



La Follette Policy Report

Robert M. La Follette School of Public Affairs

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Director's Perspective

Schools of Public Affairs to gain in importance

This is my last column as Director of the La Follette School of Public Affairs. After four years as Director, I am retiring from the university this summer. Barbara Wolfe, who goes by Bobbi, will be the new Director, and I'm sure she will do an excellent job.

I've been a member of the economics department at the University of Wisconsin-Madison for 40 years. When I came to Madison 40 years ago there was no La Follette School. Wisconsin had a tradition of activism among its faculty, especially the economics faculty, who played seminal roles in the establishment of the major institutions of our modern state, including unemployment compensation, workers compensation, and the Social Security System.

During those 40 years, many universities around the country created Schools of Public Administration and

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Human Resource Management in the Wisconsin Court System

Dennis L. Dresang

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In addition to ruling on cases, the Wisconsin State Supreme Court is responsible for managing more than 360 employees who work around the state in agencies that staff the appellate courts, license and discipline lawyers, interpret for litigants who do not speak English, provide library and reference services, and maintain a database of legal proceedings and records. As the scope and complexity of responsibilities of the Court grew during the past two decades, the policies and procedures for managing Court employees became cumbersome and sometimes contradictory.

Faced with this situation, the Court requested the La Follette School of Public Affairs at the University of Wisconsin-Madison to conduct a study. In March 2004, the La Follette School of Public Affairs began its examination of Court System positions. Seventeen students conducted detailed analyses of every job, and another seven students completed classification audits, job evaluations, and compensation surveys. They also helped design behavior-based performance evaluation standards. In February 2005, senior managers in the Court System received a report of the findings and recommendations. After a review by the Justices on the Supreme Court in September 2005, managers began implementing the recommendations.

Job Titles and Descriptions

The analysis of specific positions in the Court System included interviews with employees and their supervisors and an examination of job descriptions, organizational charts, past position analyses, and other relevant documents. The information provided detailed descriptions of the duties, responsibilities, tasks,

and required skills and knowledge of current jobs. In most, but not all cases, the written documentation reflected the current jobs very accurately. Organizations of this size frequently have descriptions that are outdated or incomplete.

Beyond this rather positive finding, we noted the following:

- The distribution of employees among the job titles was—as is true in many medium- to large-scale organizations—quite uneven. Most job titles were assigned to only one employee, whereas 294 employees shared the title of Court Reporter, and 20 to 25 employees each held one of several titles such as Staff Attorney, Law Clerk, and Program Assistant.
- The Court System did not have descriptions of job titles that are distinct from position descriptions. Typically, the position description is a document that provides a detailed explanation of the duties, responsibilities, and education and experience requirements for a specific job. A separate document, often called “classification specifications,” outlines in broader terms the basic nature of a family of similar individual positions.
- In the absence of “classification specifications” or a distinct description of job titles, there are numerous instances where positions with different job titles have very similar duties, responsibilities, and education and experience requirements.
- There was a general tendency in current position descriptions/job titles to specify education and experience requirements that are arbitrary and not job-related.

Recommendations

Among the recommendations in response to these findings was a suggestion to consolidate similar jobs under the same title and adopt a practice known as “broadbanding.” The objective of broadbanding is to define categories of jobs in a way that incorporates relatively large numbers of similar positions. Broadbanding has a vertical as well as horizontal dimension—i.e., positions at junior and senior levels are included in the same title. This allows for maximum managerial flexibility, employee development, and efficient administration. For example, some current position descriptions in the Court System reflect a particular manager’s preference for how complaints of

lawyer misconduct should be investigated and processed. If a new manager decides to reorganize the workflow, even slightly, it would be necessary to eliminate existing positions and create new ones, despite the fact that the duties, skills, and knowledge required of the employees would not change substantially. Managers and employees in this unit could make changes more efficiently by having broader job definitions and using informal working titles to reflect specific responsibilities.

Another recommendation to the Court was to use only minimal education and experience requirements to determine who is eligible for jobs

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Demand- and Supply-Side Determinants of Conditional Cash Transfer Program Effectiveness

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Conditional cash transfer programs are an important economic and social policy tool being used to address problems of poverty, inequality and human capital development in developing and developed countries. A primary objective of conditional cash transfer programs is to provide short-term assistance to families in poverty, while promoting investments in long-term human capital development through conditions on benefit receipt. Other important goals of these programs include income redistribution and the promotion of social inclusion. The coverage of these programs is vast in some countries; for example, Brazil's Bolsa Família program that began in 2003 is expected to serve more than 50 million poor persons.

Early evaluations of conditional cash transfer programs report some positive effects. The processes used to prioritize access to benefits appear to be effective in targeting poor youth, and the electronic transfers of cash are more efficient than in-kind transfers and general subsidies. Evaluations also report positive impacts on school enrollment rates, consumption levels, immunization and nutrition monitoring, and reductions in child labor. In a number of countries, these programs are now being expanded, and "second-generation" models are being implemented and evaluated.

Greater attention is now being given to elements that can hinder program implementation, including limited institutional capacity and resources for registration of beneficiaries, regular and timely benefit transfers, monitoring of compliance with program conditions, record-keeping, and the prevention of fraud and mismanagement of program funds. In large countries like Argentina and Brazil, programs are administered at the

municipal level, with local government, school, and health authorities playing key roles.

This research focuses on Argentina's Programa Nacional de Becas Estudiantiles, a conditional cash transfer program that targets youth ages 13-19 years, who are entering their eighth and ninth years of study in public schools and are at risk of leaving school before completing their education. The program's primary objectives are to support the retention, promotion, and graduation of students from the equivalent of Argentina's high school years, with the longer-term goal of promoting human capital development to improve education, skills, and abilities among Argentine youth. The Becas program provides scholarships to approximately 350,000 economically vulnerable students each year.

This study assesses the impact of Argentina's Becas program on educational attainment and performance in school through two comparisons. The first compares Becas program participants to eligible students who did not receive scholarships. The second looks at Becas program beneficiaries who received the scholarship for one year compared to those who received the scholarship for two or more years. In addition, the analysis explores characteristics of the schools and their students, plus aspects of Becas program implementation, to evaluate how they explain differences in student outcomes across schools. Thus, this research contributes to our understanding of demand-side factors (such as the removal of constraints on human capital development) and supply-side determinants (school-level factors such as teacher support and conditions for learning) that increase or impede the effectiveness of large-scale conditional cash transfer programs.

This study finds that the Becas program increases student attendance, reduces grade repetition (having to repeat a grade) and improves student performance. The Becas program also appeared to establish important dynamic incentive effects by linking receipt of the scholarship in subsequent years to students' academic performance in the first year of participation. In addition, student performance was higher in schools with greater institutional capacity, better conditions for learning, and superior management.

Argentina's Becas Estudiantiles program

Argentina has undergone dramatic economic and social changes over the last three decades, paralleling global trends. Economic analyses suggest that Argentina's increased economic openness has led to structural economic change, reducing labor demand in the low-skilled, labor-intensive sectors and shifting it toward higher-skilled, technical sectors. These changes have in turn contributed to increasing returns to education (and widening wage gaps between those with post-high school education and lower educational levels), while reducing employment among lower-skilled people. Another effect has been unprecedented increases in economic inequality, exacerbated by periods of economic volatility and crisis.

Argentina did not make effective use of resources gained during spells of substantial economic growth, particularly in the early 1990s, to combat these growing distributional problems. In addition, labor market and education policies did not adequately address the problem of unskilled workers. The change in the share of aggregate labor for workers with less than a high school education declined by one-third between 1974 and 2002, and unskilled workers experienced large losses in hourly wages and hours of work in the 1990s. Analyses also show that returns to formal education increased in this period, including during economic downturns. As the poverty rate climbed during the 1990s, the lack of a concerted public policy response to the growing demand for

a more highly educated workforce became more troubling.

While nearly all Argentine children ages 6-13 years have access to primary school and three-fourths complete nine years of basic education, only half make it to the last year of high school. Those who do complete high school tend to come from high-income households. As of 1999, just 27 percent of 19- to 20-year-olds in the lowest income quintile completed high school, whereas the comparable number for those in the top income quintile was 83 percent.

Argentina launched the Programa Nacional de Becas Estudiantiles in the late 1990s and made it a priority social program following the 2001 economic emergency. The Argentine government and international lenders were concerned that the economic crisis would increase student dropout

rates, given the out-of-pocket costs of children's school attendance that strain tight family budgets in difficult economic times. To offset these costs, the Becas program pays a scholarship of 400 pesos (about 140 U.S. dollars) in two equal installments. Eligible students come from families that have a monthly total income of less than 500

pesos and that do not receive a similar benefit from another source. The program goal is to reach approximately one-quarter of indigent children ages 13-18 years. The cost of the 2003 Becas program for scholarships and operations was estimated at 46 million U.S. dollars.

Economic analyses suggest that Argentina's increased economic openness has led to structural economic change, reducing labor demand in the low-skilled, labor-intensive sectors and shifting it toward higher-skilled, technical sectors.

Sample, data, and methodology

An evaluation of the Becas programs' effectiveness in improving student outcomes was a condition of international lenders' support for this priority social program in Argentina. The following student outcomes were of primary interest: student school attendance and absences, grade repetition, performance as illustrated by course grades, and school completion rates. A random sample of 3,490 eighth-grade students from 24 schools in 1999 was selected for the study, and these students were followed for five years. All students in the study completed a baseline survey with their application to the Becas

program, and about three-fourths of these completed a follow-up survey at the end of the five-year period (in 2004). Data from students' school records, the Ministry of Education, and from interviews with school administrators also contributed important information to the study. Among the 3,490 students, 993 were excluded from participating in the Becas program due to limited funding that led to school-based quotas; these students were used as a comparison group to identify the effects of Becas scholarship receipt in a statistical analysis.

Results

The investigation of student characteristics and participation in the Becas program provided the kind of results program administrators like to see: those from families with lower incomes and greater need for assistance were most likely to receive scholarships. As expected, students' level of need also influenced the probability that they would receive the Becas scholarship for more than one

year. However, the two most powerful predictors of additional years of scholarship receipt were measures of students' academic background and performance in school, consistent with the program conditions that required students to achieve good attendance and to progress academically in order to continue in the program.

Impacts on school attendance

Since a primary objective of the Becas program is to increase the number of poor students completing high school, a key outcome measure used in the impact analysis is based on students' school attendance records and reported attendance in the follow-up survey. Simple descriptive statistics showed that scholarship recipients attended more years of high school than those who were eligible but did not enroll in the program. The results of additional analyses that adjusted for differences in characteristics between those who received scholarships and those who did not participate, however, showed that only those who received

scholarships for two or more years attended school longer, and this increase in school attendance (about one-fifth of a year) was not large enough to affect high school completion rates.

Impacts on academic performance

Another important objective of conditional cash transfer programs like the Becas program is to change students' behavior. That is, students are expected to be motivated by the opportunity to receive future scholarships if they stay in school and keep up their grade averages. Compared to eligible nonparticipants, students receiving the Becas scholarship for two or more years were significantly more likely to report that they had put more effort into their studies and that they had tried not to be absent from school. Analyses of school records, specifically academic performance and whether students repeated grade levels, supported these self-reports.

Findings suggest that Becas scholarship receipt contributed to significantly reduced grade repetitions and increased student grade averages. The program's effects on reducing grade repetition and increasing grade averages do not appear until 2000, however, and they immediately diminish afterward for student grade averages. This latter finding might reflect the fact that a majority of program participants received the scholarship in only one year, which would make it more difficult to observe any cumulative effects on grade averages due to increased student efforts. It is also possible that some teachers were relaxing promotional standards so that poorer students would not lose their scholarships, as suggested in some teacher interviews. This might also contribute to reduced grade repetitions and limited improvements in student averages. Consistent with this interpretation, additional analyses showed that effects of the Becas program in reducing grade repetitions were greater for the neediest students, while the program had larger effects on improving grade

Becas scholarship receipt contributed to significantly reduced grade repetitions and increased student grade averages. Additional analyses showed that effects of the Becas program in reducing grade repetitions were greater for the neediest students, while the program had larger effects on improving grade averages for the less needy half of students in this study.

averages for the less needy half of students in this study. In addition, students who received the scholarship for two or more years achieved the largest increases grade averages over the study period.

Effects of school-level variables on Becas program participants

“Second-generation” efforts to improve the design and effectiveness of conditional cash transfer programs focus on the implementation and management of programs, in addition to considering the size and targeting of transfers, conditions imposed on recipients, and the frequency and duration of transfers. Estimates of program effectiveness obtained through experimental evaluations may be less useful if implementation decisions or local resources that support program development and management lead to variation in effects of programs across communities or implementation sites.

School-level factors in the 24 schools included in this study explain most of the variation in student outcomes that exists between schools. For example, the average level of (overall) student performance in the schools is associated with better academic outcomes (particularly reduced grade repetitions) for students. High-achieving peers (or possibly unobserved school factors associated with overall student body achievement) may discourage negative behaviors that lead to grade repetition. The results also suggest the importance of some variables over which school administrators are likely to have some control. For example, administrators’ ratings of the Becas program contributions to student retention and teacher support for program operations were significantly related to reduced grade repetition in 1999. In addition, more effective communication and management (execution of program procedures), improved learning conditions, and effective program implementation contributed to larger marginal impacts on grade averages.

These few school-level measures that were identified as potentially important predictors of the variation in student performance between schools are fairly general constructs of institutional capacity and management at the school level. Interestingly, the more specific information about strategies implemented in the schools—to improve student and parent participation, leadership and teaching approaches, education materi-

als, and technical assistance, etc.—did not emerge as statistically significant predictors in these models. At the same time, the small number of schools (24) in this study limits application of these findings. These results should be viewed as exploratory and suggestive of school-level factors or policies and strategies that should be investigated in research on the supply-side determinants of conditional cash transfer program effectiveness.

Conclusion

The Programa Nacional de Becas Estudiantiles, a conditional cash transfer program in Argentina, was designed to increase school attendance and to motivate better school performance among high-school aged youth who are poor and at risk of leaving school before they complete school. This nonexperimental study found that participation in the Becas program contributes to increased attendance, reduced grade repetitions and improved students’ performance, as indicated by average grades. The Becas program may have established a dynamic incentive effect for improved student effort by linking receipt of the scholarship in subsequent years to students’ academic performance in the first year. The study shows that students were selected to participate based on need and that good academic performance led to continued participation. At the same time, interviews with teachers suggested that some of them may have relaxed promotional standards to facilitate continuation of the scholarship for some poorer students, which may also have contributed to the observed decreases in grade repetitions.

The primary measure used in this study to evaluate student performance—students’ average grades as reported in their school records—clearly has limitations as a proxy measure for student achievement and/or human capital development. Argentina does not regularly or universally administer standardized tests to high school students to evaluate their skill attainment/achievement. Furthermore, an evaluation of the Becas program’s impact on the more ambitious goals of promoting long-term human capital development, income redistribution, and social inclusion would require a much longer follow-up period and ideally would include measures of students’ earnings/income following the high school years. A careful analysis of the social

welfare implications of the Becas program is outside the scope of this study, as it would require more information on the costs of the program beyond the direct scholarship costs and on how receipt of the scholarship affected the intra-household distribution of resources, including time in the labor market, household production, and income transfers. Thus, while the results of this study suggest some promise for these types of conditional cash transfer programs in increasing years of schooling completed and improving students' grades in school, no longer-term impacts of the program or net social benefits should be inferred.

This study also suggests some potentially use-

ful policy implications for the Becas program and similar conditional cash transfer program initiatives. Efforts to strengthen program management, the role and support of teachers, and the institutional climate for learning in the schools contributed to student performance, although no "best practices" or specific strategies were identified in this research. In general, this study confirms the findings of prior studies showing the promise of conditional cash transfer programs in increasing educational attainment among poor youth. It also supports suggestions that attention to and investments in student incentives and school environments are important to increasing student attendance and performance. ♦

Director's Perspective *continued from page 1*

Public Policy to provide the intellectual support for an increasingly complicated government. Wisconsin, too, formed such a school, largely made up of faculty with joint appointments in the major social science departments. In Wisconsin, the tradition of strong links to the government of our state continues in many of those departments, but La Follette practices this tradition most intensively and makes it a central part of the school's culture.

Universities have changed markedly in my 40 years. The liberal arts have become less liberal, and even departments once based on aesthetics seem to have changed their missions. Science is big business. Competition among universities, scientists, and students is more intense than in many private industries. The professional schools are becoming bigger and more academic, and their alumni increasingly loyal. When I came here, a student majoring in French Literature might prepare himself for a career by taking accounting courses at the Technical School. Today a student majoring in Accounting would take French at the Technical School, or maybe even a course in Business French taught by an adjunct.

There are many paths the university could follow in this environment of change, but this is not the place to lay them out. Instead I ask: What are the opportunities for Schools of Public Affairs in the changing mix of the modern university?

I think we should look to the Business Schools for an organizational model. Business Schools grew in the last century to become big and important. Yes, their alumni are rich and ours are not, though that is partly because we have so few alumni of advanced age. Business Schools are creatures of the 20th century. Business Schools study business. They provide their students with a common language—accounting—and a way to think that is a mix of economics and psychology.

The ace card of Public Affairs is that the institution we study is government and the problems of our society are increasingly problems of governance. Our subject is becoming more and more important. The opening for Schools of Public Affairs lies in the mastery of applied Social Science and adherence to the practice of approaching research from the direction of the problem to be solved, not from the direction of a methodology to be

used and improved. That is, our methods are different in orientation from those of the disciplinary departments, and our subject is more cohesive. By concentrating on these strengths, we can build the two main pillars necessary for our survival: academic respectability and importance in the eyes of the public.

I have seen many trends come and go, and I am not one to be down in the mouth about the future funding of universities. When the turnaround comes, it will come because of a felt need on the part of the voters for our services. Universities should position themselves as the repositories and developers of society's expertise. The increasing need for expertise should be obvious.

A School of Public Affairs will have a strong role to play at a university whose funding has been turned around by a society that values expertise. I encourage future Deans and Directors in Schools of Public Affairs to be ready to make the most of increased opportunities for funding that comes from the voter.



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The Political Roots of Disability Claims: How State Environments and Policies Shape Citizen Demands

Joe Soss and Lael R. Keiser

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Modern democratic states offer citizens a variety of channels for influencing governmental action. In addition to mechanisms for selecting and pressuring elected officials, legal and administrative institutions allow individuals to seek more personalized responses from street-level government bureaucracies.

During the past century, welfare claiming has become an important tool in the action repertoire of modern political citizenship. Like voters, potential welfare applicants in the United States must identify their own eligibility and take steps to exercise their formal rights. Not surprisingly, many citizens who qualify for welfare benefits do not gain access to public resources. Such “non-takeup” is most prevalent in means-tested programs but constitutes a significant influence on provision in all state welfare institutions.

To better understand the forces that shape welfare claiming, this paper analyzes the rates at which citizens file applications and appeal denied claims in two welfare programs that offer benefits to people with disabilities during a three-year period, 1991-93: Social Security Disability Insurance (DI) and Supplemental Security Income (SSI). The Social Security Administration administers DI and SSI on a federal basis, yet demands on these programs vary considerably across states. By linking demand patterns to state characteristics, we illuminate the contextual forces that determine aggregate demand for disability benefits.

Our central thesis is that state environments systematically shape aggregate rates of welfare demand, even in federally administered programs. Citizens make decisions to apply for welfare benefits within particular social, political, and economic contexts; such contexts vary across the U.S. states; and some, we suggest, will tend to generate more demands than others. We advance this thesis by presenting a general model of aggregate

demand in the DI and SSI programs. In so doing, we emphasize how the U.S. welfare state constitutes an integrated system of channels for citizens’ demands, and how the determinants of demand-making vary across both programs (DI and SSI) and stages of the claiming process (application and appeal).

Social Policies for Disability

The Social Security Administration oversees two programs that offer benefits to individuals who experience inability to work due to physical or mental disabilities: DI, a social insurance program tied to individuals’ wage contributions, and SSI, a means-tested program tied to individuals’ financial need. The medical criteria used to establish benefit eligibility in the DI and SSI programs are identical. In each case, claimants must offer clinical proof of an impairment so severe that it prevents them from performing the types of “substantial gainful work” that exist in the national economy for people with their age, education, and work experience profile. In addition, benefits are payable only if the claimant’s impairment is expected to last 12 months or result in death within a year.

Although eligibility for SSI and DI benefits depends on a single medical standard, the programs apply different financial criteria to applicants. Like other social insurance programs, DI determines eligibility based on prior tax contributions made by individuals in the labor force. By contrast, SSI is a means-tested program; it bases eligibility on the cash value of a claimant’s monthly income (including in-kind acquisitions) and total assets (exempting some items such as the value of the claimant’s home). This difference in financial criteria means that DI and SSI focus on different clienteles: SSI serves a target group that is much poorer than people in DI. Partly for this reason, and partly because of disparities in

work force attachment, SSI also serves a higher proportion of women and people of color.

To apply for benefits in either program, a claimant must fill out an application over the phone or at a local Social Security office. A state-specific disability examiner decides whether the claimant meets the program’s financial and medical criteria for eligibility. If the examiner denies an application, a claimant may request reconsideration by a second examiner. If the application is denied at this second stage, a claimant must decide whether to press ahead with the more demanding process of filing an appeal with an administrative law judge.

We analyze variation in the rates at which states generate initial applications and appeals in the SSI and DI programs. To put together successful applications or appeals, claimants must document their work history and obtain a clinical diagnosis of a disabling condition recognized by Social Security regulations. Applicants may incur psychological costs: applying for disability benefits forces individuals to accept the label “long-term disabled” and confront the possibility that others will view them as “failures” or “welfare cheats.” At each stage, an applicant may have to invest energy in obtaining assistance from an attorney or advocate.

The “non-takeup” of SSI or DI benefits, or the gap between people who seek benefits and those whose applications are denied, is far from static: rates of application and appeal vary considerably over time and across states. Table 1 shows the rates at which SSI and DI applications were filed, denied, and appealed in the American states, 1991–93. Annual rates of initial application in the DI program, for example, ranged from a low of about 132.2 cases per 10,000 residents in Utah (1992) to a high of about 374.7 cases per 10,000 in West Virginia (1991). In the SSI program, application rates ranged from 105.5 cases per 10,000 residents in New Hampshire (1991) to 1,398.7 cases per 10,000 in Louisiana (1993). Similarly, annual rates of appeal in the DI program ranged from about 26.3 percent of denials in California (1991) to approximately 85.6 percent of denials in West Virginia (1992).

In the SSI program, annual rates of appeal ranged from about 31.2 percent of denials in Delaware (1991) to approximately 70.3 percent of denials in Kentucky (1992). Because many citizens gain access to the SSI and DI programs only after pursuing appeals, the number of people who appeal denied decisions has important consequences for who benefits from these programs. In 1993, administrative law judges in the average state awarded 41 percent of claims appealed in DI and 33 percent in SSI. At the highest award rate, administrative law judges in Maine awarded 70 percent of DI claims and 66 percent of SSI claims.

To explain the variation across states in the demands citizens make on federal disability programs, we begin from the premise that welfare demands arise from interactions between the characteristics of individuals and the characteristics of social, political, and economic environments. The contextual forces that affect claiming behavior are likely to vary across the U.S. states, and their effects are likely to depend on the characteristics of individuals who make up a program’s target population. The different social and economic profiles of SSI and DI raise the possibility that contextual forces may affect demand-making differently in the DI and SSI programs—an expectation that is reinforced by additional factors that distinguish the two programs. Relative to social insurance programs, means-tested programs tend to carry greater social stigma and stronger associations with minority populations; they enjoy less public support and are subject to more frequent attacks by government officials; they offer less generous benefits and implement more restrictive rules.

Table 1: State Rates for DI and SSI Applications Filed, Denied, and Appealed, 1991–1993

	Applications Filed per 10,000 Population		Percentage of Applications Denied		Percentage of Denials Appealed	
	DI	SSI	DI	SSI	DI	SSI
Mean	245.8	375.0	51.7	41.1	64.0	51.2
Minimum	132.2	105.5	35.5	25.2	26.3	31.2
Maximum	374.7	1398.7	69.3	62.9	85.6	70.3

Theory and Expectations

Our analysis tests five hypotheses regarding applications and appeals in the DI and SSI programs:

1. We expect three characteristics of a state's applicant pool to influence aggregate demand: the number of residents with impairments that make work difficult, ethnic composition, and education levels.
2. Although SSI and DI benefits are nominally reserved for people who cannot work, we expect aggregate demand to be a function of two features of economic context: labor market conditions and poverty rates.
3. Aggregate demand should rise and fall depending on the liberal or conservative ideological orientation that prevails in state government.
4. We expect the level of demand-making to depend on the density of civic organizations in each state.
5. Aggregate demand should vary depending on the level of cash benefits offered in the primary state-run welfare program for poor families with children.

The Applicant Pool

Perhaps the simplest explanation for interstate differences in claiming rates is that state populations vary in ways that affect the quality of applicant pools. All else equal, states with more residents who perceive themselves to have disabling impairments should have larger numbers of people who need and contemplate applying for SSI or DI benefits. Such locales may facilitate demands by providing social environments in which program information is more abundant and benefit claiming is less stigmatized. Moreover, administrators who confront more pervasive need may reinforce these patterns by developing more effective procedures for handling claims or doing more to encourage applications and appeals. For all these reasons, we expect aggregate demand for SSI and DI benefits, at both the application and appellate stage, to be higher in states that have higher levels of impairment-based need. To measure such need, we employ the percentage of each state's population reporting in the 2000 Census that they had a physical, mental, or emotional condition lasting six months or more that made it difficult to work at a job or business.

In addition to the prevalence of impairment,

our analysis addresses the ethnic composition of each state's population. Specifically, we include a measure of the proportion of state residents classified as Hispanic. Although Latinos and Latinas experience a relatively high incidence of health problems, interviews with Social Security administrators indicate several reasons why states with larger numbers of Hispanics should produce lower rates of demand for disability benefits. Language barriers may limit knowledge of available program benefits; Hispanic workers may be more likely to work domestic or day jobs that do not qualify them for DI benefits; and recent immigration experiences or changes in citizenship status can create uncertainty about eligibility. Consequently, we expect rates of demand-making in SSI and DI to be significantly lower in states with larger Hispanic populations. Moreover, there is little reason to expect this relationship to vary across application and appeal behaviors.

State demand rates may depend on a third feature of the applicant pool: the levels of formal education among state residents. However, the effects could work in one of two directions. Human capital theory predicts that people with more formal education will enjoy a greater range of options in the labor market. Accordingly, if two individuals have the same impairment, we would expect the one with more formal education to have greater access to accommodating jobs; the less-educated individual should have fewer workable options and, hence, greater need for assistance. Following this logic, we would expect demand for disability benefits to be lower in states with larger numbers of high school graduates. Formal education, however, does more than just bestow advantages in the job market; it also imparts skills, knowledge, and beliefs that promote effective engagement with government. All else equal, such advantages should enhance citizens' abilities to negotiate the claiming process—especially the complex procedures that make up the appellate process. Accordingly, we hypothesize that application and appeal rates in disability programs will be significantly related to the proportion of a state's residents who are high school graduates, with the effect of education more likely to be positive at the appellate stage.

Finally, in our analysis of appeal rates, we employ an alternative indicator of impairment-based need that is not included in our analysis of application rates: the rate at which initial applica-

tions are awarded in each state. The pool of claimants eligible to file an appeal is shaped directly by bureaucratic decisions to grant or deny initial applications. By granting a smaller percentage of initial applications, states may push a larger number of meritorious cases into the pool of potential appellants (i.e., borderline cases that might have been accepted in a state that granted a larger percentage of applications). All else equal, then, we expect the pool of potential appellants to include more people with significant impairments in states with low rates of initial acceptance. Accordingly, we hypothesize that such states will produce higher appeal rates in the SSI and DI programs.

Economic Context

In public perception and under Social Security eligibility rules, SSI and DI offer benefits to individuals who are unable to engage in “substantial gainful work.” This image suggests that prevailing economic conditions play little role in the generation of disability demands. In reality, however, the connections between disability and economy are far more complex. High rates of poverty and unemployment can create contextual pressures that expand disability claiming in a variety of ways.

First, there are effects on the individual. During economic downturns, employed individuals with impairments run a greater risk of getting laid off or having their hours cut back. In areas with weak labor markets, accommodating jobs should be harder to find and subject to more intense competition. Likewise, areas with high rates of poverty can be expected to offer less adequate informal support: social networks of family and friends will be less likely to contain resources robust enough to meet an individual’s needs. Thus, in the context of high unemployment and poverty, more people should perceive their impairments as disabling, and fewer people should have income alternatives that allow them to forgo a disability claim.

Second, economic hard times may affect the behaviors of other crucial actors in the claiming process. Physicians may feel greater sympathy for moderately impaired individuals when there

appear to be no real economic alternatives and, as a result, may become more willing to label them incapacitated. Similarly, administrators may loosen their interpretations of disability categories and program rules or may become more willing to offer advice and encouragement to potential claimants. For all these reasons, researchers expect more people to apply for SSI and DI, and they are more likely to receive those benefits, when the economy bad.

In line with these predictions, we expect to find higher rates of aggregate demand for disability benefits in states that have higher rates of poverty or higher rates of unemployment. To measure these factors we employ the percentage of each

state’s residents living below the federal poverty line and the percentage of each state’s noninstitutionalized civilian population who are unemployed. Research provides some support for the link between labor markets and disability participation rates. No study that we know of, however, has tested for independent effects associated with poverty and unemployment. The inclusion of both measures is especially important for our comparison of demand patterns in the SSI and DI programs. We expect consistent results across stages of the claiming process. But because only the former is a means-tested program, we expect poverty to have a greater impact on SSI demands than on DI demands.

Government Ideology

SSI and DI claims share an essential feature of all benefit claims in the U.S. welfare system: they ask government to suspend the “normal” rules of market distribution in favor of provision based on need. Decisions to partially exempt individuals from the labor market have major consequences for employers and raise core value conflicts regarding individual and governmental responsibility. As a result, public welfare programs, including disability programs, have long been objects of ideological conflict in the United States.

Historically, liberals have been very supportive of SSI and DI. Conservatives have been more likely to criticize the Social Security Administra-

The ideology of government officials can influence the attitudes and behavior of potential claimants by legitimating or denigrating public agencies and programs.

tion as an example of a bloated government bureaucracy and to charge that claimants and their doctors might collude to advance fraudulent claims. Although SSI and DI are federal programs, Social Security processes many applications through local offices. As a result, the ideology of state-level officials can affect aggregate demand for disability benefits. The ideology of state officials may influence rates of demand-making in two ways.

First, the ideology of government officials can influence the organizational culture of offices that process disability claims. Conservative local officials may be more likely to act in ways that dissuade individuals who are unsure about whether to move forward in the formal claiming process. Such effects may occur at the application or appellate stage of the process; but all else equal, one would expect the opportunities for administrative influence to grow as claimants have more extensive interactions with the bureaucracy.

Second, the ideology of government officials can directly influence the attitudes and behavior of potential claimants by legitimating or denigrating public agencies and programs. Political rhetoric can decrease the legitimacy of government agencies and programs and, in doing so, influence the nature of the interactions between citizens and agencies. As a people-processing agency, Social Security is especially vulnerable to attacks on its legitimacy. The antigovernment/antiwelfare rhetoric of conservative state officials may decrease the legitimacy of social welfare programs and, in so doing, decrease demand.

Accordingly, we hypothesize, first, that relatively conservative states will produce lower demand rates in the DI and SSI programs.

Second, because SSI is means-tested and more frequently targeted for political attack, the effect of ideology should be greater in SSI than in DI.

Third, we expect the effects of government ideology to be more pronounced at the appellate stage of the claiming process, as individuals have more extensive interaction with bureaucratic agents. We employ a widely used measure of government ideology that takes account of how

many seats each major party controls in a state's lower and upper legislative chambers, the average ideology scores of party members in these chambers, and the governor's ideology. According to this measure, during the period of our study, Utah is the most conservative state, and Maryland is the most liberal.

Civic Organizations as Claiming Context

Contemporary studies of political participation emphasize a variety of ways in which civic organizations facilitate demands on government. Such organizations supply political information, bring individuals into contact with other potential claimants, build political skills, and provide opportunities for recruit-

ment into the political process. From this perspective, one might easily derive the expectation that a higher density of civic organizations will make citizens more informed and effective in their efforts to gain responsiveness from the welfare state. Unfortunately, this possibility has received little attention: most research on civil society and political participation has tended to ignore citizen demands aimed at governments' administrative institutions.

Nevertheless, field research on DI claiming suggests that local organizations—such as disability associations, labor unions, welfare rights groups, community development organizations, homeless shelters, and other nonprofits—encourage and assist claims on social welfare programs in ways comparable to other modes of political participation. As such organizations deal with the needs of community members, they often accumulate ready stores of information about government programs. Nonprofits provide sites for current and potential welfare clients to interact with one another and, in some cases, even employ individuals whose primary responsibility is to advise and assist people in the claiming process. As a result, non-profit agencies can function as pivotal actors helping potential claimants overcome information deficits, transaction costs, and stigma-related anxieties that might otherwise deflect eligible claims. Other research indicates

Nonprofits provide sites for current and potential welfare clients to interact with one another and, in some cases, even employ individuals whose primary responsibility is to advise and assist people in the claiming process.

that attachments to labor unions greatly enhance the likelihood that workers laid off from blue-collar jobs will apply for Unemployment Insurance benefits.

Accordingly, we expect rates of application and appeal in DI and SSI to be higher in states that have a higher density of civic organizations. Here, however, it is not clear that applicants to all programs should benefit from the assistance of community organizations equally. Empirical research on recruitment and political participation clearly suggests that citizens with low socioeconomic status tend to have weaker attachments to (and hence, benefit less from) civic organizations. We hypothesize that the impact of organization density will be significantly stronger in the DI program than in the means-tested SSI program. We measure the strength of civic organizations with the number of reporting public charities per 10,000 residents in each state.

Policy Feedback in a Categorical Welfare System

Social welfare policies are typically analyzed as outcomes of political processes. However, policy can also function as a causal force in politics. Policy designs, in this view, produce “feedback” that can influence citizen demand-making. Many aspects of policy design can produce feedback, but in the welfare context, the policy feature most often linked to claiming behavior has been benefit levels. To the extent that some citizens are free to choose among programs, benefits offered in one welfare program may have an impact on aggregate demand for benefits in other welfare programs.

No one knows for sure how much overlap there is between the target population of Aid to Families with Dependent Children (AFDC, which was replaced in 1996 by Temporary Assistance for Needy Families, or TANF) and the target populations of SSI and DI. Recent studies of disability among AFDC/TANF recipients, however, suggest that the overlap could be considerable. One study that relies on national surveys estimates that 17 to 20 percent of women in AFDC have a work-limiting disability. Another reports that 34.7 percent of AFDC clients meet the diagnostic criteria for at

least one of several mental disorders; 18.7 percent report significant physical health problems. Thirty-eight percent of TANF recipients reported in a survey that they had impairments severe enough that they were unable to or needed help with such activities as walking up stairs and filing bills. In addition, studies estimate that the lifetime rate of domestic violence among welfare recipients is between 50 and 70 percent and demonstrate that such experiences of abuse increase the odds that a woman will have psychiatric disorders.

The upshot of this evidence is that the AFDC, SSI, and DI programs are likely to have applicant pools that overlap in significant respects. An unknown but considerable number of AFDC applicants have mental or physical conditions that could underwrite an

States with smaller high school graduation rates produce significantly higher rates of applications in the SSI and DI programs

application to SSI or DI. Likewise, because SSI is a means-tested program, most SSI applicants meet the poverty threshold for AFDC participation; many also have children. The DI program is not means-tested but nevertheless receives applications from large numbers of poor families: in the 1990s, approximately one-quarter of DI recipients met the poverty threshold needed to receive SSI benefits. Although we lack precise numbers, there apparently exists a considerable number of applicants to each program who could conceivably apply to one of the other two programs.

Accordingly, we explore two hypotheses. First, all else equal, we expect aggregate applications and appeals in federal disability programs to be higher in states that offer lower AFDC benefits. As the gap between AFDC benefits and disability benefits grows, so too does the incentive for a poor person with an impairment to go through the difficult process of establishing a disability and documenting a work history. Thus, we expect more claimants to bypass AFDC in favor of DI and SSI claims in states that offer relatively meager aid to poor families. Second, the relationship between AFDC benefit levels and aggregate demand for disability benefits should be stronger for SSI than for DI. The rationale for this hypothesis is simply that the AFDC and SSI programs are both means tested and, hence, should share a more significant portion of their applicant pools. Following this logic, we expect to find stronger AFDC benefit

effects in SSI and weaker effects in DI. Our measure of AFDC benefits is each state's average benefit for a family of three, adjusted for interstate cost-of-living differences.

Findings Related to Initial Application Phase

We find considerable support for the hypothesis that claiming rates in DI and SSI are driven by interstate differences in the characteristics of applicant pools. All else equal, states with more residents who perceive themselves to have disabling impairments have larger numbers of people apply for SSI or DI benefits.

As for ethnic composition of a state, those with larger Hispanic populations produce significantly fewer claims on the DI program, a result consistent with arguments that Hispanics are a "hard-to-reach" clientele who may confront special barriers to demand-making. This relationship does not appear, however, for the SSI program.

The effect of education on claiming rates is a bit more consistent across programs. In line with the predictions of human capital theory, states with smaller high school graduation rates produce significantly higher rates of applications in the SSI and DI programs. On average, a 1 percent decrease in the proportion of citizens graduating from high school produces 1.8 additional DI applications and 6.4 additional SSI applications per 10,000 residents. If residents in Tennessee graduated from high school at the national average (80 percent) rather than at their current rate (67 percent), 25 fewer residents per 10,000 would file for DI benefits and 84 per 10,000 fewer would file for SSI, about a 20 percent and 19 percent reduction respectively. This suggests that increasing education in the U.S. states would reduce demands on the disability programs.

Economic context appears to have a strong impact on claiming behavior in the states, with negative conditions boosting the number of people who seek help from the government. A 1 percent increase in the unemployment rate produces about 3.3 more DI applications and about 12.3 more SSI applications per 10,000 residents. The effect of unemployment appears to be slightly

larger in the SSI program. Our model predicts that if West Virginia, a state with chronic unemployment problems, were to reduce its unemployment rate to the nation's average and all other variables remained constant, 45 per 10,000 fewer people would apply for DI and 163 per 10,000 fewer people would apply for SSI, about a 35 percent decrease for both programs.

In addition to labor market conditions, the density of poverty in a state influences the application rate in SSI. States in which poor people make up a higher proportion of the population generate significantly more SSI applications than do states with lower poverty rates. While higher poverty accompanies an increase in DI applications, the relationship is not statistically significant.

We find no evidence here that state-government ideology (based on another researcher's ideology measurement that considers Democratic and Republican shares of power within state legislatures, governorships and Congress) affects claiming rates in federal disability programs.

By contrast, the strength of civic organizations does seem to matter for DI claims. States with more civic organizations generate significantly larger numbers of DI claims than do states with fewer such organizations, while we find that civic organizations have no discernible impact on SSI application rates. According to our model, increasing the number of civic organizations in a state will increase the numbers of applications filed.

Furthermore, states that offer more generous AFDC benefits produce significantly fewer applications in the SSI program, all else equal. As expected, however, the relationship between AFDC benefits and disability applications is stronger in the SSI program than in the DI program and, in fact, fails to have any significant impact on DI application rates.

Findings Related to the Appeals Phase

Results suggest important connections across stages of the claiming process. Rates at which denials are appealed, for example, appear to be partly a function of Social Security officials' earlier decisions to grant or deny applications. All else equal, states with higher award rates pro-

Economic context appears to have a strong impact on claiming behavior in the states, with negative conditions boosting the number of people who seek help from the government.

duce fewer administrative law judge appeals than do states with lower award rates. This relationship holds in both SSI and DI, and we find no discernible difference across programs. The presence of a larger Hispanic population has an effect on appeals rates in the DI but not the SSI program.

State labor markets continue to have an impact on demand-making at the appellate stage. States with higher unemployment rates generate significantly higher rates of DI request for administrative law judge review than do states with lower unemployment rates. On average, a 1 percent increase in the unemployment rate is associated with a 0.5 percent increase in SSI appeals. This relationship does not achieve statistical significance in the DI model.

We find results suggesting that the application and appellate stages of the claiming process follow a somewhat different logic. Despite their effects on application rates in at least one of the two programs, we find no evidence that poverty rates or civic organizations have any impact on appeal rates for DI or SSI. Perhaps more striking, high school graduation rates, which tended to depress application rates, show up here as a factor that promotes higher administrative law judge appeal rates in the DI program. A 1 percent increase in the high school graduation rate is associated with a 0.34 percent increase in the DI appeal rate. Likewise, although higher AFDC benefits dampened SSI claiming at the application stage, we do not find this relationship at the appellate stage. Finally, the findings for government ideology signal discontinuity across stages of the claiming process. Holding all else constant, if state elected officials in Maryland, the most liberal state in our data set, became more like the national average on the ideology scale, about 3 percent fewer residents would apply for DI and SSI benefits. Government ideology had no effect on application rates, but here we find that states with more liberal governments produce higher rates of appeal in SSI and DI. Indeed, the impact of government ideology on appellate rates does not vary significantly across programs.

In sum, then, welfare claiming in federal disability programs appears to be systematically related to a variety of state characteristics. At the application stage, the factors that rise to importance in one program or other include disability-based need, economic contexts related to poverty

and unemployment, the ethnic composition and educational attainment of citizens, the density of civic organizations, and the generosity of state-run programs for poor families. At the appellate stage, demand rates in these programs appear to depend on bureaucratic “gate-keeping” at earlier stages of the process, disability-based need, educational attainment of state residents, labor market conditions, and state government ideology. What seems most apparent is that the factors that influence aggregate demands on disability programs do so in complex and multifaceted ways. Factors that have a significant impact in one program often do not in another, and factors that have an impact at one stage of the claiming process are often of little consequence at a different stage.

Discussion

Like other federal social policies, DI and SSI have uniform national rules governing eligibility, application, appeal, and benefit distribution. Yet, demands on these two programs vary systematically across the states. By investigating the sources of this variation, we believe it is possible to improve the ways we conceptualize welfare claiming and explain the ebb and flow of mass demands on the welfare state.

To begin with, our analysis reveals that disability benefits are an outgrowth of impairment-based need. Such an emphasis on impairments can be traced to the very real mental and physical conditions experienced by DI and SSI clients. This focus is faithful to the rules of eligibility employed by the Social Security Administration, and it is politically useful for advocates who work to defend and expand disability programs. Even after controlling for the number of state residents who feel they have impairments that prevent them from working, other variables affect how many residents make claims for benefits.

Turning to these other factors, we find several patterns that underscore the value of thinking about welfare claiming as a mode of political demand-making. Because U.S. welfare programs do not seek out potential clients, they resemble other channels in the American political system that rely on citizens to step forward and make themselves heard by government. The rate of citizen demand-making in welfare programs depends, at least in part, on factors such as education, civic organizations, and a state’s ethnic makeup.

Formal education is a crucial source of skills and beliefs that boost the frequency and effectiveness of many forms of political demand-making. Our findings suggest that education may bestow advantages to citizens who try to negotiate the welfare claiming process: states that have more educated residents generate significantly higher appeal rates in the DI program. Just as civic organizations help mobilize other forms of citizen demand-making, we find that states with a greater density of civic organizations produce higher rates of application for DI benefits. Equally important, our results suggest an important consequence of people from higher socioeconomic classes being more likely to have ties to civic organizations. We find that strong civic sectors boost claiming among the DI applicant pool, but not among the more disadvantaged SSI applicant pool. Finally, our finding that states with larger Hispanic populations generate fewer demands on the DI program is wholly consistent with a long tradition of studies showing that social marginality translates into disadvantages in political demand-making.

Our findings underscore the need to analyze welfare demand-making as a function of economic context. Welfare applications and appeals are, at root, claims that government should partially exempt individuals from the pressures of market distribution. As such, demands on disability programs are likely to depend on the extent to which individuals can access nongovernmental sources of income. States with more pervasive poverty, for example, generate a significantly greater number of applications for SSI benefits. More generally, we find consistent effects associated with labor market conditions and education rates. Impairments are not by themselves disabling; rather they combine with environments and other characteristics of the individual to shape activity-specific capacities. Our findings highlight the importance of this insight for understanding the conversion of impairments into claims on federal disability programs. States that have larger numbers of educated residents (who should have greater access to accommodating

jobs) generate significantly fewer applications for SSI and DI benefits. Likewise, states with tougher employment conditions produce higher rates of demand-making in both federal disability programs.

A final set of findings underscores the capacity for state officials to shape the amount and direction of citizen demands on the welfare system. Three results are particularly noteworthy in this regard. First, in SSI and DI, states with more liberal officials tend to produce higher appellate rates than do states with more conservative officials. Second, state administrators exercise gate-keeping discretion that shapes the pool of potential appellants; the result is that states that deny applications in

larger numbers produce significantly greater demands on the administrative law judge appellate system. Third, the decisions state officials make in setting AFDC benefit levels appear to have a significant impact on demand-making in the SSI program.

Although categorical welfare programs appear to serve distinct target populations, the reality is that applicant pools for social welfare programs overlap in significant ways. A citizen's decision to assert a claim through one channel of the welfare system rather than another may hinge on a variety of factors: advice obtained through social networks, direction from administrators, social stigma, the institutional terms of program participation, and so on. Our finding for the SSI program underscores the potential for low benefit levels in a state-run poverty program to produce a form of policy feedback that enhances demand-making in a federal disability program. This finding raises significant questions about how claims on federal disability programs might be affected by the proliferation of new welfare rules that states have adopted since 1996 under the Temporary Assistance for Needy Families system that replaced AFDC. If state governments reduce the value of their cash benefits to poor single parents in response to the devolution of welfare policy from the federal government to the states, demands on federal antipoverty programs may increase. ♦

The rate of citizen demand-making in welfare programs depends, at least in part, on factors such as education, civic organizations, and a state's ethnic makeup.

in the Court System. Since the ruling of the U.S. Supreme Court in *Griggs, et al. v. Duke Power Co.*, 401 U.S. 424 (1971), employers have been increasingly careful to make sure that any education and experience requirements attached to positions are job-related. In 1979, the Wisconsin State Legislature prohibited the use of education and experience requirements for position classifications in the Executive Branch unless they are necessary for securing a license or certification in specific professions. Federal agencies and states, such as Florida and Georgia, which have reformed their civil service systems in recent years have also eliminated education and experience requirements in their position classifications.

Traditional education and experience requirements are rarely psychometrically sound, and they can have the effect of eliminating from consideration candidates for a position who indeed are well prepared. Requirements, for example, for a certain number of years of experience are almost always arbitrary. Someone who is months shy of the stated requirement is probably as qualified as those who meet the qualifying standard. Moreover, what a prospective employer is, or should be, most concerned about is the quality of the experience, not the quantity. Likewise, what are most relevant in educational preparation are the job-related courses that have been taken, not a degree per se. Someone who has done well in the courses relevant to a particular job is a preferred candidate, regardless of whether they did well or even completed courses to fulfill degree requirements in a foreign language, English literature, life sciences, or some area that is not job-related.

Job Evaluation

Organizations rank jobs to provide for career paths and to align levels of compensation with levels of duties and responsibilities. The process of ranking jobs is known as “job evaluation.” For the Wisconsin Court System, we adapted a job evaluation system used by many federal agencies, the

Executive Branch of Wisconsin State Government in a 1985-86 study, and seven other state governments. We included only the job factors relevant to positions in the Wisconsin Court System; for example, factors that applied to health care or building maintenance were excluded since the Court does not hire people to work in those areas. The job evaluation system that we adapted analyzes each job category (rather than each specific position) on the following factors:

- Knowledge required
- Supervisory authority
- Job complexity
- Discretion
- Effect of actions
- Consequence of errors
- Nature and purpose of contacts with other people

A panel of trained students from the La Follette School of Public Affairs assigned each job

category to a scale that exists for each of the factors. Based on research and more than a century of using job evaluation, some scales, like for “knowledge required,” make 10 meaningful distinctions, whereas others, such as “discretion,” have a scale with only five levels. Panel members reviewed job information gathered through position analyses and a review of position descriptions and other documentation. Then the panel met with one or more employees in a given job title to solicit any elaboration or clarification needed to be able to rate the job title on each of the factors in the job evaluation system. Panel members individually scored the job title.

The assignment of factor scores to a job title should be objective. That is, it should not make any difference who is assigning the scores. If there is wide or frequent variation among panel members, then the job evaluation system is not providing enough guidance, the information about the job title is incomplete or ambiguous, and/or panel members are trying to skew results. To test for reliability—the extent to which there is agreement among panel members—scores for each factor by each panel member were compared to one another. Panel members rated job titles exactly the same 94.7 percent of the time, a high level of reliability

What are most relevant in educational preparation are the job-related courses that have been taken, not a degree per se. Someone who has done well in the courses relevant to a particular job is a preferred candidate.

that means one can have a lot of confidence in the results of the job evaluation process. With this level of reliability, the Court System will not have to use panels in the future to apply the job evaluation system to new or revised job titles, unless there is a perceived need to provide reassurance that the process was being done objectively.

In addition, the factors need to be weighted. If scores are not weighted, they will be strongly influenced by the variation in the number of levels for the scales for the factors. For example, knowledge required inherently would be considered more important in determining scores than discretion. Weights assigned to the factors are a reflection of values. Therefore, it was important that those responsible for the operation of the Wisconsin Court System set the weights in accordance with what they regard as most important. To determine the weights assigned to each of the job factors, the Director of State Courts appointed a committee of Court System senior managers and judges. A former Supreme Court Justice facilitated the committee's deliberations.

Compensation

Assigning appropriate salary ranges to job titles involves two major steps:

1. Aligning job titles with counterparts in other organizations to the compensation offered by other employers. The job titles that do have comparables in other organizations are referred to as "benchmark jobs."
2. Setting compensation for those job titles without external comparisons so they relate to the benchmark jobs in the same way they relate to these jobs in the job evaluation ranking.

The most salient comparison for the benchmark jobs in the Court System is with the Executive Branch of Wisconsin State Government. Although the separation of powers between the branches of state government should apply to lines of responsibility and accountability, the Legislature and the Governor presumably seek to compensate Court System employees at the same levels as they compensate Executive Branch employees in similar jobs. In addition, our study included a survey of compensation offered by other employers for the benchmark jobs. This survey included state courts in states regarded as sharing many similarities to Wisconsin. For other and private

sector employers, the survey considered those located in Madison, Milwaukee, Minneapolis, and Chicago. A summary of our findings is:

- The minimum salaries for benchmark comparisons in the Executive Branch of Wisconsin State Government (and other public sector employers) are lower than those the Wisconsin Court System was using. Of more concern, the maximum salaries and the midpoints in the salary ranges are generally higher than those used by the Court System. Employees in the Court System are generally earning less than their counterparts in the Executive Branch. Almost 40 percent of Executive Branch employees are at or near the maximum of their respective pay ranges, whereas only 11 employees (3 percent) in the Court System were listed at the maximum of their pay range in July 2004.
- While a distinct difference exists between the midpoint of a salary range and the average salary paid to employees in a similar position, it is notable that average salaries paid by private sector employers are higher than those at the Court System midpoint for most of the benchmark positions.
- Salary compression in the Court System typically occurs at the low end of current pay scales. This is contrary to the more common pattern, in which if there is salary compression it occurs at the high end of the pay scale. It appears that the pattern in the Court System is that employees are not moving up in salary ranges at a steady pace.
- Using the benchmark comparisons, the Executive Branch salary maximums range from 3.6 percent to 38.5 percent more than Court System counterparts.

Recommendations

We proposed that the Court System replace its eight pay systems with an integrated compensation schedule. Using the job rankings and the compensation survey, we linked the proposed schedule to external markets and to a systematic, internal evaluation. The proposed schedule has five overlapping pay ranges and incorporates the broadbanding concept discussed earlier.

Another major recommendation was to adopt policies that move employees through their respective salary ranges. As indicated, the Court

System has an unusually heavy concentration of employees at the lower ends of its current pay scales. The adoption of a new integrated salary schedule should be accompanied by policies that allow employees to move to higher ends of pay scales based on merit and longevity.

Performance Evaluation

To link pay to performance, a sound and accepted system must be in place to evaluate performance. Employee performance evaluation is inevitable and challenging. Even when there is no formal or systematic approach, supervisors, coworkers, and customers form opinions about the quality and quantity of work done by a particular employee. The advantage of a formal approach is that the performance of each employee is measured the same way. A good performance evaluation system will minimize the subjectivity of the evaluator. Preventing a supervisor from willfully exaggerating the positives or negatives of an employee's performance is difficult, but instruments can be designed to be used objectively and to limit abuses.

One approach to performance evaluation that allows for objective use is to focus on measurable results. This is appropriate when an employee is responsible for producing something tangible that

can be quantified. Another approach, used widely in government and not-for-profit organizations is to focus on behaviors. This approach uses statements describing outstanding, satisfactory, and unsatisfactory job behaviors to develop scales. One then places a particular employee at the level on a scale that best describes his or her performance during the past 12 months or some other time period.

Both an outcome and a behavior approach are appropriate for the jobs in the Court System. In some instances, it is quite possible to identify quantifiable outcomes that are job-related and over which an employee has control. In other cases, however, the job requires the kind of creative problem-solving or the kind of support to judges and justices that do not result in measurable outcomes. And in many of these cases, employees do not control the outcomes, even though they might have some influence. In these situations, it makes more sense to identify the kind of behaviors that are likely to contribute to the work of the Court in a valuable way. In these situations, it is more appropriate to use behavior scales. As part of our report, we developed a number of behavior scales and provided an explanation of how more might be developed. ♦



La Follette Policy Report

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