoothing strategies (Charles Howard Levine et al., 1981). Wolman and Davis (1980) argued that local governments under fiscal stress will respond

first with strategies to “buy time” to delay the necessary actions to increase revenues or cut spending. After employing these strategies, governments consider increasing intergovernmental revenues or own-source revenues (Chen, 2013). The authors argued further that, if the above strategies have already been used, the government will begin to make selective reductions, which proceed from relatively invisible to visible areas. Hence, it is possible that with respect to some strategies, such as partnerships, and shifting service responsibilities to other government agencies, public managers are likely to maintain the status quo.

Chapter Seven: Discussion, Limitations, and Implications

This chapter summarizes the findings, discusses the study's limitations, as well as both its theoretical and practical implications, and provides suggestions for future research.

Summary of the Study

This study was designed to explore the factors and outcomes of HR strategies in response to cutbacks. The theoretical framework of this study described the relations among the financial resources, formal authority, interest groups, administrative responses, and outcomes (Charles Howard Levine et al., 1981). This framework was useful in explaining local governments' responses to the 2009 recession. This is one of the first studies that explored empirically factors that influence the ways in which local governments react to cutbacks, and the outcomes of cutback management.

Drawing on in-depth interviews with executive directors at 17 health and human services agencies across the U.S., the study first identified the main factors that account for HR strategies in response to local government cutbacks: training and development, information management, political leadership, diversity as a goal, and the role of unions. A sample of 394 health and human services directors who actually experienced budget cutbacks in the past five years suggested that reordering spending priorities was the strategy used most frequently, while reduced work schedules, retirement incentives, and debt refinancing ranked rather low on the list. Increased use of technology on the part of employees, increased use of electronic documents, not filling vacant positions, and virtual meetings also ranked high on the list. Furthermore, the HR strategies in response to

cutbacks appeared to have negative effects on budgets, administrative capacity, trust in organizations, teamwork, employee morale, and job satisfaction.

Results from the analyses of the survey showed that the information management index was a significant predictor of the use of salary cuts, restructuring, alternative work arrangements, telework, and revenue enhancement. Respondents who placed a greater emphasis on information management systems, such as computer-assisted testing, resume databases, and HR management software, were more likely to employ these cutback strategies. The findings showed that a HRIS is critical in adequate cutback management, as it accounts for future needs and helps public managers accordingly (Goodman et al., 2013).

Furthermore, managers who recognized the importance of state political leadership were likely to implement cutback strategies. The results of this study suggested that the influence of the state government, especially the governor, is an important determinant of HR strategies. With respect to budgets, state politics and county administrations are related closely. According to the qualitative interviews, New Jersey, which has a Republican governor, and Pennsylvania, which has a Democratic governor, responded differently to budget cutbacks. In New Jersey, Governor Christie signed Chapter 78 to introduce pension and health benefit reforms in 2011. Accordingly, New Jersey county governments increased employees' contributions to pensions and health benefits. In contrast, when Pennsylvania experienced a state budget impasse between June 2015 and March 2016, some of the county governments chose to use rainy day funds. Not surprisingly, the importance of state political leadership was a significant predictor of the implementation of program and organizational restructuring, alternative

work arrangements, technology, telework, and partnerships. This finding reflects the so-called “politics” school, which illustrates that politics is very much a part of administration.

The results of this study demonstrated that restructuring was associated strongly with reduced budgets, capacity, trust, employee morale, and job satisfaction. The negative influence of restructuring on trust, employee morale, and job satisfaction is consistent with the survivor syndrome literature, which suggests a possible negative association between cutback management and government employees’ work attitudes, including their level of job satisfaction (Jilke, 2015).

The study also showed that technology is related positively to teamwork, employee morale, and job satisfaction. These findings suggested that information technology can be a successful strategy in mitigating several negative effects of cutback management. Public managers perceived that greater use of technology to reduce costs can minimize detrimental effects while maintaining the same level of services. These findings warrant further research.

What we can conclude more broadly about the experimental study is the following. Charles Howard Levine et al. (1981) identified three stages of administrative response to different levels of fiscal stress. The first stage, “denial and delay strategies,” is associated with slow or no growth in financial resources. The second, “stretching revenue strategies,” is associated with moderate decline, and the third, “cutting and smoothing strategies,” is associated with severe declines. However, this study suggested that there are at least two types of HR strategies. First, employees’ contributions to pensions or health benefits are increased, employee salaries are frozen, departments or

offices are consolidated, services are consolidated or reduced, work schedules are reduced, and furloughs are increased. Second, HR reorders spending priorities, transfers responsibilities to another level of government, implements lay-offs, uses volunteers rather than paid employees, does not fill vacant positions, and offers retirement incentives. The experimental findings suggested that the cutback levels affected increasing employees' contributions to pensions or health benefits, employee salary freezes, consolidating departments or offices, consolidating or reducing services, reducing work schedules, and increasing furloughs. However, the experimental results showed no evidence that cutback levels influenced reordering spending priorities, transferring responsibilities to another level of government, lay-offs, use of volunteers rather than paid employees, not filling vacant positions, or retirement incentives. The experiment found some empirical evidence that public managers use direct personnel costs and organizational restructuring to reduce costs and keep the organization functioning. The lack of significant findings suggested that the effects of cutback levels may be strategy-specific.

Overall, the major contribution of this study is that an increased emphasis on information management and state political leadership is essential, as local governments responded strategically to cutbacks rather than reacting passively to their effects. The survey results also indicated that cutback management can have negative effects on budgets, capacity, and work related well-being. The experimental results showed that as the severity of cutbacks changed, local governments operated strategically to maintain existing functions without altering the organizations' important services. It is necessary for local governments to preserve the quality of public service delivery while minimizing

the side effects that cutback management can bring. This is especially true when one considers that it is relatively more difficult for public organizations to manage their human resources effectively because of the nature of being public.

Limitations

This study had a number of limitations that must be addressed before discussing the implications of the study's findings for theory and practice. First, variables were measured by self-reported responses, so common source bias (CSB) could have affected the results. CSB has potential effects when scholars employ the same data source, typically a survey, to measure both independent and dependent variables simultaneously (Favero & Bullock, 2014; Jakobsen & Jensen, 2015; Podsakoff, MacKenzie, Lee, & Podsakoff, 2003; Spector, 2006). George and Pandey (2017) advised authors to “incorporate multiple data sources in their analyses if a distinct data source was available and relevant.” Thus, it would be worth using secondary data available, such as the U.S. Census data, to reduce the possibility of CSB. Future studies should include such secondary data to enhance the validity and reliability of their analyses.

Second, this study was based on a cross-sectional survey, but panel observations may provide reliable data to examine causal relationships. Although conducting this type of survey every year would be costly and time consuming, it would be worth performing a survey to investigate the differences between 2016 and 2017. President Trump's election in 2016 may be one of the factors that influenced the possible disparity between the results from 2016 and 2017 surveys. For example, in one of his first actions as president, Trump announced a hiring freeze on federal jobs on January 23, 2017 to send a

signal to congressional Republicans that he is serious about administrative reform. Furthermore, the fact that Trump signed the Executive Order to abolish the Affordable Care Act is likely to affect cutbacks in block grants for state and local government health agencies. In addition, the White House has proposed deep cuts to the Environmental Protection Agency's budget that would reduce the agency's staff by one-fifth in the first year, and eliminate dozens of programs, according to details of a plan reviewed by *The Washington Post* (2017). Therefore, if this study can be expanded to examine the effect of Trump's election on HR strategies in local governments, more research projects can be performed to understand the nature of cutback management more fully.

Third, having respondents make choices on scales that ranged from 1 to 3 or 1 to 5 may create greater bias. However, in an in-depth consultation with the health and human services leaders prior to this survey, I found that scales that range from 0 to 100 may be confusing. For example, this study used a three point Likert scale to measure the importance of the factors and how often the agencies had implemented various HR strategies in the past five years. Furthermore, this study used five levels, from "strongly disagree" to "strongly agree" to measure the extent to which they agreed or disagreed with statements about the outcomes of cutback management. One might argue that if this study gave the respondents a scale that ranged from 0 to 100, the results would have been less biased. However, especially with respect to the experimental manipulation, the organizations' leaders suggested that it would be more effective to address cutback administration on a three-point scale. This study used a five-point scale in the outcomes following the Federal Employee View Point Survey, which the local government leaders

approved. This study provided a real world perspective to explore the way in which local governments responded to cutbacks in the aftermath of the Great Recession.

Fourth, my array of HR strategies, which are grounded in the literature and qualitative interviews, may still be missing a few strategies that have been important in the public sector, such as job sharing. When employers must staff a position on a full-time basis, job sharing is an option. Job sharing is a form of part-time employment in which one position is filled with two or more part-time employees. Job sharing has added benefits for management. In this study, a reduced work schedule replaces job sharing. The study of job sharing needs further research.

Finally, this study was not able to include the national leadership in the model and focused only on the state political leadership. Although this study was not able to model it statistically, the federal policy of the national government is very important. This is because the federal government's policies and funding greatly influence health and human services agencies. Federal government plays a key role in shaping the policy environment. This study did not mean to diminish the importance of the federal government.

Implications

Notwithstanding the limitations above to this largely exploratory study, the analytic results suggested that 394 of 464 organizations (85%) experienced modest or substantial budget cutbacks in the last five years. Respondents who placed a greater emphasis on information management systems were more likely to implement HR strategies in response to cutbacks. Furthermore, greater use of technology to reduce costs

appeared to be related positively to individual level work attitudes. Appelbaum et al. (1999) argued that technology can be used to increase the extent of managers' control. Mid-level managers derived the most benefit from the application of technology, including virtual meetings, Smartphone applications, and voice mail and government websites. As Schmenner and Lackey (1994) stated, technology has decreased significantly the time that mid-level managers spend "pushing paper work". One comment in the survey summarized the public managers' perceptions well. "We have implemented some of the cost savings methods mentioned in this survey as a proactive way to reduce our costs, increase our efficiency, or help employees obtain a more desirable work/life balance rather than as a result of budget cuts." Some of the strategies, such as technology, can be proactive ways to reduce costs in response to cutbacks.

One of the interesting findings from the experiment was that telework helped local governments reduce costs. Telework has several other advantages in cost savings for organizations, including office maintenance, transportation, energy, and the environment, as well as the increased continuity of operations in emergency situations and natural disasters (Caillier, 2011; D. Lee & Kim, 2016; Major et al., 2008; Maruyama et al., 2009; Overmyer, 2011). Previous literature on telework has focused solely on the federal government. However, 40% of respondents indicated that local governments implemented telework in response to budget cutbacks in the last five years. Furthermore, existing studies on telework have demonstrated that improved work-life balance is its primary benefit, but none of the studies has explored telework from the perspective of cost savings. In this respect, this study contributed to the prior personnel administration

literature, in that telework can be an innovative strategy for local governments to use to reduce costs and improve work-life balance.

The findings of this study offered two important implications for managing human resources more effectively in response to cutbacks. The first relates to the importance of strategic HRM. Strategic HRM is a core component in today's efforts to improve public sector organizations by tying HR activities to missions, rather than reacting to traditional HR needs (Goodman et al., 2013). A second important practical implication is that public managers used different HR strategies according to the severity of fiscal stress, such that HRM may follow a sequence of cutback strategies in response to different levels of fiscal stress. As such, when fiscal stress is intense, public managers implemented cutting strategies; however, when fiscal stress is weak, they tended to use denial and delay strategies. This tendency on the part of public managers to rationalize personnel decisions can be used to formulate a more effective HR strategy to maintain persistent recruitment and retention, as well as preserve a balanced budget.

Implications for Future Research

According to publicness theory, unlike the private sector, a public organization is subject to various restrictions because of its public nature. Therefore, we must consider the difference between the public and private sectors with respect to cutback management and organizational performance. For example, it would be enlightening to examine the way in which the survivor syndrome damages public service motivation, and public value moderates the adverse outcomes of cutback strategies, or whether survivor syndrome is more serious in government.

The limitations and implications of this study lead to a set of future research agendas that remain to be explored. With respect to performance, future research should investigate the long-term performance of downsized organizations through longitudinal studies. Government should not view cutback management as a one-time, quick fix solution, but rather as part of the organization's long-term strategy (Appelbaum et al., 1999; Cameron, 1994; Cascio, 1993). Public organizations that plan to downsize must avoid short-term actions, as they threaten long-term performance. Cameron, Freeman, and Mishra (1991) suggested that downsizing is a proactive strategy that provides a present solution to an end, and an increase in performance in the long term. One comment reflected that cutback management is generally not part of the organization's long-term strategy, but takes the form of a short-term, reactive mix (Pandey, 2010). "We are a county agency. We are funded through county tax dollars but the State of Iowa sets limits on the county levy. Politics at the state level has a great influence on our situation and the range of solutions available to us. Forced regionalization and privatization of Medicaid over the last two years has fundamentally changed how we do business. We are still trying to sort our way through the challenges while trying to ensure that direct services that people should rely on are not cut." This comment leads to the next question: under budget constraints, what will bring maximum performance to government organizations in the long term without damaging publicness?

Concerning process, it would be worthwhile to examine whether two factors can moderate the threat inherent in the downsizing. A. K. Mishra and Spreitzer (1998) described trust in top management and perceptions of organizational justice as two factors that shape the primary appraisal process by reducing the harmful effect of

downsizing. In the psychology and business administration literature, trust in top management and perceived justice lead to more constructive survivor responses by reducing the ambiguity in the cutback management process (A. K. Mishra & Spreitzer, 1998). As public organizations pursue a variety of ambiguous goals, it is valuable to study public officials to see the way in which these two factors can alleviate the side effects of survivor syndrome.

Another future research topic is the way in which cutback management affects local government performance in mainland China. Although a number of empirical studies have examined the effects of cutback management in other countries, little research has focused on the Chinese context. A study on mainland China could help U.S. practitioners develop strategic policies to prepare effectively for the challenges of globalization and an information-oriented society.

Understanding the advantages of providing personal and financial counseling for laid-off employees can not only help them combat their feelings of despair, but also help survivors maintain their sense of agency (K. E. Mishra et al., 1998). In the qualitative phase, this study found that the City of Newark provides employee assistance programs to remaining employees. However, only the federal government provides outplacement services. Further studies that explore such programs would be of value to both victims and survivors.

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Appendix A. Interview Protocol

<Intro>

Hello. Thank you very much for taking time to speak with me.

<Main>

****Probing questions will not be asked if interviewee readily addresses certain issues when asked main questions.***

1. What is the title of your current position?

2. How many years have you been in your current position?

☐ Probe: How are you involved in personnel issues or human resources management?

3. Have you experienced any cutbacks recently?

4. Tell me about the human resource strategies your local government used in response to government cutbacks.

☐ Probe: Please describe these strategies. How big were they? What kind of cutbacks?

☐ Probe: In what ways were these strategies successful? Why not so successful?

☐ Probe: Training and development? HR information technology? Diversity management? Union issues?

☐ Probe: In what ways politics influence personnel strategies local government can use and can't use?

3. How did these personnel strategies influence administrative capacity, trust in management and trust in the organization?

4. On the following page, you will read a list of strategies that some local governments have instituted to responding to economic and social conditions after the Great Recession in their communities. Which of the following strategies, if any, would your county institute in the hypothetical 2%, 5%, or 10% cutbacks? [Please mark all that apply]

2% cutbacks

5% cutbacks

10% cutbacks

Cost Reductions

1 Employee pension/retirement restructuring

2 Employee benefits restructuring

3 Employee salary freeze

4 Service reduction (level of overall services or elimination of specific services)

- 5 Reordering of spending priorities
- 6 Consolidating departments or offices
- 7 Consolidating services
- 8 Transferring responsibilities to another level of government
- 9 None of these

Personnel Work Time

- 1 Reduced work hours
- 2 Four-day work weeks
- 3 Furloughs
- 4 Lay-offs
- 5 Use of volunteers instead of paid employees
- 6 Not filling vacant positions
- 7 Retirement incentives
- 8 None of these

Greater Use of Technology to Reduce Costs

- 1 Virtual meetings
- 2 Increased use of electronic applications/paperwork (e.g. licenses, requests for service, etc.)
- 3 Increased use of electronic payments (e.g. taxes, fees, etc.)
- 4 Increased use of technology by employees
- 5 None of these

Revenue Enhancement

- 1 Tax increases
- 2 Tax structure reform
- 3 Use of rainy day funds
- 4 Increase in fees for services
- 5 Debt restructuring
- 6 None of these

Partnerships

- 1 Partnerships with the private sector
- 2 Partnerships with non-profits
- 3 Partnerships with academic institutions
- 4 Privatizing services
- 5 Contracting with other local governments
- 6 None of these

5. Are there any other strategies your county would institute to respond to budget cutbacks in your community? Please describe these strategies.

<Closing>

I'm planning a survey that examines how local governments manage the personnel side of cutbacks. Are there any issues that you would recommend I include in my survey?

Paper survey or web based survey?

Thank you very much for speaking with me today. I would be happy to send you a copy of the final report generated by this project.

Appendix B. Survey Questionnaire

National Survey of Health and Human Services Leaders

*****The questionnaire has been programmed into Qualtrics online survey software.*****

Thank you for participating in this survey, which will take about 15 minutes or less to complete. Your answers will remain anonymous, and results will be published only in aggregate or summary form. If you have any questions about this survey, please email mk1313@rutgers.edu

Q1. How much of a need is there in your area for health and human services, in your view?

- ☐ A lot
- ☐ A fair amount
- ☐ Some
- ☐ Only a little

Q2. Which of the following best describes your current position?

- ☐ Commissioner
- ☐ Director
- ☐ Deputy Director
- ☐ County Administrator
- ☐ County Manager
- ☐ Program Manager
- ☐ Other (Specify: _____)

Q3. Which department do you belong to?

- ☐ Health
- ☐ Human Services
- ☐ Health and Human Services
- ☐ Social Services
- ☐ Other (Specify: _____)

Q4. How many years have you worked in the public sector?

- ☐ Less than 5 years
- ☐ 5-10 years
- ☐ 11-15 years
- ☐ 16-20 years
- ☐ 21-25 years
- ☐ 26 years or more

Q5. Please indicate which of these programs your agency administers. [Check all that apply.]

- ☐ Medicaid
- ☐ Temporary Assistance for Needy Families (TANF)
- ☐ Child Support Enforcement
- ☐ Foster Care
- ☐ Homelessness
- ☐ Programs for persons with disabilities
- ☐ Supplemental Nutrition Assistance Program (SNAP)
- ☐ Women, Infants, and Children (WIC)
- ☐ Head Start
- ☐ Child Care
- ☐ Adoption services
- ☐ Home visiting programs
- ☐ Low-Income Home Energy Assistance Program (LIHEAP)
- ☐ Mental health and substance abuse prevention
- ☐ Supporting military families
- ☐ Emergency Preparedness
- ☐ Community Health Assessment and Planning
- ☐ Tobacco, Alcohol, or Other Drugs
- ☐ Communicable / Infectious Disease
- ☐ Maternal and Child Health
- ☐ Environmental Health
- ☐ Chronic Disease Programs
- ☐ Food Safety
- ☐ Land Use
- ☐ Other (Specify: _____)

Q6. How would you describe the budget cutbacks, if any, your agency has had in the last five years?

- ☐ No budget cutbacks
- ☐ Modest budget cutbacks
- ☐ Substantial budget cutbacks

If No budget cutbacks Is Selected, Then Skip To How important are these activities in...

Q7. Please indicate the importance of the following activities in managing human resources in your agency.

	Not important	Somewhat important	Very important
Professional development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cross-training	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mentoring	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q8. Please indicate the importance of the following information management issues in your agency.

	Not important	Somewhat important	Very important
Computer-assisted testing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Resume databases	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
HR management software	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q9. Please indicate the importance of the following influences in shaping your human resource strategies.

	Not important	Somewhat important	Very important
Political leadership of county	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Political leadership of state	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Diversity as a goal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Role of unions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q10. In the last five years, how often has your agency taken the following cost reduction strategies in response to budget cutbacks?

	Never	A few times	More than a few times
Increase employee's contribution to pensions or health benefits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee salary freeze	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Reordering of spending priorities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Consolidating departments or offices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Consolidating or reducing services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transferring responsibilities to another level of government	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q11. In the last five years, how often has your agency taken the following work time strategies in response to budget cutbacks?

	Never	A few times	More than a few times
Reduced work schedules	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lay-offs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Use of volunteers instead of paid employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Not filling vacant positions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Retirement incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q12. In the last five years, how often has your agency taken the following technology strategies in response to budget cutbacks?

	Never	A few times	More than a few times
Virtual meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increased use of electronic documents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increased use of technology by employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Telework (e.g. telecommuting)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q13. In the last five years, how often has your agency taken the following revenue enhancement strategies in response to budget cutbacks?

	Never	A few times	More than a few times
Tax increases	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Use of rainy day funds	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase in fees for services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Debt refinancing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q14. In the last five years, how often has your agency outsourced activities to the following in response to budget cutbacks?

	Never	A few times	More than a few times
Private companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Nonprofit agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other government agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q15. How would you describe the current status of your budget?

- ☐ Large deficit
- ☐ Small deficit
- ☐ Balanced
- ☐ Small surplus
- ☐ Large surplus

Q16. How would you characterize the current administrative capacity of your agency?

- ☐ Very understaffed
- ☐ Somewhat understaffed
- ☐ Staffed appropriately
- ☐ Somewhat overstaffed
- ☐ Very overstaffed

Q17. Please indicate the extent to which you agree or disagree with the following statements about employees in your organization

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
People here trust each other.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Work well together.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Morale in my organization is low.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Most of the people here are satisfied with their jobs.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Random Experiment 2 percent

Q18. Now, imagine your agency faces a 2% budget cutback. In response, how likely would you be to implement the following cost reduction strategies?

	Not at all likely	Somewhat likely	Very likely
Increase employee's contribution to pensions or health benefits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee salary freeze	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Reordering of spending priorities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Consolidating departments or offices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Consolidating or reducing services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transferring responsibilities to another level of government	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q19. Again, imagine your agency faces a 2% budget cutback. In response, how likely would you be to implement the following time strategies?

	Not at all likely	Somewhat likely	Very likely
Reduced work schedules	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Furloughs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lay-offs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Use of volunteers instead of paid employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Not filling vacant positions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Retirement incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q20. Again, imagine your agency faces a 2% budget cutback. In response, how likely would you be to implement the following technology strategies?

	Not at all likely	Somewhat likely	Very likely
Virtual meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increased use of electronic documents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increased use of technology by employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Telework (e.g. telecommuting)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q21. Again, imagine your agency faces a 2% budget cutback. In response, how likely would you be to implement the following revenue enhancement strategies?

	Not at all likely	Somewhat likely	Very likely
Tax increases	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Use of rainy day funds	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase in fees for services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Debt refinancing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q22. Lastly, imagine your agency faces a 2% budget cutback. In response, how likely would you be to outsource activities to the following in response to budget cutbacks?

	Not at all likely	Somewhat likely	Very likely
Private companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Nonprofit agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other government agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Random Experiment 10 percent

Q18. Imagine your agency faces a 10% budget cutback. In response, how likely would you be to implement the following cost reduction strategies?

	Not at all likely	Somewhat likely	Very likely
Increase employee's contribution to pensions or health benefits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee salary freeze	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Reordering of spending priorities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Consolidating departments or offices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Consolidating or reducing services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transferring responsibilities to another level of government	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q19. Again, imagine your agency faces a 10% budget cutback. In response, how likely would you be to implement the following time strategies?

	Not at all likely	Somewhat likely	Very likely
Reduced work schedules	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Furloughs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lay-offs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Use of volunteers instead of paid employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Not filling vacant positions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Retirement incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q20. Again, imagine your agency faces a 10% budget cutback. In response, how likely would you be to implement the following technology strategies?

	Not at all likely	Somewhat likely	Very likely
Virtual meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increased use of electronic documents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increased use of technology by employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Telework (e.g. telecommuting)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q21. Again, imagine your agency faces a 10% budget cutback. In response, how likely would you be to implement the following revenue enhancement strategies?

	Not at all likely	Somewhat likely	Very likely
Tax increases	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Use of rainy day funds	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase in fees for services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Debt refinancing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q22. Lastly, imagine your agency faces a 10% budget cutback. In response, how likely would you be to outsource the following in response to budget cutbacks?

	Not at all likely	Somewhat likely	Very likely
Private companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Nonprofit agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other government agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

The next few questions just ask for some facts about you for statistical purposes only.

Q23. What is the highest level of education you have completed?

- ☐ High school diploma
- ☐ 2-year college degree
- ☐ 4-year college degree
- ☐ Master's degree
- ☐ Law degree
- ☐ PhD or equivalent
- ☐ Medical degree (M.D.)
- ☐ Other (Specify: _____)

Q24. What is your specialty area in education?

- ☐ Medicine
- ☐ Public health
- ☐ Psychology / psychiatry / mental health
- ☐ Social Work
- ☐ Public policy or administration
- ☐ Business administration
- ☐ Other (Specify: _____)

Q25. What is your gender?

- ☐ Female
- ☐ Male

Q26. What is your age range?

- ☐ 24 or less
- ☐ 25-34
- ☐ 35-44
- ☐ 45-54
- ☐ 55-64
- ☐ 65 or over

Q27. What is the population of the county for which you work?

- ☐ 10,000 to 24,999
- ☐ 25,000 to 49,999
- ☐ 50,000 to 99,999
- ☐ 100,000 to 249,999
- ☐ 250,000 to 499,999
- ☐ 500,000 or more
- ☐ Not sure
- ☐ Refuse

Q28. Are you Spanish, Hispanic, or Latino? [For example, Cuban, Puerto Rican, Mexican American, etc.]

- ☐ Yes
- ☐ No

Q29. Which of the following best describe your race? [Please mark all that apply.]

- ☐ Black/African American
- ☐ White
- ☐ Asian/Pacific Islander
- ☐ Native American
- ☐ Other (describe: _____)
- ☐ Prefer not to answer

Q30. In which state do you currently serve?

- ☐ Alabama
- ☐ Alaska
- ☐ Arizona
- ☐ Arkansas
- ☐ California
- ☐ Colorado
- ☐ Connecticut
- ☐ Delaware
- ☐ District of Columbia
- ☐ Florida
- ☐ Georgia
- ☐ Hawaii
- ☐ Idaho
- ☐ Illinois
- ☐ Indiana
- ☐ Iowa
- ☐ Kansas
- ☐ Kentucky
- ☐ Louisiana
- ☐ Maine
- ☐ Maryland
- ☐ Massachusetts
- ☐ Michigan
- ☐ Minnesota
- ☐ Mississippi
- ☐ Missouri
- ☐ Montana
- ☐ Nebraska
- ☐ Nevada
- ☐ New Hampshire
- ☐ New Jersey
- ☐ New Mexico
- ☐ New York
- ☐ North Carolina
- ☐ North Dakota
- ☐ Ohio
- ☐ Oklahoma
- ☐ Oregon
- ☐ Pennsylvania

- ☐ Puerto Rico
- ☐ Rhode Island
- ☐ South Carolina
- ☐ South Dakota
- ☐ Tennessee
- ☐ Texas
- ☐ Utah
- ☐ Vermont
- ☐ Virginia
- ☐ Washington
- ☐ West Virginia
- ☐ Wisconsin
- ☐ Wyoming
- ☐ I do not reside in the United States

Q31. What is the name of the county you serve?

Q32. Are there any comments you would like to add? [Optional]

Q33. If you would like to receive a summary of the survey findings, please enter email address. Your email address will be separated from the survey results to keep all identities confidential.

Appendix C. Survey Invitation Messages

-----Initial Survey Invitation Sent Via USPS-----



School of Public Affairs
and Administration | Newark

School of Public Affairs and Administration (SPAA) spaa.newark.rutgers.edu
Center for Urban and Public Service
Rutgers, The State University of New Jersey spaa@andromeda.rutgers.edu
111 Washington Street p: 973-353-5093
Newark, NJ 07102 f: 973-353-5907

Aug 30, 2016

Dear _____,

We invite you to participate in the National Survey of Health and Human Services Leaders, which is being conducted by Rutgers University. Your organization is one of only a few selected randomly, so your participation is important in helping to better understand the needs and experiences of public officials in health and human services agencies.

This survey will take only about 15 minutes or less to complete. You will not be asked to identify yourself in any way, so your answers will remain anonymous and be reported only in aggregate or summary form.

We will provide all participants with an advance copy of the survey results as soon as they are released. Results will later be published as a dissertation and in a public administration journal and will help inform practitioners, scholars, and the public about the importance of health and human services agencies like yours.

Your participation is entirely voluntary. To get started, please visit:

<http://tinyurl.com/rutgers2016>

Charles J. Gillon, Director of Social Services for the County of Union NJ, has endorsed this study. According to Mr. Gillon, *"This is an important research project to improve health and human services practice, and I encourage all my fellow health and human services directors across the country to participate."*

We very much appreciate your cooperation. Please do not hesitate to contact us if you have any questions or need any additional information.

Sincerely,

Min-Hyu Kim, Principal Investigator (PI)
PhD Candidate and Dissertation Fellow

Gregg Van Ryzin, PhD and Co-PI,
Professor

-----First Reminder Sent Via E-Mail-----

From: Rutgers University [mailto:noreply@qemailserver.com]

Sent:

To: [XYZ]

Subject: [Reminder] Invitation to Participate in a National Survey of Health and Human Services Leaders

Dear Title First name Last name,

About a week ago, you should have received a letter inviting you to participate in a national survey of health and human services leaders. Your organization is one of a few selected randomly for this nationwide study, which is being conducted by Rutgers University.

We are following up with this friendly reminder because of the importance of including your views and the experiences of your organization. The survey should take only about 13 minutes or less of your time to complete, all answers are completely confidential, and results will be reported only in aggregate form.

We will provide all participants with an advance copy of the survey results as soon as they are released. Results will later be published in a public administration journal and will help inform practitioners, scholars, and the public about the importance of organizations like yours.

Your participation is entirely voluntary. To get started, **follow this link to the Survey: Take the survey**

If you have already completed the survey, THANK YOU – and please disregard this email reminder. We appreciate your participation in this important survey.

If you have not had a chance yet to participate, we hope that you will take the time now to do so. We thank you in advance for your participation.

Please do not hesitate to contact us if you have any questions or need any additional information.

Min-Hyu Kim, PI, PhD Candidate and Dissertation Fellow

Gregg Van Ryzin, PhD and Co-PI, Professor

School of Public Affairs and Administration, Rutgers University

111 Washington Street

Newark, NJ 07102

Tel: (201) 983-7357

Email: mk1313@rutgers.edu

-----**Final Reminder Sent Via E-Mail**-----

From: Rutgers University [mailto:noreply@qemailserver.com]

Sent:

To: [XYZ]

Subject: Final Reminder: Invitation to Participate in a National Survey of Health and Human Services Leaders

Dear Title First name Last name,

About three weeks ago, you should have received a letter inviting you to participate in a national survey of health and human services leaders. Your organization is one of a few selected randomly for this nationwide study, which is being conducted by Rutgers University.

We are following up with this friendly reminder because of the importance of including your views and the experiences of your organization. The survey should take only about 15 minutes or less of your time to complete, all answers are completely confidential, and results will be reported only in aggregate form.

Your participation is entirely voluntary. To get started, follow this link to the Survey:
Take the survey

If you have already completed the survey, THANK YOU – and please disregard this email reminder. We appreciate your participation in this important survey.

If you have not had a chance yet to participate, we hope that you will take the time now to do so. We thank you in advance for your participation.

Please do not hesitate to contact us if you have any questions or need any additional information.

Min-Hyu Kim, PI, PhD Candidate and Dissertation Fellow

Gregg Van Ryzin, PhD and Co-PI, Professor

School of Public Affairs and Administration, Rutgers University

111 Washington Street

Newark, NJ 07102

Tel: (201) 983-7357

Email: mk1313@rutgers.edu

Appendix D. Demographic comparison across groups

Group	2 percent cut	10 percent cut	χ^2	df	<i>p</i> -values
N (Total = 439)	49.89%	50.11%			
Gender					
Female	73.53%	71.84%	0.1465	1	0.70
Male	26.47%	28.16%			
Race/ethnicity					
Black/African American	3.92%	5.31%	1.286	5	0.94
White	90.20%	87.44%			
Asian/Pacific Islander	0.49%	0.48%			
Native American	0.98%	1.93%			
Other	1.47%	1.93%			
Prefer not to answer	2.94%	2.90%			
Age					
25-34	2.93%	2.88%	1.16	4	0.88
35-44	18.54%	19.23%			
45-54	38.54%	34.13%			
55-64	33.66%	35.58%			
65 or over	6.34%	8.17%			
Education					
High school diploma	1.46%	0.95%	3.87	7	0.80
2-year college degree	3.88%	4.74%			
4-year college degree	32.04%	33.65%			
Master's degree	49.51%	52.13%			
Law degree	0.97%	0.95%			
PhD or equivalent	2.43%	2.37%			
Medical degree (MD)	7.28%	3.32%			
Other	2.43%	1.90%			
Current position					
Commissioner	4.21%	4.59%	4.53	6	0.61
Director	59.35%	54.13%			
Deputy Director	1.87%	5.50%			
County Administrator	10.28%	10.09%			
County Manager	3.74%	3.67%			
Program Manager	7.94%	8.26%			
Other	12.62%	13.76%			
Department					
Health	54.98%	44.24%	5.66	4	0.23

Human Services	11.37%	12.90%			
Health and Human Services	10.43%	15.21%			
Social Services	15.64%	19.82%			
Other	7.58%	7.83%			
Population					
10,000 to 24,999	14.08%	12.44%	3.94	7	0.79
25,000 to 49,999	15.53%	20.10%			
50,000 to 99,999	26.21%	25.84%			
100,000 to 249,999	23.79%	19.14%			
250,000 to 499,999	8.25%	10.53%			
500,000 or more	9.71%	9.09%			
Not sure	97.00%	1.91%			
Refuse	1.46%	0.96%			
Region					
Northeast	16.18%	12.38%	2.89	3	0.41
Midwest	37.25%	41.43%			
South	34.80%	30.95%			
West	11.76%	15.24%			
