## CHAPTER 11

## Public Personnel Motivation: The Concept of the Public Service Culture

Lois Recascino Wise

#### **READING 11**

## Introduction

The emphasis on contemporary research in personnel motivation has resulted in an impressive subfield of public administration that deals with the many ramifications of the individual in public organizations. Today, most scholars and practitioners of public administration are aware that the handling of personnel motivational issues can be one critical key to the successful management of any public agency.

Chapter 6 explored how our important understanding of the role of the informal group within organizations began. Though concerned primarily with business organizations, Elton Mayo's discoveries in the field of human relations at Western Electric in the 1920s expanded the traditional theories of public administration by showing how critical an impact the human group had on the management process.

However, early researchers in the personnel field tended to accept the basic goals of increased efficiency in organizational activities and actually sought ways by which management could obtain greater productivity from workers. Initially, monotony, alienation, and worker fatigue frequently were problems focused upon in personnel studies. These studies often recommended a restructuring of the formal or procedural aspects of the institution to achieve greater or improved efficiency.

The second-generation personnel specialists like Chris Argyris, Warren Bennis, Rensis Likert, and Douglas McGregor have continued to stress the significance of the problems of

#### 318

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

the individual in organizations, but frequently with less concern about organizational performance and more careful attention toward helping to achieve worker satisfaction and personal growth on the job. Such writers de-emphasized traditional administrative goals such as efficiency and, instead, stressed support of individual values and a humanistic environment within organizations.

In the following essay, "The Public Service Culture," written especially for this text, Lois Recascino Wise offers a unique assessment of the current state of motivational research as it pertains to the public service. She begins her essay with a review of the current research literature in this field, but as Dr. Wise suggests, her aim more involves conceptualizing and "enriching understanding of the construct of public service motives, the process of public service motivation, and its implications for democratic governance." Her argument is premised on the assumption that "a public service motive is a type of human need" that is "stronger for some people than others." Professor Wise defines "public motives" as "the process that causes individuals to perform acts that contribute to the public good as a way of satisfying their personal needs." Substantively, such motives entail "affective, norm-based and rational attributes" that the author discusses in some depth. Not everyone in government, of course, is disposed toward public service motivations, nor are they necessarily absent in other organizations, even in McDonald's, argues Dr. Wise. She says, however, that "public service motivation is more prevalent in government than in business or industry" because of "the nature and mission (of) government organizations."

Above all, Dr. Wise believes, "Public service motives are significant because they provide a value basis for governance," especially in three ways: by (1) fostering "citizenry educated in the issues and processes of government"; (2) incorporating values, and not merely facts or analytical techniques, into administrative decision making; and (3) encouraging commitment and responsibility for the work of government and its consequences. Professor Wise concludes by suggesting that public managers should make a conscious effort to develop a culture of public service throughout the workplace, for "if managers do nothing to promote and reward people who display public service motives, we should not expect those motives to be important in the organizations they lead."

Briefly, a word about Dr. Wise's academic background. Her research interests center on the broad areas of employment and management, with special focus on the public sector, especially civil service systems, administrative reforms, attitudes toward change and innovation, performance motivation in the public and private sectors, and systems for distributing organizational rewards and determining status in the bureaucracy. Dr. Wise teaches primarily in the areas of public management and human resource management, and her works have appeared in the major scholarly and professional journals. She is the author of *Labor Market Policies and Employment Policies in the United States* and is one of the most respected international scholars in this field of study. Dr. Wise serves as a consultant to public- and private-sector organizations in the United States and Europe and was recently awarded one of the highest prizes in Sweden for her research contributions to that nation's public administration development.

As you review her thoughtful exploratory essay on the "state of the art" of this subject, you might consider the following questions:

How does Dr. Wise define the term "public service motivation"?

Where does the author argue that most of our understanding of personnel motivation derives from?

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

Do you agree with her fundamental idea that public service motivation is more prevalent in government?

What does the author mean by the terms "rational," "norm-based," and "affective"? How do these concepts shape public service motivation?

How can "the public service culture" concept specifically help practicing public administrators in motivating their employees? Is it a pragmatic *and* valid conceptual framework, in your view, that can apply to all levels of public service—local, state, and federal? If so, explain how you would use her concept to motivate employees in the public sector.

## **The Public Service Culture**

#### LOIS RECASCINO WISE

In 1961 President Kennedy issued the challenge "Ask not what your country can do for you but what you can do for your country." The call inspired a generation of Americans to government service. Thousands joined the newly created Peace Corps and its domestic counterpart, Volunteers in Service to America, but interest in working for the state overall was also high during the 1960s and 1970s. This was a generation that not only believed it could make the world a better place to live but also believed that it had a responsibility to shoulder the burden. In those days, college graduates who chose their first full-time job based on the size of the salary offered were seen as odd and were perhaps even stigmatized by their peers (Orloff 1978; Johnson and Prieve 1975).

Times have changed. In response to flight from government by officials who converted their knowledge into private sector expertise for higher pay, President Bush asserted, "Government should be an opportunity for public service, not private gain" (Waldman 1989: 16). More recent evidence suggests that high pay lures graduates from programs in public affairs into private

"The Public Service Culture," by Lois Recascino Wise. This essay was written especially for this volume.

sector consulting (Barrett and Greene 1998). Graduates are more likely to look with a jaundiced eye at the notion of employment as a form of personal sacrifice. At the same time, public management practices seem to be increasingly grounded in the assumption that monetary rewards, rather than purposive or social rewards, are the principal incentives for organizational membership and job performance among government employees. We can see this underlying belief in the use of special salary allowances for recruiting certain occupational groups, for example, and in continuing efforts to find an effective way to link performance to pay.

It was in this context that at the beginning of the 1990s Perry and Wise (1990) called for a renewed interest in studying and testing the propositions of public service motivation. Drawing on previous research, including work focused on voluntary organizations (Knoke and Wright-Isak 1982), they attempted to identify a theoretical framework for public service motivation. They identified three categories of public service motives and put forward a set of research propositions about the process of public service motivation. They called for research examining the behavioral implications of those propositions, for

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

research developing new methods to operationalize and measure public service motivation, and for research that would refine the theoretical framework and research hypotheses pertaining to the motivational bases of public service.

Over the last two decades, using various definitions of the construct, a number of researchers have examined public service motivation. These empirical studies can be mainly placed in two different categories. The first set focuses on finding evidence of whether or not a public service motivation exists (Rainey 1982; 1976, 1991; Crewson 1995, 1997, Jurkiewicz et al. 1998; Gabris and Simo 1995; Brewer 1998; Vinzant 1998). The second set attempts to develop more sophisticated measurements for operationalizing the public service motivation construct (Perry 1996, 1997). Research is still limited, however, regarding the development of a theoretical framework for how public service motives affect behavior or for exploring the implications of public service motivation for bureaucratic outputs.

The contributions that contemporary studies have made to our ability to measure and compile evidence of public service motivation, however, are not the focus of this essay. Our interest lies more in elaborating and enriching understanding of the construct of public service motives, the process of public service motivation, and its implications for democratic governance. To this end the essay turns to a discussion of public service motives and the operating conditions of public service motivation. It then considers the linkages and tensions between public service motives and attributes of bureaucracy in a democracy. Some management implications for developing a public service work culture are discussed in the conclusions.

#### What Do We Know?

In this section we review literature regarding public service motivation and address four key questions. The first asks what public service motives are, and the second, what the operating conditions of public service motivation are. Under the second question we consider whether public service motives are constant and exclusive to the public sector. The third question pertains to whether public service motivation is more prevalent in the public sector, and the fourth seeks to explore the significance of public service motives.

# What Are Public Service Motives?

A public service motive is a type of human need. The desire to fulfill human needs influences behavior. People have many different competing needs. Both theorists and empirical researchers have attempted to define human need structures and explain the way they affect behavior in various situations, including the workplace. Not all motives for work are identified by these content theories of human needs (Georgiou 1973; Perrow 1978). None of these theories, for example, identifies human spiritual needs as having implications for work motivation, but there are many people whose spiritual needs are so strong that they choose a career in a church, synagogue, or other religious organization. By the same token, individuals may have such strong needs to perform acts of public service and to contribute to the advancement of the quality of life in society that they may choose a career of public service. Like spiritual needs, public service motives will be stronger for some people than they are for others.

Behavior that contributes to the public good fulfills a human need among those with public service needs or motives. We believe that these motives are primarily addressed in the public sector because government work focuses on public service, because it is in the interest of public sector organizations to promote and cultivate these values and motives, and because the public sector is larger than the nonprofit sector. This is not to say that everyone working in the public sector is predisposed to public service motives, nor is it to say that people who are stimulated by public service motives do not have other needs that are responsive to the incentives that their organizations offer. In the same way, people working for the church, temple, or mosque are not motivated by their spiritual needs alone.

Public service motivation pertains to the process that causes individuals to perform acts that contribute to the public good as a way of satisfying their personal needs. Acts rooted in the desire to fulfill a public

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

service need can involve the decision to pursue public administration as a field of study, and the decision to join an organization that provides opportunities to fulfill public service needs, as well as the performance of a set of responsibilities and tasks related to one's status as an employee or volunteer in an organization. As a form of intrinsic motivation, the potential gain from public service motivation is a function of how individuals expect to feel as a consequence of performing acts of public service.

Based on previous theoretical work, Perry and Wise (1990) organized public service motives into three broad categories. These are affective, normbased, and rational motives. The same act can be motivated by various public service needs. For example, one individual may join the military service based on a love of country, while another joins because of a sense of duty and responsibility.

Normative orientations are based on social values and norms of what is proper and appropriate and include a desire to serve the public interest; to fulfill a sense of duty to the community; and to express a unique sense of loyalty to the government (Downs 1967; Karl 1979; Buchanan 1975; Knoke and Wright-Isak 1982). Frederickson (1970) argues that the pursuit of social equity is a primary obligation of public servants.

Affective motives are rooted in an individual's emotions. Affective motives would include a deep belief in the importance of a particular program to society. Gulick referred to this sort of commitment as anchored in a nobility of the great objectives of public service (Blumberg 1981), distinguishing it from public service acts based on a personal identification with a public program. For example, person A is motivated to join public service to advance the goals of the War on Poverty because she experienced poverty and deprivation as a child. Person B is motivated to join the War on Poverty because he abhors starvation in a rich society. Person A's behavior is rooted in rational motives while Person B's behavior is affective. An affective love of nature and a desire to protect the environment draws individuals into public sector employment. Frederickson and Hart (1985) contend that a primary motive for public servants is a patriotism of benevolence, which they define as an encompassing

love of and desire to protect the people within a political jurisdiction. This love of humanity provides opportunities for moral heroism and personal sacrifice for others.

Perry and Wise (1990) include rational motives as a basis for public service behavior. The underlying premise is that individual choice among a set of possible alternatives is motivated by an assessment of the potential utility maximization from each option. Rational motives would include a desire to represent some special interest and a personal identification with a program or policy goal, as well as desires for personal gain and personal need fulfillment (Downs 1967). The opportunity to participate in policy formulation or program implementation may be anchored in needs for power, esteem from others, and selfesteem. According to Rawls (1971:84), public service enables individuals to experience ". . . the realization of self which comes from a skillful and devoted exercise of social duties."

This third category of public service motives is not universally accepted. Some argue that public service can be rooted only in prosocial behavior (Rainey 1982). According to this school of thought, rational, self-serving motives by definition are not public service motives regardless of the social or public good they produce. We take the perspective here that human beings are complex and contradictory and indeed may embark on public service careers or perform acts of significant public service primarily based on their own human needs and self-interest. These motives may mature and develop into normative or affective bases for behavior. If this is so, then how members of a society prioritize their needs and interests becomes increasingly important for the furtherance of the public good.

#### What Are the Operating Conditions of Public Service Motivation?

#### Are Public Service Motives Constant?

Human behavior is based on a mix of motives, and motives vary over time in their salience to single

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

individuals and to society as a whole. By extension, the motives for public service employment should vary among countries and geographic regions and also among units of government that have separate purposes and client groups. Not only can individuals switch among the categories of public service motives that they identify as important, but individuals may also turn away from these motives altogether as their needs are fulfilled, as their beliefs are proven wrong, or as other needs become more dominant (Homans 1961; Clark and Wilson 1961; Opsahl and Dunnette 1970; Deci and Ryan 1987). If the underlying assumptions for management practice and administrative policy in an organization change, we should expect shifts in the priority attached to different motivational bases for work (March and Simon 1958).

Individuals with public service motives are not by definition devoid of other motives and human needs. Concerns for basic human needs may be central for a Peace Corps worker in a primitive setting. Worries about job security may preoccupy public service– oriented workers during a reduction in force. Concerns for personal safety and career advancement are also important motivators for individuals dedicated to law enforcement, for example. In the same vein, persons pursuing religious careers have needs for personal development and growth that motivate their job-related behavior.

Contextual factors may also be significant in explaining trends in public sector employment. For example, the availability of government jobs affects the likelihood that a particular individual will find employment in the public sector regardless of the strength of her public service needs. If government jobs are clustered in some distant central location, such as a capital city, or if government imposes a hiring freeze, individuals will turn to other sectors. When government organizations undergo a reduction in force or pay cuts, human needs for job security and monetary reward may gain importance over public service motives for incumbent employees. If bureaucratic red tape prevents action or change for the public good, the strength of public service motivation among individuals will be negatively affected (Buchanan 1975). The perception that effort exerted

to create change inside the bureaucracy amounts to "pushing Jell-O" reduces the likelihood that individuals will be motivated to participate in innovation and reform activities in the future. The rational person acts under the belief that effort produces some result. When environmental forces inhibit goal achievement, motivation is reduced (Luthans and Kreitner 1975; Pfeffner and Salancik 1978).

Situational factors play a role in explaining when public service motives surface and dominate individual behavior and when behavior occurs as a consequence of other motives. Public service motives may be dominant, for example, when an individual embarks on a career or makes similar life choices. Public service motives may dominate in certain situational contexts on the job that trigger deeply held values and beliefs and call for acts of moral heroism. For example, Brewer (1998) reports that fraud and abuse account for whistle-blowing behavior among individuals with public service motives. Public service motives may anchor individual discretion and judgment and decisions to depart from established practice. The strength of public service motives may give individuals the courage to resist organizational norms and peer pressure that are in conflict with the way they interpret the public good. These tensions between selfserving interests and interests that serve the public good may occur in the daily performance of their work. They may develop into a habitual behavior in which public servants increasingly lean toward the end of the continuum that represents their own interests rather than the end that represents the public good (Gawthrop 1998b: 134).

As Gawthrop (1998b: 139) notes:

Public managers must recover the truly authentic and creative freedom to decide what they should do ethically in resolving the daily conflicts and challenges that confront them. Until they are capable of freeing themselves from the bondage of habit, any attempt to define professional behavior as truly ethical is an exercise in futility that can only result in a pathetic self-deception. The habits of the self-serving good allow public servants to pursue procedural quasi-ethical life. The net result, to paraphrase H. Richard Niebuhr, is a government of

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

persons without fault, operating in a society without judgment, through the ministrations of a Constitution without purpose.

## Are Public Service Motives Exclusive to the Public Sector?

We know by deduction that that public service motives cannot be found exclusively in the public sector. There is no mechanism to test and sort individuals in the labor market to identify and steer those with certain motives into one sector or another. Many people do not consciously choose a sector of employment and may not be fully aware of their own motives for joining a particular organization (Oldham 1976; Orloff 1978; Soelberg 1967; Wanous 1972, 1979, 1980). Individuals in the labor market rely on imperfect information and assumptions about employers in choosing organizations. Public sector employers may send conflicting signals to potential employees by emphasizing high pay and monetary benefits in their recruitment programs, thereby attracting and recruiting individuals whose motives for work are met by monetary rewards rather than the intrinsic returns from acts of public service. By the same token, we know that individuals with strong spiritual motives for work can fulfill these needs in other sectors. A priest or rabbi, for example, can work in the military as a chaplain. A deeply religious person can find rewarding secular employment in health care, counseling, or the arts, for example.

Another reason that public service motives cannot be exclusive to the public sector is that boundaries between sectors of employment are vague and organizational purposes and tasks overlap between sectors. The health care industry in the United States, for example, is found in the public, private, and nonprofit sectors. The opportunity to serve the public interest or to advance the public good is not exclusively limited to public sector employment. This is not to say that there are not unique motives that pertain to public service, but rather to acknowledge that public service can occur in many forums. Many corporations have public policy programs. An individual working for the McDonald's Corporation, for example, could fulfill strong affective needs for public service by being involved in the Ronald McDonald House Program.

#### Is Public Service Motivation More Prevalent in the Public Sector?

If public service motives are not exclusively found in the public sector, is public service motivation prevalent in government organizations (Brewer 1998)? The question has two meanings. One is whether public service motivation is more prevalent than other types of motivation in government. To grant this premise, we would have to assume that public service motives are so strong that they always dominate human needs for growth, social contact, and physical and securityrelated needs, for example. Those public servants that Downs (1967) refers to as zealots may meet this assumption, but it does not seem a reasonable expectation for most.

The other interpretation is whether public service motivation is more prevalent in government than it is in other sectors of employment. There is a logic for thinking that public service motivation is less prevalent in business and industry, as Brewer (1998) demonstrates. One reason would be that by the nature of their mission and purpose, government organizations overall provide more opportunities for individuals to fulfill public service needs and thus would attract more of those individuals who prioritize their public service motives than would business or industry. Further, if government employers value public service motivation, then it should be expected that the work culture in public sector organizations cultivates and reinforces public service motives more than organizations in business or industry, as some research suggests (Romzek 1990).

If we posit that public service motivation is more prevalent in government than in business or industry, we acknowledge that systemic and organizational factors contribute to an organization's value orientation, and in turn, that public organizations must have separate value orientations. Consequently, the extent to which agencies or firms are able to recruit people with public service motives and are able to maintain and strengthen those human needs should also vary. We should also expect variations within organizations

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

in the extent to which public service motivation accounts for behavior. Individuals will adapt to the operating incentive structure (Deci 1975; Wanous 1972; Clary and Miller 1986). For different reasons, certain branches or divisions might be less likely to recruit or nurture public service motives. Individuals working in certain occupational groups or professional areas may be more or less likely to be motivated by public service needs than others. Vinzant (1998), for example, contends that public service motivation enables protective services workers to cope with the particularly difficult stresses of their occupation.

In defining public service motivation, we have given examples of various categories of public service motives, identified factors in the public service motivation process, and identified some contextual factors important in the process of public service motivation. Public service motives are at the root of the behaviors and actions taken to achieve outcomes that serve the public good. The performance of public service acts and the attainment of public good outcomes are both dependent upon the strength and nature of an individual's public service motives and needs. But the public service motivation process is affected by individual and contextual factors, as motivation theories indicate. For example, an individual may have a strong desire to work for the state but believe that some personal attribute or characteristic makes such employment unlikely. The expectancy theory of motivation would posit that such an individual would have low motivation to apply for a government job, despite the high value she or he attaches to it as a vehicle of public service. Recruitment agents of the state could reinforce or counter the belief of low probability. The mission, policies, administrative structure, and culture of organizations can promote or dampen an individual's belief that the workplace provides an opportunity to fulfill public service needs. At the same time, an individual might think that even if the public service act were performed, factors affecting political, economic, or social capital would make goal achievement unlikely, and this in turn can reduce the amount of motivation an individual would have. These expectations might vary at times, depending on factors such as leadership support or available resources.

# Of What Significance Are Public Service Motives?

If public service motives can exist in any sector and may appear in varying degrees of strength within public organizations, what significance does the construct have for public administration or more generally for the advancement of democratic and social values? Public service motives are significant because they provide a value basis for governance.

In developing the notion of the human side of public administration, Gawthrop (1998a) argues that members of the public service must act from a personal commitment to a public problem and an allegiance to the community. Public service motives anchor bureaucratic behavior and action, a connection that becomes increasingly significant as prevailing ideas about the role and status of public servants are rejected, and calls for responsibility, courage, flexibility, and proactive behavior are continually heard. Three ideas are central to these writings. These are the responsibility for educating the public in democratic issues and processes, the importance of individual values in administrative life, and the responsibility for engaging the citizenry in the administrative process.

#### Education

An important output of bureaucracy is a citizenry educated in the issues and processes of government (Gaus 1947; Gawthrop 1998a). Gaus (1947) sees education as a way of enhancing human growth and the value of human worth. Gawthrop (1998a) describes the responsibility for educating the citizenry as rooted in affective motives and based on a love of humanity. Education of the citizenry contributes to the bureaucracy's responsibility for engaging the public in the democratic and administrative process and achievement of an enriched sense of community. Education empowers the citizenry. It balances bureaucratic values and engagement as inputs in the administrative process because an educated citizenry is an empowered partner in governance.

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

Educating the public is in tension with both the tenets of efficiency and professionalism. The norm of professionalism means that individuals should use their professional expertise to make the best judgment based on the facts of the case (Mosher 1978). The tenet of efficiency means that tasks should be performed with the least use of resources and in the least amount of time. Educating the public would slow down the process, increase costs related to educational activities themselves, and occupy greater numbers of public servants in the education process itself.

#### Values

Gawthrop (1998a) contends that there is an integral relationship between administration and democratic values. In arguing for the appropriateness of values in public administration, he contends that an emphasis on facts and evidence in decision making does not mean that values must be excluded from the equation. Both facts and values contribute to solutions of public administration questions, but the public servant must weigh the consequences of both in making a decision. Marini (1971) also makes a strong case for incorporating values into public administration when he asserts "Administrators are not neutral, they should be committed to both good management and social equity as values. . . ." If we are concerned about justice and equity in the outcomes of government, value judgments are an integral part of the administrative process.

Shared values may be the cornerstone of a cohesive public organization (Meier 1997: 73, 74). To the extent that shared values facilitate achieving a common goal among members of an organization, they may be associated with greater commitment to organizational purposes, and consequently to higher levels of motivation and performance related to achieving those goals (Meier 1997). Individuals with congruent values are more able to anticipate each other's actions and are more likely to have the same assessments regarding which workplace behavior is important (Schein 1985; Kluckhohn 1951). Empirical studies show that especially when an individual public servant's values are like those held by the work group or organization, personal values are more likely to be reflected in decisions involving discretion (Meier 1997:74). But at the same time, shared values may limit the range of problem solutions considered and may function as a form of peer pressure. The strength of individual public service motives may counter the possibility of "group think" and other conformist behavior when they challenge the public interest.

In direct conflict with the notion of introducing individual values to administrative behavior is the prevailing administrative norm of neutrality. The norm of neutrality means that bureaucrats should remain emotionally disaffected by the problems they face and detached from the clients they serve. Thompson (1985) captures the kernel of the neutrality ethic:

The use of discretion . . . can never be the occasion for applying any moral principles other than those implicit in the orders and policies of the superiors to whom one is responsible in the organization. The ethic of neutrality portrays the ideal administrator as a completely reliable instrument of the goals of the organization, never injecting personal values into the process of furthering these goals.

Many years ago Herbert Simon (1945: 2) posited and Blau's (1955: 30) pioneering work demonstrated that even lower-level public servants make discretionary decisions that modify public policy outcomes and have significant consequences for agency clientele-for example, in determining eligibility for benefits or opportunities for employment. Neiderhoffer (1967: 10) similarly found that police officers may decide if and how the law should be applied. These decisions may be turning points in the lives of young offenders, for example. Some research suggests that police discretion is bounded by organizational norms and values (Jones 1977: 300-301; 200). Vinzant (1998) argues that public servants who clearly articulate value conflicts in their work demonstrate higher job satisfaction and greater motivation even in a highly stressful work situation.

#### Engagement

A concern for engagement focuses on securing greater personal involvement from public servants for their

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

work and its consequences. Many scholars think that bureaucrats mainly try to limit their responsibility and risk in discretionary situations and that this behavior reduces the quality of government outputs for target citizens and undermines an organization's ability to achieve its primary mission (Jones 1977: 301; Blau 1955: 50).

Engagement means that public servants should not take a passive role in the policy implementation process, for example, but should be fully engaged in the event and able to identify pitfalls and problems that can undermine program success. In defining the philosophy of a New Public Administration, Frederickson (1971), for example, calls for public servants to become engaged in change. New Public Administration means "changing those policies and structures that inhibit social equity."

Engagement also means that public servants should "... think of what ought to be done instead of merely doing that which must be done" (Gawthrop 1998a). They cannot seek refuge within the boundaries of their job description and assigned responsibilities when presented with professional dilemmas. Gawthrop (1998a) submits that both moral inertia and unimaginative performance on the part of public servants are unacceptable. In this sense, the demand for engagement challenges the morality of rule-following behavior. A religious leader may perform the forms and rituals of the sacrament without engaging an internal spiritual emotion that creates an affective bond with the congregation. Similarly, a bureaucrat may go through the routines and motions of a job following the forms and rules prescribed but never engaging an affective emotion for the citizen clients he or she is positioned to serve, or in turn, feeling any concern for the outcome of their interaction.

The call for greater engagement is similar to what Carnevale (1995: 38) calls "working beyond contract." Working beyond contract means that job performance includes moral involvement, innovative behavior, spontaneity, and prosocial behavior. Working beyond contract means doing more than meeting minimum job performance standards or even meeting satisfactory standards. Similarly, Wise (1999) describes as outmoded the notion that a civil servant's tasks and responsibilities can be defined and contained in a box, arguing that civil servants must step outside the box and anticipate the work that needs to be done, contributing their creativity and problem-solving ability to the organization.

This call for engagement is in tension with what Thompson (1985) refers to as the tenet of structure. That is the notion that a person's position and status in an organization determines his or her responsibility.

The ethic of structure asserts that, even if administrators may have some scope for independent moral judgment, they cannot be held morally responsible for most of the decisions and policies of government. Their personal moral responsibility extends only to the specific duties of their own office for which they are legally liable.

This means that the policies of an organization can be morally wrong, but individual employees can be held harmless if they perform the duties and routines of their jobs and follow existing rules and regulations. Such thinking inhibits democratic accountability (Thompson 1985). Public servants must assume the moral responsibility for their work. By engaging in questions of public administration, we require public servants to accept accountability for the full consequences of public administration activities. Good intention does not absolve public servants of responsibility for their actions; administrators must demonstrate that they were fully engaged in the issue and that they attempted to foresee possible negative consequences (Thompson 1985). Individuals need to bring imagination and creativity to their work (Gawthrop 1998a).

#### Conclusions

Public service motives have the potential for advancing the democratic state, but they also are at the heart of a fundamental tension with key tenets of administrative behavior. These ideas run counter to a large body of work and thinking in public administration that rests on a different set of notions about what should be prioritized in bureaucratic conduct. If "good" public administration means rule-based,

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

efficient, economical, and professional management, then it is incompatible with an emphasis on values, education, and engagement. Efficiency, for example, is clearly at odds with the slow task of engaging and educating the citizenry so that people can participate in the administrative process. Similarly, if professional management means reliance on expert advice and knowledge, it too is at odds with education and engagement. Likewise, rule-following behavior is in tension with the tenets of moral responsibility and individual courage. It may fail to deliver socially equitable public outcomes and may cloak acts of moral cowardice.

Public service motivation does not occur in a vacuum. We have argued that contextual factors related to individual actors, situations, events, and the organizations in which behavior occurs influence the strength of public service motivation. This means that to some significant degree both organizations and societies can enhance or reduce the prevalence of public service motivation, and in turn, the performance of acts that serve the public good and represent the public interest.

Organizational policies and practices may account for variations within the public sector in the strength of public service motives. If managers do nothing to promote and reward people who display public service motives, we should not expect those motives to be important in the organizations they lead. Without evidence that the administrative policies and management practices of a particular organization reward and promote public service motivation, we cannot expect to find public service the motivational basis for behavior.

Steven Kelman (1987: 94) remarked that "if the norm of public spirit dies, our society would look bleaker and our lives as individuals would be more impoverished." In that spirit we must wonder why the nurturing of a public service culture has received so little attention in government organizations, society, or the research community. Public service motives are the underpinning for the uniqueness that defines the public service culture. They provide the basis for activities that educate and empower the citizens as members of a democratic state. They are the platform from which public servants bring values and engagement to their work. They fortify public servants to overcome self-serving interests, moral inertia, and risk avoidance. They anchor acts of judgment and discretion in a concern for the common good. It is for these reasons that public service motives are significant.

#### References

- Adler, N. J. 1997. International Dimensions of Organizational Behavior. 3rd ed. Cincinnati, Ohio: South-Western College Publishing.
- Barnard, C. I. 1938. *The Functions of the Executive*. Cambridge: Harvard University.
- Barrett, K., and R. Greene. 1998. "A Managerial Brain Drain." *Governing* 11 (November): 72.
- Blau, P. M. 1955. *The Dynamics of Bureaucracy*. New York: John Wiley & Sons.
- Blumberg, S. K. 1981. "Seven Decades of Public Administration: A Tribute to Luther Gulick." *Public Administration Review* 41(2): 245–248.
- Brewer, G. 1998. "Whistleblowers in the Federal Civil Service: New Evidence of the Public Service Ethic." *Journal of Public Administration Research and Theory* 8(3): 413–430.
- Buchanan, B. 1975. "Red Tape and the Service Ethic." *Administration and Society* 6(4): 423–444.
- Carnevale, D. G. 1995. *Trustworthy Government*. San Francisco: Jossey-Bass.
- Clark, P. B., and J. Q. Wilson. 1961. "Incentive Systems: A Theory of Organizations." *Administrative Science Quarterly* 6: 129–165.
- Clary, E. G., and J. Miller. 1986. "Socialization and Situational Influences on Sustained Altruism." *Child Devel*opment 57: 1358–69.
- Crewson, P. E. 1995. The Public Service Ethic. Ph.D. diss., American University, Washington, D.C.
- ——. 1997. "Public Service Motivation: Building Empirical Evidence of Incidence and Effect." *Journal of Public Administration Research and Theory* 7(4): 499–519.
- Deci, E. 1975. Intrinsic Motivation. New York: Plenum Press.
- Deci, E., and R. M. Ryan. 1987. "The Support of Autonomy and the Control of Behavior." *Journal of Personality and Social Psychology* 53: 1024–37.
- Downs, A. 1967. Inside Democracy. Boston: Little, Brown.
- Frederickson, H. G. 1970. *Toward a New Public Administration*. Scranton, Penn.: Chandler.

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

Frederickson, H. G., and D. K. Hart. 1985. "The Public Service and Patriotism of Benevolence." *Public Administration Review* 45(5): 547–53.

Gabris, G. T., and G. Simo. 1995. "Public Sector Motivation as an Independent Variable Affecting Career Decisions." Public Personnel Management 24(1): 33–51.

Gaus, J. 1947. *Reflections on Public Administration*. Tuscaloosa, Ala: University of Alabama Press.

Gawthrop, L. C. 1998a. "The Human Side of Public Administration." *PS Politics and Society* 31: 4 (December): 763–769. (See also www.apsanet.org/PS/dec98)

——. 1998b. *Public Service and Democracy: Ethical Imperatives of the 21st Century.* New York: Chatham House.

Georgiou, P. 1973. "The Goal-Paradigm and Notes towards a Counter Paradigm." *Administrative Science Quarterly* 18: 291–340.

Hofstede, G. 1980. *Culture's Consequences: International Differences in Work-Related Values.* London: Sage.

Homans, G. 1961. *Social Behavior: Its Elementary Forms.* New York: Harcourt, Brace.

Hyneman. 1950. *Bureaucracy in a Democracy*. New York: Harper & Brothers.

Johnson, A. C., and E. A. Prieve. 1975. "Changing Perspectives of College Students toward Salary Offers." *Personnel Journal* 54: 156–161.

Jones, B. D. 1977. "Distributional Considerations in Models of Government Services Provision." *Urban Affairs Quarterly* 12: 291–312.

Jurkiewicz, C. L., T. K. Massey, and R. G. Brown. 1998. "Motivation in Organizations." *Public Productivity and Management Review* 21(3) 230–250.

Karl, B. D. 1979. "Louis Brownlow." Public Administration Review 39(6): 511–516.

Kelman, S. 1987. "Public Choice and the Public Spirit." *The Public Interest* 87 (Spring): 80–94.

Kluckhohn, C. 1951. "Values and Value-Orientations in the Theory of Action." In *Toward a General Theory of Action*, ed. T. Parsons and E. Schils. Cambridge, Mass.: Harvard University Press.

Knoke, D., and C. Wright-Isak. 1982. "Individual Motives and Organizational Incentive Systems." *Research in the Sociology of Organizations* 1: 209–254.

Luthans, F., and R. Kreitner. 1975. Organizational Behavior Modification. Glenview, Ill.: Scott, Foresman.

Macy, J. W. Jr. 1971. Public Service: The Human Side of Government. New York: Harper & Row.

March, J. G., and H. Simon. 1958. *Organizations*. New York: John Wiley & Sons.

Marini, F., ed. 1971. Towards a New Public Administration: The Minnowbrook Perspective. Scranton, Penn.: Chandler.

Meier, K. J. 1992. *Politics and the Bureaucracy: Policy Making in the Fourth Branch of Government.* 3rd ed. Pacific Grove, Calif.: Brooks/Cole.

——. 1997. "Bureaucracy and Democracy: The Case for More Bureaucracy and Less Democracy." *Public Administration Review* 57(3): 193–199.

Mosher, F. C. 1978. "Professions in the Public Service." *Public Administration Review* 368: 144–50.

Neiderhoffer, A. 1967. *Behind the Blue Shield*. Garden City, N.Y.: Anchor Books.

Oldham, G. 1976. "Organizational Choice and Some Correlates of Individuals' Expectancies." *Decision Sciences* 7: 873–884.

Opsahl, R.L., and M.D. Dunnette. 1970. "The Role of Financial Compensation in Industrial Motivation." In *Management and Motivation*, ed. V. H. Vroom and E. L. Deci, pp. 127–159. New York: Penguin Books.

Orloff, J. K. 1978. "Public or Private Sector Bound?" *Civil Service Journal* 19: 14–17.

Perrow, C. 1978. "Demystifying Organizations." In *The Management of Human Services Organizations*, ed. E. Hansfield and R. Saari, pp. 105–120. New York: Columbia University Press.

Perry, J. L. 1996. "Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity." *Journal of Public Administration Research and Theory* 6(1): 5–22.

——. 1997. "Antecedents of Public Service Motivation." Journal of Public Administration Research and Theory 7(2): 181–197.

Perry, J. L., and L. R. Wise. 1990. "The Motivational Bases of Public Service." *Public Administration Review* 50(3): 367–373.

Pfeffner, J., and G. R. Salancik. 1978. The External Control of Organizations: A Resource Dependence Perspective. New York: Harper & Row.

Rainey, H. 1976. "Perceptions of Incentives in Business and Government." *Public Administration Review* 36: 233–244.

. 1982. "Reward Preferences among Public and Private Managers: In Search of the Service Ethic." *American Review of Public Administration* 50(3): 374–382.

. 1991. Understanding and Managing Public Organizations. San Francisco: Jossey-Bass.

Rawls, J. 1971. *A Theory of Justice*. Cambridge, Mass.: Belknap Press.

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

Romzek, B. 1990. "Employee Investment and Commitment." *Public Administration Review* 50 (May/June): 374–382.

- Schein, E. H. 1985. *Organizational Culture and Leadership*. San Francisco: Jossey-Bass.
- Simon, H. 1945. Administrative Behavior. New York: Free Press.
- Soelberg, P. O. 1967. "Unprogrammed Decision Making." Industrial Management Review 8: 19–29.
- Thompson, D. F. 1985. "The Possibility of Administrative Ethics." *Public Administration Review* 45(5): 555–561.
- Vinzant, J. C. 1998. "Where Values Collide: Motivation and Role Conflict in Child and Adult Protective Services." *American Review of Public Administration* 28(4): 347–366.
- Waldman, S. 1989. The Revolving Door. *Newsweek*, 6 February.

- Wamsley, G. L., et al. 1990. *Refounding Public Administration*. Newbury Park, Calif.: Sage.
- Wanous, J. 1972. "Occupational Preferences." Journal of Applied Psychology 56: 152–55.
- ———. 1976. "Organizational Entry: From Naïve Expectations to Realistic Beliefs." *Journal of Applied Psychology* 61: 22–29.
- —\_\_\_\_. 1979. T. Keon and J. C. Latack. *Choosing an Organization*. Lansing, Mich.: Dept. of Management, Michigan State University.
- ——. 1980. *Organizational Entry*. Reading, Mass.: Addison-Wesley.
- Wise, L. R. 1999. "Job Evaluation: White Elephant on the Path to Reform." *Review of Public Administration Research.* In press.

### CASE STUDY 11

### Introduction

The Red Cross was founded in 1881 by Clara Barton, as described in her own words, "to afford ready succor and assistance to sufferers of national or widespread calamities." Over the next century the Red Cross became America's premier, nonprofit disaster-relief organization with much of its work accomplished through volunteers in its 1034 local chapters across the United States. Today as a huge \$3 billion, quasi-governmental agency, it operates under a congressionally mandated charter and is governed by a fifty-person board made up of several appointed senior federal officials.

In 1999, after an extensive national search, the Red Cross selected Dr. Bernadine Healy to succeed Elizabeth Dole as its president. Publicly at least, Healy was chosen because she "knew blood." Though, as one board member added, we hired "a change agent for a culture resistant to change." After eight years of listening to the Red Cross promise to reform and upgrade the safety of its blood-testing procedures, the Federal Drug Administration (FDA) obtained a court-ordered supervision decree over the Red Cross's blood-testing processes in 1993. Under Dole's presidency, significant progress at improving its blood testing had been achieved. Nonetheless, by 1999 the Red Cross still remained under FDA court-ordered supervision, and its Atlanta chapter had recently been cited for a number of testing violations.

In many ways, Healy was an ideal candidate to assume the Red Cross presidency at that particular moment. As a Harvard Medical School Graduate, she "knew blood," and as a former head of the National Institutes of Health and dean of the Ohio Medical School, she possessed impressive administrative credentials for managing large, complicated health-related facilities. Moreover, she had just survived a life-threatening brain tumor operation and therefore wanted badly to serve as Red Cross president in order "to do good" and make a positive difference for society. Yet, despite all these "pluses" that she brought to the job, within two years Healy was forced to resign.

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

As you read the following story by *New York Times Magazine* writer Deborah Sontag, try to think about how it relates to Lois Wise's foregoing conceptual essay on public service motivation.

What motivated Healy to accept the Red Cross presidency? Would you judge these motives to be in line with "public service motives" as described by Wise?

How would you characterize "the traditional" Red Cross organizational culture? Its values? Outlook? Do you think this culture also "squared" with the "public service values" outlined by Wise? What were the essential sources of differences between the public service ideals professed by Healy vs. the Red Cross volunteers?

In your view, was Healy well enough informed about the Red Cross culture prior to accepting the presidency? Likewise, was the Red Cross knowledgeable enough about Healy's managerial style prior to hiring her? What would you recommend both the potential employee (Healy) and employer (the Red Cross) do to ensure "a better fit" during the recruitment and selection process?

Ultimately, what were the chief causes of Healy's forced resignation? In retrospect, might you suggest some specific strategies that Healy could have used to better "read" and then "accommodate to" the traditional Red Cross culture? If she accepted your recommended strategies, what personal behavioral as well as value changes would Healy have had to adopt?

Generally do you think the notion of "public service culture" as advanced by Wise has relevance to this case study? Does it offer practical advice for resolving conflicts apparent in this case? If so, how and in what ways? If not, where would you amend or revise that concept?

## Who Brought Bernadine Healy Down?

#### **DEBORAH SONTAG**

The vast, empty foyer of the American Red Cross's stately headquarters in Washington seemed as remote from ground zero as white marble from rubble. That was my inescapable, if facile, thought as I glided up the Tara-like central staircase one morning in early November. The holy hush was misleading, though. It gave no hint of the passionate, even viperous intrigue that was playing out behind closed doors. At a moment

From Deborah Sontag, "Who Brought Bernadine Healy Down? The Red Cross: A Disaster Story Without Any Heroes." *New York Times Magazine* (December 23, 2001) © 2001, Deborah Sontag. From *The New York Times Magazine*. Reprinted by permission.

when the Red Cross was supposed to be absorbed with ministering to a nation in crisis, it was confronting an internal crisis of its own making.

It had been just over a week since Dr. Bernadine Healy, 57, had announced her resignation under pressure as Red Cross president. I sat waiting for her in the president's office wing, which was still her domain but increasingly provided her little sanctuary. Healy, baldly showcasing her impatience toward Red Cross sanctities about tradition, had long displayed a saying attributed to Clara Barton above the mantle: "It irritates me to be told how things have always been done. . . . I defy the tyranny of precedent."

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

Sweeping into the room, Healy sank into a cranberry-colored chair and exhaled. Healy is a fine-boned, exquisitely tailored woman who, with her crisp blond coif and colorful blazers, looked more like the Republican senator she once aspired to be than a cardiologist who ran a humanitarian organization. That day, she was showing the jittery strain of the previous two months, in which she first commanded a huge disasterrelief effort and then suffered the humiliation of rejection by the Red Cross's 50-member board of governors. Under her severance agreement, Healy was supposed to stay on through year's end while the general counsel, Harold J. Decker, took over as acting C.E.O. But it was already getting pretty uncomfortable.

"I can't believe it," she said, a great sigh collapsing her small frame. "They've just fired my chief of staff. Poor Kate. They gave her a few hours to pack up and be gone. They want to get rid of us that badly?" Over the next couple of hours, there were many knocks at the door and sniffles outside it as Healy's assistants were reassigned, a first step toward their eventual firing. Healy, who had spent the previous day at a grueling Congressional subcommittee hearing, was agitated. She believed that the Red Cross might be seeking to deflect criticism—and avoid self-criticism—by scapegoating her. She could feel it coming, she said. The board was going to reverse course and blame unpopular decisions on her. Healy decided that day to pack up her office and return to her Ohio home as soon as possible.

It was a terribly intimate moment to observe, and Healy later said that she regretted I had been there. Her eyes watery, Healy had stared at a portrait of Barton, her heroine, who founded the American Red Cross in 1881. "You know Clara Barton was fired, too," she said, coughing up a dry laugh. "The difference is, she lasted 20 some years and I only lasted two. They got her on a trumped-up charge that she used lumber left over from a disaster recovery program in her home. It tarnished her reputation, although history ultimately redeemed her." Healy paused, hearing herself. "Not that I'm Clara Barton." She shook her head and rolled her eyes. "Far from it."

The Red Cross has come a long way since Barton established it "to afford ready succor and assistance to sufferers in time of national or widespread calamities." It now generates about \$3 billion in revenues a year as a quasi-governmental bureaucracy with a split personality. On the one hand, it is what Barton intended, a nonprofit disaster-relief organization, and that chapter-based service side gives the Red Cross its identity as an icon of volunteerism. But the Red Cross is also a blood business, which after a history of indebtedness and regulatory troubles has come to operate like a centralized corporation. Tensions between the two sides are echoed in other turf battles: between the 1,034 local chapters and the national headquarters, between veterans who believe their "mission" is good deeds and newcomers who believe theirs is good management and between the president and a board so big that Decker said his first impression was "politburo."

In a confidential memo to the board in late October, Healy bitterly described how the organization's internecine dynamic was summed up for her by another executive when she arrived in September 1999: "Red Crossers will give you the shirt off their back, but will as easily put a knife in your back."

All this makes the Red Cross a difficult, unwieldy institution to head. Since 1989, there have been three leaders and four interim leaders, counting Decker. Healy succeeded Elizabeth Dole, the first female president since Clara Barton. Dole spent much of the 1990's at the helm, taking a year off when her husband ran for president, then returning and eventually leaving to prepare her own presidential bid. The Red Cross board chairman, David T. McLaughlin, said that Dole's departure was "not terribly dissimilar" from Healy's. Dole "got out ahead of the game and stepped down," he said, "but she, too, left under some pressure," the result of combustible internal politics. Unlike Dole, McLaughlin said, Healy "more than brought on" her own departure, but both women were "fighting a culture, a culture that had grown up over a long period of time."

In two years on the job, the biggest disasters under Healy's watch as Red Cross president were Hurricane Floyd and Tropical Storm Allison. On Sept. 11, she stood outside on the headquarters' marble steps as snipers positioned themselves on the White House roof and, in the distance, smoke rose in blankets from the Pentagon. She knew in her gut that the day would have serious consequences for the organization that she commanded and for her personally.

McLaughlin would say later that Healy, the first physician-president of the organization, went at the initial Sept. 11 response "very clinically, and I have to say not emotionally. She was totally in action, on point." That intensity of focus, however, was not a quality of Healy's that was roundly admired within the Red Cross. Some thought her too driven and steely for an organization that they considered an affair of the heart. The previous Red Cross president, they say, had more of a

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

politician's human touch. "Elizabeth Dole would notice the pin you were wearing, and Dr. Healy would notice the stain on your jacket," the director of one chapter said. "Dr. Healy was not people-oriented, and the Red Cross is all about people."

That day, however, the Red Cross had to be all about performance. And Healy found what she considered a serious wrinkle in an operation otherwise shifting into high gear efficiently. At noon, Healy's office received a call from the Pentagon: "Where the hell are you guys? Where's the Red Cross?" The Pentagon requested "water, food and other things we typically provide," according to an internal memo. Charles DeVita, the organization's security chief, placed a puzzled call of inquiry on Healy's behalf to the Disaster Operations Center, a corporate-style bunker known as the DOC, which is the Virginia-based command center for all disasters. The DOC was run by two women with 60 years of experience between them. They resented DeVita's phone call, a colleague of theirs told me: DeVita was a former assistant Secret Service director whom Healy had recruited just last year. What did the two of them know about activating the DOC?

That evening, Healy, believing the problem resolved, took a police escort to the site. She arrived at a scene of breathtaking devastation, with an army of firefighters "doing everything possible" to battle the blazing building. She saw "the Sallies," as the Salvation Army is called in charity circles, out in full force. But, to echo the caller from the Pentagon, where the hell was the Red Cross?

Healy expected to find the specialized teams usually dispatched by the DOC after plane crashes. Instead she found only four volunteers from the small, local Arlington County chapter—"bless their hearts"—earnestly trying to provide assistance to hundreds of emergency workers. There was no E.R.V., or emergency response vehicle, because Arlington's was in the shop. They didn't have any cots, so some firefighters were stretched out on the ground. Stunned, Healy punched out the phone number of a senior administrator who oversaw the two women at the DOC. She suggested the administrator report immediately to the scene, "get down on his knees and pray to God for forgiveness that we're not here."

Over the next week, Healy also stumbled on other serious problems that originated in the DOC—a failure to dispatch chaplains to the Pennsylvania crash site and a failure to realize that a confidential database of hospitalized victims existed. And by the professional standards of Healy and her executive team, the problems demanded a swift, sure response: the two women had to go. Although it was not Healy who actually fired the women, she was held responsible by many for what was seen as a coldhearted, ill-timed attack on two women who meant well. Adding a touch of melodrama, one of the women collapsed after she was dismissed and ended up in an intensive-care unit. All told, the incidents served to accelerate opposition to Healy.

Some of the reaction was anxiety. "We're all afraid for our jobs," one senior official at the DOC wrote in an e-mail message that ended up circulating widely through the Red Cross's quite gossipy e-mail system. Some of it was resentment. "We have been silent up to now, but the deeply disturbing news of Dr. Healy firing two of our top people in Disaster Services is just too much," one couple, former co-chairpeople of the volunteer system, wrote in another e-mail message. Referring to themselves as previous victims of Healy's, they asked: "Why isn't the board of governors doing something about her?"

Well before Sept. 11, some Red Cross governors were growing uncomfortable with what they told Healy in her July evaluation was her hard-charging style. She had been encountering mounting resistance from the chapters too. The chapters had always operated pretty autonomously. They did not like it when Healy, who was aghast to learn how much of their financial reporting to headquarters was voluntary, sought to oversee them more closely. Although the Red Cross is effectively a public trust, it has never been a particularly transparent organization, not even internally.

Some chapter directors opposed her oversight for philosophical reasons; they feared that it represented the first steps toward centralization in an organization that should belong to the grass roots. Others didn't want Big Brother peering into their affairs. Or streamlining the chapter system in a way that would reduce their power or cut jobs. And then there were those with something to hide, like the administrator in Jersey City.

Healy thinks that her downfall probably began, improbably, right there in Jersey City when all these tensions exploded. An audit of the small, poor Hudson County, N.J., chapter had uncovered irregularities, suggesting embezzlement by the director; he was a longtime Red Crosser who apparently had treated his fief as a personal charity ward. Healy was horrified, suspended the man and his bookkeeper without pay and hired an outside firm to do a forensic audit. The auditors found what appeared to be significant theft, and the Red Cross turned the matter over to the local prosecutor's office.

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

In mid-December, a grand jury handed up indictments of Joseph Lecowich, the director, and Catalina Escoto, the bookkeeper, on charges of stealing \$1 million in Red Cross funds.

The fact that Healy's suspicions were proved right in the end did not matter. Several board members and veteran administrators thought that she should have suspended the employees *with* pay, and they objected to involving external auditors. During her July evaluation, some members criticized her for being "too fast and too tough" in Jersey City. She asked them, "What should I have been, too soft and too slow?" And they said, "See, you're too defensive."

When the Red Cross board hired Healy, a Harvard Medical School graduate and mother of two daughters, ages 15 and 22, it understood exactly whom it was getting. From her stints as the first female director of the National Institutes of Health and as dean of the Ohio State University medical school, she had an established track record. A blunt-talking New Yorker born and bred in working-class Queens, she was not known as a diplomat. Rather, she was known as a driven professional who ruffled feathers but made things happen.

Dimon R. McFerson, then the C.E.O. of Nationwide, was the Red Cross governor who oversaw the 1999 search. He said that Healy was selected because she was the best candidate and that he would make the same choice again now. The board was unconcerned about Healy's "head-on style," he said, although in retrospect it seems inevitable that the board and Healy would end up on a collision course. "We hired a change agent for a culture resistant to change," one board member said.

Under the Red Cross's Congressionally established charter, seven of its 50 board members are senior government officials, like cabinet secretaries, who almost never participate. Another 12 are corporate, business and academic leaders who are not Red Cross lifers. Neither is McLaughlin; he is a former chairman of CBS, president of Dartmouth College and president of the Aspen Institute who, like his predecessors, was appointed Red Cross chairman by the president of the United States.

The remaining 30 governors, who are selected by local Red Cross chapters through a competitive nomination process, really control the organization. They tend to be lifelong Red Crossers who have worked their way up from local to national prominence within the organization; they also tend to be protective of traditions—and of veteran employees with whom they have longstanding relationships. Not all of them, McLaughlin said, straining to be diplomatic, "possess strong governmental or financial or programmatic experience on top of their incredible loyalty to the Red Cross." But because they are willing to give so much of their time, many of them end up presiding over the board's internal committees—for as long as six years—and those committee chairmen dominate the executive committee whose decisions tend to be rubber-stamped by the full board.

During the year that Dole took a sabbatical, the executive committee started playing a more hands-on role, and quickly took to it. When Dole returned, according to many Red Crossers, she did not exercise the same strong leadership she had previously. (Dole did not return several calls to her Washington office.) Then, during the year between Dole and Healy, there was another interim president. And so by the time Healy arrived, the board was acting like a hydra-headed C.E.O., "overstepping its role and authority," McLaughlin, who took over last May, said.

"I tried to pull them back," he added. "I tried to help her."

The board hired Healy at the hefty salary of \$400,000, twice what Dole made, because that was Healy's value in the marketplace. According to McFerson, the board was attracted to Healy's medical background and the fact that she "knew blood," since "blood was the area that needed the most attention." The board's sole concern was that Healy was coming off "a medical challenge," as McFerson put it. She had just recovered from a brain tumor.

When the tumor was diagnosed, Healy told me, she had, in true medical-drama style, been given three months to live. Her unexpected recovery played a role in her decision to take the Red Cross job. In her grateful, post-illness state of mind, she was drawn to the chance to "do good." And in a way, some Red Cross veterans were a bit taken aback by Healy's insta-passion about the Red Cross itself. She was an outsider with the zeal of an insider; she came on so strong and fast with designs for the organization's "greatness" that some grew suspicious that Healy, who had waged a failed campaign for the United States Senate in Ohio, was motivated more by personal ambition.

It wasn't long after Healy moved to Washington from her home in Ohio, where her husband, Dr. Floyd Loop, runs the Cleveland Clinic Foundation, that she realized she would be butting heads with the board.

"She was an entrepreneur, and entrepreneurs don't like boards or controls," McLaughlin said. "She kept

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

getting out ahead of the board, and the board was chasing after her. In hindsight, her decisions were right. But her personal style was uneven."

Healy, in turn, did not like what she found organizationally. In a confidential memo that she sent the board shortly before her resignation, Healy laid out a withering analysis of the Red Cross that she had inherited. She described "a corporate culture steeped in silos, turf battles, gossip and very little teamwork. Management structure was almost militaristic . . . [but] unlike the military, there were few commonly understood performance measures, and almost no system of reward or consequences for performance."

On the "blood side" of the Red Cross, which outsiders know so little about, such a corporate culture was not only costly but also potentially dangerous. The Red Cross began "sticking" people on a large scale during World War II, when it was called on to provide blood for soldiers. Now, the Red Cross collects blood donations at thousands of sites, tests and processes the blood at its regional plants and then sells the blood products—red blood cells, platelets and plasma—to hospitals. It is an almost \$2 billion a year industry. But for years, Red Cross officials say, they underpriced their blood, thinking of themselves as a charity. With that mind-set, they went deeper and deeper into debt, underpaying employees and ignoring infrastructure and quality controls.

Food and Drug Administration inspectors found egregious problems: some Red Cross blood centers would keep testing blood until the tests delivered the desired results; for instance, blood that tested borderline-positive for a given virus would be retested five or six times until the numbers came out negative. "That was a huge issue," said Dr. Jerry E. Squires, the chief scientific officer of the Red Cross.

In 1993, after eight years of listening to the Red Cross promise to reform, the F.D.A. obtained a court-supervised consent decree, forcing the organization to improve its practices to ensure the safety of the national blood supply—45 percent of which is provided by the Red Cross.

Dole oversaw an administrative and financial "divorce" of blood from the chapters and centralized it so that it would operate more like a business. It was such a radical overhaul that the Red Cross was "declaring victory long before we should have," McLaughlin said. Even though the Atlanta blood center had just been cited for multiple violations, the violations did not seem to Red Cross executives as "critical or dangerous" as the ones from previous years, a senior official said. So when Healy took over, the board told her that the organization's battle with the F.D.A. was nearing resolution and that Atlanta was an isolated case.

After Healy had been on the job five months, however, F.D.A. inspectors paid an unexpected visit to national headquarters. They stayed almost two months. In the end, they delivered a 21-page notice listing all the violations at headquarters itself. These included inadequate "tracking of inventory": pints of blood that were supposed to be quarantined because of their donors' medical histories ended up released for distribution. There were also labeling problems: blood testing positive for cytomegalovirus (CMV), for instance, was labeled negative.

Healy was "stunned," she told a senior F.D.A. official. Subsequently, in a meeting with F.D.A. officials, Healy candidly acknowledged widespread "infrastructure, quality and auditor problems," including a headquarters computer system that periodically "lost func-tionality," according to an affidavit in the court file. Healy also said that some Red Cross staff members treated the F.D.A.'s demands with a "willful lack of urgency."

In her meeting with the F.D.A., Healy said she found that some Red Cross officials possessed a startling "lack of concern for patients." The F.D.A. wanted the Red Cross to move from an "ear stick" to a "finger stick" method of drawing blood for testing, for instance; the ear-stick method often overestimated the blood count, deeming some with low blood counts eligible for donation. "In one instance in the past, this caused a perfectly healthy donor to require an emergency blood transfusion hours later," Healy wrote in a memo, adding that the reason the Red Cross was resisting the change was that it would decrease blood collections by 5 to 6 percent.

"Although the blood supply was safe," Healy wrote in her memo, "the near misses that had occurred presented a clear risk for the future." The gravity of the findings propelled the board to set aside \$100 million to upgrade the blood business. Healy hired several high-profile executives to oversee the process. One new executive was Decker, who had been associate general counsel at Pharmacia. He and others moved quickly into positions of power within the organization, which some veteran Red Crossers found threatening, although in fairness, Healy was promoting insiders too. Would the Red Cross be overtaken by bloodless professionalism?

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

McLaughlin said that he considered Healy's "brilliant" hires to be her legacy, ensuring a solid future for the American Red Cross—if the individuals stay. The F.D.A., however, is dubious about the Red Cross's ability to follow through on its intended reforms. Despite Healy's concern and investment of time, money and personnel, the F.D.A. also found serious problems under her watch, citing the troubled Salt Lake City blood center for multiple violations last spring. In mid-December, the F.D.A. for the first time asked a judge to hold the Red Cross in contempt of the 1993 consent decree and to authorize serious financial penalties—\$10,000 a day per violation, which could amount to more than \$10 million a year.

In the days after Sept. 11, Healy oversaw the transformation of the Red Cross's austere headquarters into what looked like the stage set for a field hospital. Medical technicians were stationed at gurneys beneath stained-glass windows, drawing blood in assembly-line fashion. Outside in the garden, the Red Cross choir performed "God Bless America" and received a standing ovation from hundreds of phlebotomists and donors. Healy found it moving. "It was like a temple of healing and grieving," she said.

At first, the Red Cross sought to impose a system on would-be donors, urging them to make appointments to return as needs arose. But people would not be turned away. They wanted to wait in long lines and give of their vital fluids. It was a spiritual thing, Healy said, and her intuition told her to respect those feelings, even if it wasn't the most logical way to proceed.

Over the following two weeks, the Red Cross's threeday reserve of blood built to a 10-day reserve because the demand was less than expected: there were relatively few wounded. Nonetheless, the Red Cross continued to collect blood, having decided it should stockpile in anticipation of another attack or a military deployment. Eventually, some red blood cells, which expire after 42 days, had to be thrown away, which engendered considerable criticism of the Red Cross for being overzealous in its collections. Healy shrugs this off: "Look, the plasma was saved and frozen. People don't realize that red blood cells are perishable commodities. They expire. It happens. Better to have had too much than too little."

It is that kind of crisp logic that Healy's critics found off-putting—even when she was right and especially when she displayed a certainty that she was right. It bothered the board again and again. She would not walk them through the paces of her decision making; she didn't like stupid questions; she wanted action yesterday. Then Healy, after taking insufficient time to explain herself, would end up feeling misunderstood. It happened with her subordinates too.

On Sept. 13, for instance, Healy boarded an Amtrak train for New York. The head of Amtrak had lent five mail cars to the Red Cross to transport supplies to the World Trade Center relief effort. Healy pushed her subordinates to load up the cars by 11 a.m., which required working through the night. Some of the workers thought her haste was excessive and that she simply wanted the glory of personally delivering the goods. But she was unaware. She was elated as she watched the Red Cross executives on the train working their cellphones, like Ramesh Thadani, her new "C.E.O. of blood," who was trying to line up freezers for plasma. "I was thinking, 'Hey, we did it guys,'" she told me wistfully. "I didn't know they were irritated."

That same week, Healy taped a first batch of solicitations for donations. Many Americans believed that she was asking them to use the Red Cross as a conduit for cash assistance to the Sept. 11 victims themselves. But she never said any such thing. Her appeals were vague, the essence of which was that Americans should give of their blood and their dollars to help the American Red Cross provide "lifesaving assistance." "Together, we can save a life," each public service announcement ended.

Healy's appeals were purposely general because the American Red Cross sees its role in a disaster as broad. It is not a charity per se but a disaster-relief organization that sets up mess halls and respite centers for emergency workers while providing food, comfort, counseling and safe haven for survivors and their families. The Red Cross never solicits funds just for individual victims.

In fact, until Sept. 11, it had never solicited donations for individual disasters, either, but rather—and this is mandated language—"for this and other disasters." Since the Red Cross can raise serious money only in the wake of a high-profile disaster, it uses the high-profile disasters to beef up general disaster-relief funds. That way, there is money in the pot to assist, as Decker puts it, "the little old lady in Philadelphia who loses her home to fire"—and to cover some of the operating expenses of the DOC.

This practice of the Red Cross has come under fire many times—after the San Francisco earthquake of 1989, the Oklahoma City bombing of 1995, the Red River floods of 1997, the wildfires in the San Diego

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

area last January. Some communities just didn't like the idea that the money being raised because they suffered an earthquake, say, was going to be used elsewhere or tucked into the Red Cross's coffers. In several instances, the Red Cross ended up having to redirect funds back to disaster-struck communities because the pressure grew too intense.

But the Red Cross stuck by its approach until Healy declared Sept. 11 an extraordinary disaster that belonged in a class of its own. It didn't make sense to her to treat Sept. 11 as if it were an earthquake. Americans were responding quite specifically to the enormity of a terrorist attack. They were donating buckets of money, over \$600 million in the end, because she believed they were heartbroken and scared. She thought that to commingle those emotions and those funds with the money set aside for more plebeian disasters would never stand up to public scrutiny. Besides, she did not want huge sums of money deposited in a general disaster-relief fund that is sometimes used as a "piggy bank" for the chapters. So she created a stand-alone fund for Sept. 11 and whatever might follow it. The Liberty Fund, with its own team of 800 outside auditors, was born.

This set off alarms throughout the Red Cross system. What about the little old lady in Philadelphia? Was Healy single-handedly changing a Red Cross commitment to equity for all victims? Was she making Sept. 11 victims into a special class whose treatment would raise difficult demands from other disaster victims down the road? Was she unwittingly creating public expectations that all money raised would go to Sept. 11 victims?

Healy didn't think she was creating such expectations, not among reasonable people. She didn't call it the Sept. 11 Fund, after all. And Healy said she felt that the Red Cross needed to plan ahead at the same time as it dealt with the crisis of the moment creatively. So while she set up a cash gift program for victims' families, which was novel for the Red Cross, she also seized the opportunity to beef up some expensive pet projects that had gained new urgency-like the weapons-ofmass-destruction-preparedness program and the creation of a strategic reserve of frozen blood. She thought this was logical, but she didn't initially bother to explain herself to the American public. She didn't even bother to explain herself to the board, which turned out to be a fatal lapse. For while the governors ended up endorsing the Liberty Fund, they were forced to do so after Healy had already made it a fait accompli. And they would never forget that.

On Oct. 3, as if the Red Cross didn't have enough to deal with, a board member from Louisiana placed a big thorny issue on the table: Israel, or specifically the Israeli Red Shield of David, Israel's disaster-relief organization. The executive committee asked Healy to leave the room so that they could discuss the matter freely. Members were concerned that she would stifle open discussion because of her intense, domineering views on the subject.

The American Red Cross has long opposed the exclusion of Israel's Red Shield of David, called Magen David Adom (M.D.A.), from the international federation of Red Cross and Red Crescent societies. But Healy decided to give teeth to that quiet opposition. She believed that the international movement needed to be prodded to clear the legal and diplomatic hurdles preventing it from accepting the Star of David as an emblem. If the Geneva Convention—which recognizes only the cross and the crescent as internationally protected symbols of humanitarian aid societies—needed to be amended, then amend it, she believed. If not, then skirt it.

Two months after assuming command of the American Red Cross in September 1999, Healy flew to Geneva to address a large assembly of the International Red Cross movement. And, in the eyes of international officials, she charged in like a bull in a china shop.

"She comes in and makes a speech in which she harangues the assembled membership about the inequity of the exclusion of M.D.A. and how the American Red Cross is going to make inclusion happen now, whether we liked it or not," said Christopher Lamb, an executive of the international federation. "She spoke about the movement, describing everyone as cowards and failures and people who didn't understand."

Healy nominated Lawrence Eagleburger, the former secretary of state, to the commission that governs the international movement. After her speech, he lost the election. Officials in Geneva postulated that Healy felt humiliated, which in turn fueled a redoubling of her commitment to Israel. But Eagleburger, who went on to serve as her ambassador on the Israel issue, wrote in a *Washington Post* op-ed column recently that Healy simply refused to turn "a blind eye on a moral wrong." And persuaded by her passion, the American Red Cross board went right along with her. It agreed to start withholding its \$4.5 million annual dues to the international federation; that money is 25 percent of the federation headquarters' budget.

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

Officials in Geneva contend that they had been proceeding quietly, on a diplomatic track, to include Israel since 1995. Yet just two months after the Americans began withholding their dues, there was progress. An international working group decided the world needed a neutral emblem to stand alongside the cross or crescent. Switzerland was laying the groundwork for a diplomatic conference when the latest wave of Israeli-Palestinian violence broke out in September 2000, stalling things.

After Sept. 11 this year, a high-ranking official from Geneva flew to the United States to try to persuade the American Red Cross to resume dues payments before the federation's fall assembly. The American policy was counterproductive, causing unhealthy tensions within the international movement, he said. The board member from Louisiana was persuaded to reconsider, and so were others. They didn't like the idea that Healy was forcing the American Red Cross to take a strong political stance, because one of its credos was neutrality.

In an Oct. 3 closed-door meeting, the executive committee voted 9 to 1 to second the Louisiana board member's motion to stop withholding dues. The vote was tentative, pending future discussions. But Healy found out about the vote as the board members emerged from their session, considered it decisive and exploded.

"I said, 'This is not the time to do this,' she told me. "I said, 'You can't overturn this principle in a secret proposal in a secret session. Deserting Israel right now what's the signal that you're sending?' They got mad at me. Later, they said I was insubordinate. It was all downhill from there."

At about that time, Terry J. Sicilia, a chapter director in Denver, wrote a letter to a senior vice president at headquarters to express his disappointment in Healy's leadership since Sept. 11. He asked, "Do you really feel the need to raise more money and blood?" He was concerned in part that the Sept. 11 fund-raising drive would make it more difficult for local chapters to raise money for their own needs.

Sicilia's letter was leaked to the Chronicle of Philanthropy Web site, which is checked daily by those in the charity world. It opened up the internal drama of the Red Cross to the public eye, and it helped create a drumbeat against Healy.

Healy, however, was getting mixed signals from within the Red Cross. In mid-October, she received a huge bouquet of flowers from the Watergate Florist with a card that read, "Thank you for being a truly great boss." It was signed by 11 senior Red Cross executives, including Decker, "and our 1.6 million colleagues." She placed the card on her mantel—and later gave it to me, saying, "I don't want this anymore." Shortly after getting the flowers, Healy received a standing ovation from Red Cross executives who traveled to Washington to attend a weapons-of-mass-destruction-preparedness seminar. "I could have gotten a sunburn from all that warmth," she said.

Nonetheless, after the firing of the DOC women, the creation of the Liberty Fund by fiat and the blowup over the Israel issue, Healy's departure was becoming inevitable. "Bernadine brought discipline, authority and accountability to the American Red Cross," McLaugh-lin said. "But every time she took a strong position, a little more of her capital with the board was spent. At a certain point, you can't recoup."

On Tuesday, Oct. 23, the governors met to vote on whether they had confidence in Healy's leadership. Some sat in the board room in D.C.; others were piped in by speakerphone. In the end, six members voted for Healy, three abstained and about 27 voted against her, according to McLaughlin. By that count, 14 of the board members did not participate in the vote. Gloria White, a retired vice chancellor at Washington University, was one of very few board members who spoke on the record about the decision. She gave me a succinct statement about Healy: "She was one of the finest leaders the Red Cross has ever had." Then she said: "It will have to rest there. There's nothing to be served by going beyond that. They have made their decisions."

McLaughlin said that he recommended that Healy's departure be put off for six months, but that he did not prevail. Three days later, McLaughlin and Healy appeared together publicly to announce her resignation. Healy told me that McLaughlin wanted her to say that she was exhausted; as someone who prides herself on her stamina, she bristled at the very notion. So instead, she and McLaughlin gave *no* reason for her departure. Reporters were puzzled; they pushed Healy to explain why she was "abandoning" the Red Cross. Healy, growing teary-eyed, said that she had no choice; she was forced out. McLaughlin, sticking to the original script in which they were going to keep this fact hidden for the sake of her dignity, then denied this. It was, she said later, the "press conference from hell."

A few days later, she wrote a letter to the board: "Maybe you wanted more of a Mary Poppins and less of a Jack Welch."

Shortly after Healy's resignation, hundreds of Red Cross executives from around the country gathered in an all-white ballroom on E Street NW in Washington for

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

another "W.M.D.," or weapons-of-mass-destruction workshop. This time, Healy was not invited. But her face stared up from the cover of *The Humanitarian* magazine at every place setting. "If they were trying to disappear her, they should have lost the magazine," one woman in a red jacket whispered. Her colleague pointed to a faux balcony hanging over the ballroom, saying that he kept expecting Healy to appear. "Don't cry for me, disaster relief workers," someone joked.

The workshop did not impart a tremendous amount of new information. But it did serve unofficially as a kind of pep rally for those who felt, in a nondenominational way, that they had been doing God's work since Sept. 11 and did not deserve to have their good intentions maligned. The public questioning of the Red Cross had intensified in the wake of Healy's departure, and while some in the room resented her for that, most resented the "negativity of the media" instead.

Barry White from South Carolina passed around a cartoon from *The Oregonian* that elicited groans and "darns!" The cartoon showed the Statue of Liberty lying on a cot waiting for blood as Dracula, on the next bed, sucked from the donations. The blood bag was labeled "Sept. 11th Aid," and the vampire wore the Red Cross logo on his chest.

There was an air of defiance—and denial—in the ballroom that day as national officials set out to pump up spirits. Some sounded almost like preachers. "Since Sept. 11, the network has been working in miraculous ways," an executive vice president told the crowd. He intoned a sacred tenet: "As we all know, we're the first on the scene and the last to leave." A Philadelphia chapter executive told a story about a volunteer who "forever changed" the life of a little boy, as "Red Cross volunteers do again and again and again."

Only at the end of the day did some rise to interrupt the cheerleading, like a New Jersey executive who began by suggesting that his colleagues realize the Red Cross is not "omnipotent." At this point, I was hustled out of the room by a senior public-relations executive (who later left the Red Cross) so that the assembled could have a "free and open discussion."

It had taken me weeks to penetrate the Red Cross, which seemed excessively skittish of observation, much less of scrutiny. Eventually, McLaughlin intervened and got me into the ballroom that day and later inside the Red Cross's new, post-Sept. 11 call-in center outside Washington. In its nervousness about media scrutiny of its troubles, the Red Cross had been hiding its assets too—people like Cyndi Sadler, a volunteer from Louisiana who was, weirdly, sitting in a converted Levitz furniture store in suburban Virginia fielding calls from World Trade Center widows.

As I approached, Sadler was signing off a call to New Jersey. "I couldn't get you off my mind all weekend," she said into the phone. "It just breaks my heart for y'all." Hanging up, Sadler shook her frosted blond mane. "She ended with 'God bless you,'" Sadler said. "Now that's some progress."

"This case I'm working?" she continued, taking a swig of Diet Dr Pepper. "The woman called Saturday irate, and I mean, iiii-rate. She was going to call the press. She had lost her sister in the World Trade Center, and she'd been trying to get benefits for her nephew. But somehow her paperwork got lost. Just plain fell through the cracks. So I let her vent; I took her lashes. And before long, she was eating out of my hands."

Sadler has a big heart and an easy laugh, and she was like many of the Red Cross volunteers I met: earnest and industrious and Middle American. The kind of person who will follow you into the ladies' room to continue a conversation and talk right through the stall door. "I think it's awesome that we live in a country like this, with a Red Cross to reach out," she said. It was hard not to be touched by her and by the massive display of volunteerism that she is part of, the people who didn't know much of anything about Healy or McLaughlin or the F.D.A. or the Liberty Fund. They just knew about giving three weeks of their time when disaster struck and about how it made them feel queasy when the goodness of an institution like the Red Cross was questioned.

I talked to Sadler the day after a grueling hearing in November, during which congressmen suggested to Healy that the Red Cross was punch-drunk with donations and pig-headedly ignoring its donors' desires for all their money to go directly to the victims. Representative Peter Deutsch, Democrat of Florida, told Healy, "I don't think anybody who wrote a check for the Red Cross expected it would be used for frozen blood."

At that point, the Red Cross was already doing a pretty good job of getting money directly to the victims' families—it had handed out emergency cash grants averaging \$14,500 to 2,700 families—but it was making mistakes, and the mistakes were highlighted during the hearing. Russa Steiner of New Hope, Pa., the widow of a World Trade Center victim, had received only \$1,244 for incidentals until her name was put on the witness list for the hearing. That listing prompted the Red Cross to discover that Steiner had "fallen through the cracks." Luis Garcia, manager of the gift program, told me later that Steiner's application had been approved but that a

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

Red Cross worker had accidentally left the requisition for her check inside her case file and closed it up. So just before the hearing began, the Red Cross hurriedly handed her \$27,000, which made the organization look bungling.

Healy's testimony, a lame duck's defense of an institution that had just thrown her out, was almost painful to watch. Smiling through clenched teeth, she tried to explain why the Liberty Fund was never meant solely for victims of Sept. 11. She talked about why she thought the Red Cross needed to be girding itself for future terrorist acts. But her logic did not pierce the emotion in the room.

During the hearing, the Red Cross began receiving an onslaught of angry e-mail messages. Some 1,500 arrived between 6:30 p.m. and 8 a.m. the following day. A man named Philip wrote: "I am thoroughly disgusted and disappointed over your failing the families of victims from Sept. 11. I'll never contribute another penny or drop of blood."

To McLaughlin and Decker, it was becoming clearer by the day that the Red Cross had to do something. It could not simply lament that it was being misunderstood. It could not just say: "Trust us. We're the disaster professionals." That trust was shattered.

So the Red Cross backpedaled away from controversy as fast as it could. In a stunning reversal, McLaughlin and Decker held a news conference in Washington on Nov. 14—carried live by CNN—to say that it would spend the entire Liberty Fund to care for the victims of the Sept. 11 attacks, their families and the rescue workers. "With this action, we hope to restore the faith of our donors and the trust of the American public," McLaughlin declared.

Two weeks earlier, McLaughlin had told me that Healy's concept for the fund was "just right." In fact, the Red Cross could have stuck by it, if it were not for its desire to repent. A senior official explained it to me rather crudely, insisting it was "moronic" to use the whole Liberty Fund as "an A.T.M. machine for the victims' families." Almost half of the fund was pledged by corporations, he said, and the corporations may well have agreed to redirect their money toward, say, a blood reserve. This would have allowed the Red Cross to respect the public's desire to support the victims, and only the victims, while sticking to its plan.

But the Red Cross needed to quell the furor and so chose a concrete, sentimental response rather than what might well have been a wiser policy. It also decided—after many angry e-mail messages from American Jews—to continue to withhold its dues from the international federation and reaffirm its commitment to Israel's equivalent of the Red Cross. ("They didn't want to make Healy a martyr is what we heard," an official in Geneva said.)

Those actions took the public pressure off the American Red Cross, and as McLaughlin and Decker had hoped, the organization faded from the spotlight. What will happen inside remains to be seen. Clearly, the American Red Cross's problems transcend Healy and will outlive her unless the stresses of Sept. 11 succeed in shocking the organization through a real transformation.

McLaughlin and Decker are ambitious about reform, along the same lines that Healy was, although they hope to accomplish more by using gentler tactics. Still, Decker, who expects to serve from six months to a year as interim C.E.O., is talking tough. "People will be held accountable for performing," Decker says. "If we have to change some culture here, that's what's going to have to happen. People can vote with their feet if they don't like it."

McLaughlin, for his part, said he does not want to recruit a replacement for Healy until he restructures the governance system that keeps undermining Red Cross presidents. He cannot slim down the board unless he goes to Congress and asks it to revise the Red Cross charter, which is cumbersome. So he will seek to make the powerful executive committee more representative of the board at large—that is, to reduce its dominance by Red Cross insiders. He also wants to establish qualifications for board members so that loyalty to the Red Cross alone, while honorable, is not enough.

Inside the Red Cross, these are fighting words. And McLaughlin and Decker are not Red Cross lifers. There is no telling what kind of resistance they will encounter and how they will handle it.

Back in Ohio, Healy's moods shift as she tries to understand how she went from commanding a historic relief effort to overseeing her suburban household. When she is her usual confident self, she declares that it is common for boards and presidents to clash. But when she is blue, an uncharacteristic state for Bernadine Healy, she laments that she was all wrong for the Red Cross and that she failed at something very important. "So much potential for greatness," she says, her voice trailing off. And though she is talking about the organization, it sounds for one moment as if she is talking about herself.

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

#### **Chapter 11 Review Questions**

- 1. In your own words, can you describe the Wise concept of "public service culture"? What does the author mean by that term? What assumptions about human nature does her motivational concept rest on? Do you believe these are valid assumptions?
- 2. Why does Wise argue that public service motivation is found more often in government than business or elsewhere? Do you agree or disagree? Why or why not?
- 3. Regarding the foregoing case study, "Who Brought Bernadine Healy Down?", describe the various cross-pressures and multiple responsibilities that Healy faced. Why do these persisting cross-pressures and responsibilities make it so difficult to frame a clear, consistent motivational system in government or nonprofits?
- 4. Are public sector motives rooted in rational, norm-based, affective categories, as Wise's essay theorizes? Why or why not?
- 5. Given the difficult realities of the contemporary working environment of public administration today, how would you develop and implement an effective "public service culture" for a government agency? Assess some of the strengths and weaknesses of this system that you envisioned, as well as the difficulties in establishing it.
- 6. Select any one of the prior cases in this text and examine carefully the motivations of one or more of the public officials. How do these motives compare and contrast with those discussed in Case 11—are they the same or fundamentally different? Explain why.

#### **Key Terms**

public service motives public service culture rational motives norm-based motives affective motives normative orientation rule-following behavior self-interested motives normative values engagement professional management

## **Suggestions for Further Reading**

Public personnel administration is a field of enormous complexity, specialization, and rapid change, and, therefore, looking at current basic introductory texts offers a good overview: N. Joseph Cayer, *Public Personnel Administration in the U.S.*, 4th ed. (New York: St. Martin's, 2005); Dennis Dresang, *Public Personnel Management and Public Policy*, 4th ed. (Reading, Mass.: Addison-Wesley, 2001); Steven W. Hays and Richard C. Kearney, *Public Personnel Administration*, 4th ed. (Englewood Cliffs, N.J.: Prentice Hall, 2002); Lloyd G. Nigro, *The New Public Personnel Administration*, 6th ed. (Itasca, Ill.: F. E. Peacock Publishers, Inc., 2006); Carolyn Ban, *Public Personnel Management*, 4th ed. (New York: Longman, 2005); Evan M. Berman, James Bowman, and Jonathan West, *Human Resource Management in Public Service*, 2nd ed. (Thousand Oaks, Calif.: Sage, 2005); Donald Klinger and John Nalbandian, *Public Personnel Management*, 5th ed. (Englewood Cliffs, N.J.: Prentice Hall, 2002); Norma Riccucci,

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.

Public Personnel Management, 4th ed. (New York: Longman, 2006); and Dennis D. Riley, Public Personnel Administration, 2nd ed. (New York: HarperCollins, 2001). To supplement these introductions, students should further examine the basic framing documents of public personnel, such as the Civil Service Act of 1883, the Hatch Act, the Civil Service Reform Act of 1978, as well as several others contained in Frederick C. Mosher, ed., Basic Documents of American Public Administration: 1776–1950 (New York: Holmes and Meier, 1976), and Richard J. Stillman II, ed., Basic Documents of American Public Administration: Since 1950 (New York: Holmes and Meier, 1982).

For the best history of the American civil service system, see Paul Van Riper, History of U.S. Civil Service (New York: Harper & Row, 1958). For an insightful view of personnel practices at the local level, read Frank J. Thompson, Personnel Policy in the City: The Politics of Jobs in Oakland (Berkeley: University of California Press, 1975); and for a view of its operation at the federal level, see Frederick C. Mosher, Democracy and the Public Service, 2nd ed. (New York: Oxford University Press, 1982); Patricia W. Ingraham, The Foundation of Merit: Service in American Democracy (Baltimore, Md.: Johns Hopkins Press, 1995); Paul Light, The New Public Service (Washington, D.C.: The Brookings Institution, 1999); or Hugh Heclo, A Government of Strangers: Executive Politics in Washington (Washington, D.C.: The Brookings Institution, 1977). Articles contained in the "classics" series on personnel give readers a useful overview of the scope, diversity, and complexity of this field, especially in Frank J. Thompson, ed., Classics of Public Personnel Policy, 2nd ed. (Monterey, Calif.: Brooks/Cole, 1990) as well as other contemporary sets of readings in Patricia W. Ingraham and Barbara Romzek, eds. Rethinking Public Personnel Systems (San Francisco: Jossey-Bass, 1994); and for recent international comparisons, read Jos Raadschelders, Theo Toonen, and Fritz Van der Meer, eds., The Civil Service in the 21st Century (New York: Palgrave MacMillan, 2007).

Excellent sources for further readings on personnel motivation are also found in chapters 6 and 7 in Hal G. Rainey, *Understanding and Managing Pub-* lic Organizations, 4th ed. (San Francisco: Jossey-Bass, 2009). For three recent thoughtful essays, read Gene Brewer et al., "Individual Conceptions of Public Service," Public Administration Review 60 (May/June 2000); Sue Frank and Gregory Lewis, "Who Wants to Work for the Government?" Public Administration Review 62 (July/August 2002); Laurance O'Toole and Kenneth Meier, "Public Management, Personnel Stability, and Organizational Performance" Journal of Public Administration Research and Theory (January 2003); and the Academic-Practioner Exchange, "What Does Merit Mean?" Public Administration Review 66 (July/August 2006), pp. 484-504 and in the same issue, "Motivating Employees in the New Governance Era," by James Perry, Debra Presch and Laurie Paarlberg, pp. 505-514.

Other current writings on personnel motivation include Linda Holbeche, *Motivating People in Lean Organizations* (Woburn, Mass.: Butterworth-Heineman, 1998); Barbara Glanz, *Handle with Care: Motivating and Retaining Employees* (New York.: McGraw-Hill, 2002); Janet and Robert Denhardt, *Creating a Culture of Innovation* (Arlington, VA.: Pricewaterhouse Coopers Endowment for the Business of Government, 2001).

At the federal level, the Volcker Commission Report for a federal review of this topic, *Leadership for America* (Lexington, Mass.: Lexington Books, 1990), or for the local level, Frank J. Thompson, ed., *Revitalizing State and Local Government* (San Francisco: Jossey-Bass, 1993), as well as the entire 2008 Special Issue of *Public Administration Review*, entitled "The Winter Commission Report Revisited," (November/ December 2008), provide numerous specific ideas for improving public service motivation throughout government. Norma M. Riccucci's *Unsung Heroes* (Washington, D.C.: Georgetown University Press, 1995) offers good examples of what motivates outstanding federal executives.

One would also do well to skim current issues of *Public Administration Review, Harvard Business Review of Public Personnel Administration, The Bureaucrat,* and *Public Management* for recent and fast-changing trends in the field of personnel. One should also visit the government management Web site at www. govleaders.org to sample the numerous problems.

Copyright 2009 Cengage Learning. All Rights Reserved. May not be copied, scanned, or duplicated, in whole or in part.