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THE ROLE OF THE STATES UNDER THE COMPREHENSIVE EMPLOYMENT
AND TRAINING ACT: A THREE STATE COMPARISON

DISSERTATION

Presented in Partial Fulfillment of the Requirements for
the Degree of Doctor of Philosophy in the Graduate
School of The Ohio State University

By
Janet M. Galchick, B.A., M.A.

****

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ACKNOWLEDGMENTS

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Fiscal Administration
Political Economy
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CHAPTER 1: INTRODUCTION

In December of 1973 the Comprehensive Employment and Training Act (CETA) was signed into law by President Nixon. This program was just one of several revenue sharing programs that presaged a new approach to intergovernmental relations. Among the major goals of CETA are to decategorize the existing manpower programs, to decentralize the decision-making processes, and to make the manpower delivery system more comprehensive than it had been under the older categorical grants-in-aid.  

Beneath these apparent goals, however, lies a much deeper philosophy toward federalism in the United States that represents a change in thought from the past. For many years after the ratification of the Constitution scholars and policy makers alike held that the proper way to deal with our multiple layers of government was through a system of "dual federalism" in which the states and the national government had autonomous areas of responsibility. In operating within these spheres, one level of government did not encroach upon the other. As the national government began to make inroads into traditional state concerns, especially during the Great Depression of the 1930s, "cooperative federalism" as a school of thought began to supersede the dual federalism idea. The proponents of cooperative federalism believed that power and responsibility were shared between the national and
state governments. Even from the beginning of the nation, they argue, powers and responsibilities were so intertwined that often they could not be separated out.

With the 1960s also came developments that highlighted economic and political processes in the federalist system in a new and different way. Patterns of revenues as well as of expenditures were brought to the forefront. "New federalism" became the popular intergovernmental philosophy. It meant that the national government would provide the funds for government programs because it is best able to do so. The states and localities would administer government programs, because it is believed that decentralized decision-making is more proper than strict national administration. The logical extension of new federalism is general revenue sharing: states and localities have few restrictions on how to spend their money from the national government.

Special revenue sharing programs provide for wide latitude within a certain functional area: manpower in the case of CETA. Under the provisions of CETA, states receive federal monies for two distinct purposes. Most of the funds are used for the administration of manpower programs in rural areas that do not qualify to receive these funds directly from the federal government. The second purpose for state level involvement in CETA is to spend money for statewide activities. Here, the state has some discretion on how the funds will be allocated.

The role of states in federal aid programs varies to some extent depending upon the policy area (Derthick, 1970). Some of these programs
and policies formally provide for a strong state role. In other programs such as CETA, states play a much less central role. The issue then becomes: to what extent are states able to gain any policy leverage, given that CETA was designed primarily for the cities? How do states maximize or minimize their role in CETA administration? These are two questions that my dissertation will address.

**IMPORTANCE OF INVESTIGATING THE ROLE OF STATES**

On the most general level, this dissertation serves two purposes one satisfying the more traditional concerns of political science and the other addressing the more recent interests of the discipline.

Looking at the administration of CETA from the perspective of the role of the states tends to highlight the interaction of governmental institutions in matters such as communication and overall influence. This dissertation will be a study, in part, of institutions—the stuff of which political science is made. Both Lowi (1973) and Dolbeare (1974) argue for more focus on governmental institutions in contemporary political science. This, they believe, is how the political scientist can best make an independent contribution within social science.

Additionally, my study of the role of states under CETA entails an examination of power relationships—another traditional concern of political science. Reagan (1972, p. 14) feels that studying power relationships is almost inherent in the study of intergovernmental relations:
Federalism is a subject of interest because it consists of adding an element of great complexity to political analysis, for in our federal context it becomes a matter for empirical investigation (and reinvestigation because of change) to determine who holds the balance of power and the more influential leverage regarding what each level of government shall do at any particular moment and with regard to any particular subject.

Leach (1970, p. 26), too, feels that the study of power is important to the study of federalism: "The heart of the question of power in a federal system is how powers are distributed among its units."

Studying the role of states under CETA also addresses some recent concerns of political science. In the past, many students of political science as well as public administration never questioned the belief that once a governmental policy passed Congress and was signed by the president, the administration of that policy by bureaucracy was automatic. This explains in part the division of political science and public administration. The former focused on how policy was formulated, and the latter focused on how policy was administered in pursuit of the law. To be sure, there were always those who felt that there were elements of "politics" in the implementation of governmental programs. But not until such studies as Pressman and Wildavsky's (1973) did questions of this nature become an independent and important line of inquiry. Pressman and Wildavsky's major theme was that just because a program has been signed into law, this does not necessarily guarantee that it will be administered according to the spirit of that law.

While I am not directly undertaking an implementation study, my dissertation will nevertheless incorporate this new line of thought. The CETA legislation and regulations are given. The policy has been
made. Implementation of the program will be observed from the perspective of the state—what impact it makes in administering CETA.

This dissertation will also speak to those who have seen a need to establish linkages between the various social sciences in the study of governmental policy. Only recently has the importance of viewing the entire context of policy been realized, e.g., the environment in which policy is formulated; the actual formulation of the policy; policy implementation; and evaluation of policy impacts. I will therefore attempt to integrate some relevant economic and sociological concerns with those of political science.

WHY THE STATES SHOULD HAVE A ROLE UNDER CETA

INTRODUCTION

The formal functions given to the states under CETA are broad and somewhat vague. This is because the program was designed for urban areas. Moreover, many scholars and decision-makers feel that the states should not have an important role in CETA or other areas of public policy. They believe that, because of deficiencies at the state level, it is now the weakest link in the intergovernmental chain.

The premise of this dissertation, however, is that states should have a meaningful role under CETA. Support for this premise comes from a variety of sources. Two such supportive bodies of literature will be discussed here: 1) theory of fiscal federalism; and 2) realities of contemporary intergovernmental relations.
THEORY OF FISCAL FEDERALISM

The theory of fiscal federalism contains an economic rationale for a meaningful state role. Oates, in his book Fiscal Federalism (1972), provides a framework that can be used to demonstrate the utility of state level actions.

He believes that the allocation function of government, i.e., finding an efficient pattern of resource use, is most amenable to federal divisions. The following criterion would be used to determine which government would provide what services (p. 14):

\[
\text{The central government would provide} \begin{cases} \text{certain public goods that influence significantly the welfare of all members of society.} \\ \text{Subcentral governments can supply those public goods and services that are of primary interest only to residents of their respective jurisdictions.} \end{cases}
\]

In theory, a government would be responsible for only the public goods that are within its specific jurisdiction. Stated differently, in an optimal sized government there would be a close correspondence between decision-making responsibility for the provision of a given public service and the benefitting geographical areas.

Several additional factors, however, help mitigate the possibility of achieving close correspondence. Oates identifies three: 1) inter-jurisdictional externalities or spillovers; 2) the costs of collective decision-making if special governments for each public good and service are to be created; and 3) consumer mobility and congestion.

Given these three mitigating factors, the states can play an important role in several ways. In dealing with the problem of externalities, states may well be in the most optimal position, given certain public goods and the existing alternative levels of government.
Local governments may be too small to sufficiently internalize the externality. Likewise, the national government may be less efficient, given the implications of Oates' Decentralization Theorem. He believes that "the levels of welfare of the residents of each jurisdiction must be at least as great, and in some areas greater, where \( \text{subcentral} \) governments cater to \( \text{subcentral} \) preferences, as compared to the case where the central government provides a single level of output for all localities (p. 36)."

Second, the presence of state governments helps to reduce decision costs where a public authority of the approximate scale is needed. Because the government already exists, citizens do not have to create a body that could provide the desired public services.

Third, because there is more mobility of persons within a state than between states, this problem of movement out of the relevant jurisdiction is minimized.

In manpower terms, there is an economic rationale for wanting a state role. Certain goals of the CETA program are deemed as desirable. These goals strive for a more efficient allocation of manpower resources (for example, eliminating duplication of services; improving effectiveness; increasing coordination and communication; providing useful labor market information; and focusing on the rural areas which are often ignored or underserved). In a sense, these are broader allocation problems that cannot be properly handled by local governments. The states, however, have the potential to address these issues. They seem to be the most appropriate existing government that can deal with the problems of misallocated resources.
REALITIES OF CONTEMPORARY INTERGOVERNMENTAL RELATIONS

A second body of literature that argues for a meaningful state role concerns pragmatic issues and the realities of contemporary intergovernmental relations. These realities suggest that the states are indeed an indispensable partner in the federal system.

The states are increasingly being called upon to finance public services. Moreover, state importance independent of the use of federal funds has been expanding. Both spending data and political analyses suggest that the state share of spending (measured in terms of original-source-of-money) has grown in this century. At first this increased share was at the expense of local governments; more recently it is at the expense of the national.

As it stands today in terms of state and local relations, the states are clearly emerging as the dominant partner in financing public services. Table 1 shows that the states' contribution is substantial. Regarding total general expenditures, the states' share is well over half. Even the lowest individual state's share is almost half.

There is more variation across particular functions. The states' share of highways and public welfare is about three-fourths. Local schools and health/hospitals account for an approximately 50% share for all the states combined. Just as significantly, the states are a large contributor to local governments in the form of intergovernmental payments. Table 2 shows that over one-third of state governments' revenues goes to local governments.
TABLE 1: PERCENTAGE OF STATE AND LOCAL GENERAL EXPENDITURES, FROM OWN REVENUE SOURCES, FINANCED BY STATE GOVERNMENTS: 1973-74

<table>
<thead>
<tr>
<th></th>
<th>Total General Expenditures</th>
<th>Local Schools</th>
<th>Highways</th>
<th>Public Welfare</th>
<th>Health and Hospitals</th>
</tr>
</thead>
<tbody>
<tr>
<td>All States</td>
<td>56%</td>
<td>47%</td>
<td>72%</td>
<td>78%</td>
<td>51%</td>
</tr>
<tr>
<td>Highest State</td>
<td>83%</td>
<td>97%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Lowest State</td>
<td>46%</td>
<td>8%</td>
<td>27%</td>
<td>34%</td>
<td>22%</td>
</tr>
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TABLE 2: SUMMARY OF STATE INTERGOVERNMENTAL PAYMENTS TO LOCAL GOVERNMENTS; 1944-74

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<th>Fiscal Year</th>
<th>Total Government Payments to Local Governments</th>
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<tr>
<td></td>
<td>Per Capita</td>
</tr>
<tr>
<td>1944</td>
<td>$14.00</td>
</tr>
<tr>
<td>1954</td>
<td>$35.00</td>
</tr>
<tr>
<td>1964</td>
<td>$68.00</td>
</tr>
<tr>
<td>1974</td>
<td>$218.00</td>
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Sharkansky (1972), therefore, has summed up these trends (p. 54): The central link in the argument that state governments deserve a better assessment is their record in providing financial support for public services. The states' financial muscle appears in their consistent and increasing portion of all governments' support of domestic programs. The states have remained strong when other governments weakened.

**State Accomplishments**

It is not enough that the states are more important in financial terms than they have been in the past. The real issue is whether this increased importance has helped local governments. In many cases the answer is: yes. The states have been capable of a number of innovations that have helped both levels of government.

On the broadest level, Sharkansky (1972) notes that many of the states' successes are with functions that are not immediately identifiable to the public, e.g., health regulations and licensing. Higher education is one particular field in which the states have made a meaningful contribution.

To be sure, there are still those who are quick to criticize the states, many times for justifiable cause. Sharkansky (1972), however, has clarified the apparent contradiction between those who talk of state abilities and those who talk of its inabilities (p. 77-78): "If financial resources represent some real accomplishments and opportunities of the states, some of their decision making procedures remain as problems [emphasis in original]." In other words, he implies that while the states do make decisions that matter and while their policy making role has increased, their effectiveness as program managers may at times be left wanting. Yet, it is the effectiveness
as program managers that can most easily be changed, once the problem areas have been identified.

Revenue Sharing

Although expenditure data suggests that the states play a key role in financing public services, the new federalism has actually given the states a role that is not commensurate with their other responsibilities. Several scholars have noted that the states have been bypassed in revenue sharing programs. Stephens (1976) discusses the change since revenue sharing (p. 25):

Available data on the division of federal aid between state and local governments for the period 1920 to 1940 shows 80 percent went to the states and 20 percent to local governments during an average year; between 1946 and 1971, there was a 90-10 state-local split. With the enactment of general revenue sharing and block grants, we are witnessing almost a total reversal of the recipient level from state to local as new grant programs are passed or old ones revised. . . In other words, at the same time that the states have been increasing their responsibility for delivering and paying for public services, federal programs are starting to give all or most of the aid to local government.

Stephens also believes that while the revenue sharing programs give broad latitude in program administration, they are nevertheless very rigid in terms of what political jurisdictions obtain what monies. State and local differences with regard to decision-making procedures are thereby not taken into account.

Gilmer, et al. (1975) suggest that new federalism has done more to increase state-local tension than it has done to alleviate them. They state (p. 776):

[f]ederal categorical grant programs have generally had a fairly positive impact on state/local relations—at least with respect to those programs where the states have had
well-defined responsibilities relating to the programs or where they have bought themselves a piece of the action in some manner. The federal programs that have served to exacerbate state/local relations... have been (1) those programs that have not been channeled through the state, or that (2) have required a special state agency to be established which in turn fostered completely new entities at the local level (quasi-public or private not-for-profit) to help manage the programs involved.

Given the arguments of Stephens and Gilmer, et al., one begins to see why the states should try to "buy themselves a piece of the action" under CETA and other revenue sharing programs.

First, the states are taking over the financing of other local public services, and they are doing a reasonably good job at it. It seems natural, therefore, that the states should be treated in a consistent manner by having them play an important role under CETA.

Second, to the extent that state-local relations are promoted when the former has a meaningful role in grant programs, such a role should be encouraged as much as possible under new federalism. Third, there is reason to believe that local governments would be better off if in fact the states have a meaningful role. Hydeman (1976) sees states helping local governments through technical assistance (p. 368):

The need [for technical assistance] is particularly urgent in smaller communities, with limited staff and expertise. Many of these communities get formula entitlement grants...

What happens then? They cannot expect technical help from federal agencies... The federal agencies do not have enough personnel... States are the logical choice for providing technical assistance and training to local governments.

The Advisory Commission on Intergovernmental Relations (1977) in their report on CETA, also believes that a stronger role for states
"can contribute substantially to the effectiveness of local prime sponsors' planning and operations (p. 69)." Thus local areas themselves have something to gain by meaningful state activities.

Given the arguments set out above, a case can certainly be made for a meaningful role in the federal system in general and CETA in particular. Yet, certain historical and political factors within manpower itself, aside from its role in new federalism, have created extra barriers for the states under CETA.

STATE ROLE IN THE POLICY AREA OF MANPOWER

As stated earlier, the role of states in formulating and administering policy, as well as their ability to gain leverage vis-a-vis the local and federal governments, depends in large part on the issue area involved. Derthick (1970) argues that (p. 15-16):

How the choice [for a state role] is resolved for any given program is likely to depend on the nature of the program, the extent to which states may already be involved in it, and the particular objectives or values of the sponsors and prospective administrators of federal aid. ... Aid has tended to go directly to local governments for new programs or those directed primarily to cities, such as public housing, urban renewal, and the antipoverty program.

The manpower programs had elements of both the old and the new. This has had implications for the CETA program in terms of the proper role of the states versus the local governments.

Competing purposes of traditional manpower programs also served to muddle somewhat the purpose of the subsequent CETA program, when several of these programs were brought together. Disparate goals such as serving the most disadvantaged persons; filling needed services in
the community; providing for a "labor exchange" to get the right person in the right job; and serving as an effective countercyclical device in times of recession all exist in manpower, thereby making it more complicated than other more focused federal programs. CETA compounded the problem of separate responsibilities for separate levels of government by collecting these goals in an unresolved fashion. For example, the first two purposes cited above might warrant direct aid to cities, the third goal suggests a state role, and the fourth purpose implies tight federal control.

The development of manpower policy has also failed to bring with it a presumptive program deliverer or agency on the state level, e.g., a state education agency in the case of federal educational funds. Under the categorical system of manpower grants, several state agencies were involved. The state Employment Service and state Vocational Education were probably the two most important agencies. To complicate matters further, these two organizations are not the primary administrative locations of the state CETA programs; a third CETA staff has usually been established elsewhere at the discretion of the governor.

Derthick has observed that federal influence increases in intergovernmental programs if there is an identifiable cadre of professionals at the state or local level with which to build support for federal desires, e.g., educators or social workers. Manpower has no comparable group of professionals. Federal government influence is dissipated somewhat because it must win the support of several state and local groups. However, this latter fact works as a two edged sword. Just
as the federal government cannot use professional groups to gain leverage in manpower, neither can those at the state level do likewise.

The special nature of manpower as a policy area provides some restrictions as well as some special opportunities for the development of a state role. How such a potential role has actually been translated into formal CETA legislation and regulations will be the subject of the next section. These regulations provide the backdrop against which I will gauge to what extent the state can and does have an impact in this special revenue sharing program.

THE FORMAL ROLE OF THE STATES IN THE CETA REGULATIONS

The major goals of CETA as delineated in the legislation and as stated earlier are threefold. The first goal is to decategorize the existing manpower programs. The second goal is to decentralize decision-making with regard to manpower policy. The third goal is to make the manpower delivery system for a given geographical area more comprehensive.

In order to achieve these goals, Title I (the comprehensive services title) provided for monies to go directly to decentralized areas. In this case the areas receiving funds are cities, counties, or contiguous combinations thereof (called consortia), with at least one city or county having a population of 100,000 or more. These "prime sponsors" (PSs) as they are called are to have as their signatory authority an elected official from the area. (Sometimes in the case of consortia, this becomes a board of relevant elected officials.)
Those counties which have less than 100,000 population, do not choose to enter into a consortium with an eligible PS (or are not contiguous to any eligible PSs), or are eligible PSs, but decide not to receive funds directly from the national government, become part of the "Balance of State" (BOS). Here, the governor of the state receives the monies directly for these counties and is the designated prime sponsor.

It is also here that we begin to see the authority that the states have regarding prime sponsorship. In terms of receiving Title I money as a PS under CETA, states are put on an equal footing with metropolitan cities and counties within their borders. (An exception might be where a state has no city or county with more than 100,000 population. In this case the state would be the only PS.) In fact the states may be considered worse off. This level of government is essentially left with "leftover areas" in which to administer their programs. Part of the philosophy of prime sponsorship and consortia is that single labor market areas should be responsible for their own CETA funds. Because of the geographical dispersion within BOSs, rarely could the counties in BOS be considered to be a single labor market area. Although the Title I funds in dollar amounts going to a BOS are usually quite large relative to the substate PSs, dealing with the goal of, say, comprehensiveness necessarily has to take on different meanings. One must conclude that, in this respect at least, CETA was meant for the cities.

Aside from the role as BOS, however, the CETA regulations have mandated activities for the states that are more in keeping with the
states' traditional position as a linkage between national and local governments. Ten percent of all Title I monies that are to go to the states' PSs is "taken off the top" and given to the state level for a "Special Grant to Governors" (also known as the Governor's discretionary grant). This Special Grant is to serve three purposes. According to the Federal Register these purposes are:

(1) Vocational education services for prime sponsors;
(2) The State Manpower Services Council; and
(3) State manpower services.

Five percent of this special fund is to go for vocational education services. This money is to be funneled through and administered by a vocational education agency at the state level. The method of allocating the money throughout the state is left open-ended for the state. The state notifies the Vocational Education board or agency of the total amount of 5% money available, as well as the relative share going to each PS within the state—and how these shares were determined. With the knowledge of what the relative shares will be, the state Voc. Ed. agency, through their representatives at the local level, enters into a nonfinancial agreement with each PS concerning how the money will specifically be spent for vocational educational training and related activities. This training and activities are for those persons who, according to the regulations, would be eligible to be served by a Title I program.

A small portion of the 10% special fund (1% monies) is to go for the support of a state manpower services council (SMSC). The SMSC is a body as large or as small as the governor of the state wishes,
but it must have at least the following representation: 1) at least one-third of the membership must be PS representatives; 2) a representative from the state Board of Education; 3) a representative from the state Employment Service; 4) state agencies that are manpower related; and 5) possible representatives from Business, Labor, community based organizations (CBOs), clients, and relevant minority groups. The purpose of the SMSC, according to the Federal Register is, among other things:

(i) Reviewing prime sponsor plans, proposed modifications, and comments thereon;

(ii) Reviewing State agency plans for providing services to prime sponsors;

(iii) Making recommendations to prime sponsors, agencies providing manpower services, the Governor, and the general public on improving the coordination and effectiveness of manpower services within the State;

(iv) Monitoring continuously (a) the operation of programs conducted by prime sponsors in the State and (b) the availability, responsiveness, adequacy, and effective coordination of State services provided by all manpower-related agencies. . . . The extent and procedures for monitoring prime sponsors and State agencies will be defined by the SMSC and publicized to all prime sponsors and State agencies affected prior to their being implemented; and

(v) Submitting an annual report to the Governor which will be a public document, and issuing such other studies, reports, or documents to the Governor and prime sponsors as the SMSC believes necessary to effectively carry out the Act.

The 12% money, in sum, is for proper staff support so that the SMSC can carry out the above functions.

Forty percent of the Special Grant is for the governor's discretion regarding statewide manpower services. The use of this money is quite open-ended. However, the CETA legislation and regulations do
list some broad guidelines: 1) money to be spent in a statewide coordination effort; 2) funds to help persons achieve their full occupational potential; 3) programs to facilitate communications between state and local levels; 4) programs to try to eliminate duplication of services and to fill in gaps in manpower services that each individual PS might miss; 5) money to provide special services to rural areas which may be outside of labor market areas; 6) funds to provide useful labor market information to PSs; and 7) special model and demonstration programs. The SMSC is advisory regarding the use of the 4% funds. The governor is the final decision-maker.

Given this brief description of the second formal duty of the states, i.e., that of manpower coordinator for the state, certain problems become evident regarding this task on paper as opposed to the states' actual ability to carry out the task. A first question one may ask is how formidable is this money—this 10% statewide Title I—in the overall scheme of CETA operations? The obvious answer has to be: not very much. Eighty percent of the Title I money in the state goes to the individual prime sponsorships. It is their own mandate to provide comprehensive and decategorized manpower services within their own areas. The Title I together with the Public Service Employment (PSE) Titles of II and VI (i.e., money for jobs in the public or private nonprofit sectors) provide individual PSs with enough money so that any funds they get from the state might appear to not matter much. For example, vocational education services are
usually provided within a PS even without the incentive of the 5% money coming from the state.

Just as the states cannot, at first glance, provide inducements for PSs from the size of the Special Grant alone, so too the states encounter difficulties because the regulations have been very vague on their role in monitoring PS plans and effectiveness. Without referring to any empirical data at this point, it is easy to suppose that PSs would resist any attempt at meaningful monitoring by the state. After all, they might reason, one of the goals of CETA was for the decentralization of manpower planning and administration. Having the state monitoring PSs might be viewed as tantamount to adding an extra, unneeded layer of bureaucracy.

Even supposing that PSs are knowledgeable about what the state is supposed to do in the way of coordination and monitoring activities, the problem still remains that Congress and DOL have given the states few sanctions to use against PSs if the latter deliberately decide not to comply with the state wishes. If a PS fails to comply with DOL objectives, DOL has the option of refusing subsequent money to that PS. (It is another matter whether or not DOL ever uses this sanction. But it is a potential sanction, nevertheless.) On the other hand, if a PS refuses to be monitored or fails to agree to coordinating activities by the state, there is little, if anything, the state can formally do about it.

In sum, then, as BOSs the states are put in a somewhat awkward position of being the equals of cities or counties which are PSs. As BOSs the national government views them no differently than any other PS grantee. As statewide manpower coordinators, states are
given a role that is commensurate with their traditional standing in the federal system. However, they are given no formal tools in which to carry out the role.

The arguments presented earlier point to the utility of a meaningful state role in the CETA delivery system. Given their formal and somewhat sparse authority and responsibilities, how can the states make the most of their mandate under the law? How do states gain leverage vis-a-vis other manpower actors as they function as both BOSs and statewide coordinators? Casting these questions in a social exchange/bargaining framework helps to illuminate possible answers and will be a major aspect upon which my dissertation will focus.

THE REMAINING CHAPTERS

Chapter 2 of this dissertation will contain the mode of analysis I will use to analyze the role of the states under CETA. Specifically, I will describe the major tenets of social exchange/bargaining, set out my working framework, pose hypotheses associated with state impact under CETA, and suggest indicators that will measure my dependent variables (state policy impact as BOS and as statewide coordinator).

Because a social exchange/bargaining framework focuses on interactions between groups, a case study approach seems to be the most appropriate method to examine state impact. For that reason, Chapters 3, 4, and 5 each will focus on three states (Ohio, Connecticut, and Arkansas) as case studies involving social exchange. The primary time period will be FY 76 and FY 77. Chapter 6 will look comparatively at the findings posed by the three state cases, toward some conclusions.
regarding state policy impact. Chapter 7 will examine to some extent the broader question of state effectiveness. This last chapter will also raise again the issue of states in the overall federal system.

One final point needs to be discussed here. Although the findings to be presented hold for the three states being studied, generalizability from three case studies to all states can be tentative at best. However, because of the costs (both in money and time) of this type of research, such findings can perhaps be seen as a step in the direction of determining the role of all states under CETA.
CHAPTER 2: STUDYING STATE ROLE THROUGH SOCIAL EXCHANGE/BARGAINING

COMPONENTS OF A MEANINGFUL STATE ROLE

INTRODUCTION

The state's mandate under CETA is both broad and vague. In its BOS role, it is given the responsibility of administering manpower programs in the rural counties of the state. These counties, because they are usually not part of any single labor market area, make program administration more difficult than is the case in substate prime sponsors with a central city. In the state's role as manpower coordinator, it must somehow bring together the programs of the individual prime sponsors into a coherent statewide manpower effort. Coordination must also be realized through the support of an active and responsible state services council, the governor's discretionary money, and funds in support of vocational education.

These broad and vague mandates become even more problematic because the CETA legislation and regulations give the state few resources to buttress its authority or sanctions to use against those under its jurisdiction. The individual state, therefore, must make the most of its rather weak position to develop a meaningful role in the CETA program.

One way of analyzing the success of the state in achieving such a meaningful role is to focus upon the results of interactions between
state actors and other manpower actors. The leverage that the state gains vis-a-vis these groups is an important component in gauging state success. The dynamic quality of these interactions also emphasizes changing relationships over time. For these reasons group interactions, rather than processes more systemic in nature, will be the primary focus in analyzing the states' role under CETA.

THREE CONCEPTS

Given the emphasis on group interactions, three concepts become important to the analysis.

State impact is the first concept. It refers to the capacity of the state to be in a more influential position than the groups with which it must come in contact. That is, a state has impact if CETA decisions reflect state level desires, and/or if these decisions can be construed as being favorable to achieving the state mandates under CETA. According to this definition, it does not matter if the presence of state impact has positive or negative effects.

A second important concept in investigating the role of the states under CETA is the notion of goal achievement. This refers to the state's ability to accomplish its own articulated goals. These goals can be manpower specific or not manpower specific.

State effectiveness is the third major concept to be analyzed. It essentially deals with the effects of state activity, by attempting to answer the following question: What difference does it make that the state level of government is involved in the CETA program?

In the state's BOS role, effectiveness is measured by comparing the Title I programmatic performance of the states with that of substate
prime sponsors. For example, an effective BOS program would be able to serve more CETA participants at a lower cost than perhaps substate prime sponsors.

Gauging effectiveness in the states' manpower coordinator role is somewhat more difficult. There are several reasons for this. First, effectiveness in this role is closely linked to notions of state impact. Decisions that reflect state desires may well mean that the state is also able to alter the course of the statewide manpower effort. Second, there is no nonstate actor performing similar coordinating functions. State abilities can only be evaluated in its own terms, rather than in comparison to "objective" performance criteria.

Therefore, state effectiveness in the manpower coordinator role contains several broad aspects: 1) a qualitative concept dealing with state capacity to positively enhance the manpower direction of the state; and 2) a concept with some kind of statewide standard of what can be accomplished in this role, realizing that this standard is not a perfect one.

**Dissertation Focus**

State impact under CETA will be the primary concern of this dissertation. I will investigate to what extent the state, in each of its roles, is in a position of influence that affects the course of the CETA program.

As a secondary emphasis, it is important to investigate the achievement of articulated state goals. Level of goal achievement is a useful surrogate for the ability of the state to link ends with means.
In the last chapter of this dissertation I will devote some attention to state effectiveness under CETA. While the data presented in assessing effectiveness will by no means be conclusive, they will nevertheless suggest some tentative conclusions.

Role of Social Exchange/Bargaining Theory

Because group interactions are the most appropriate focus for investigating the state role under CETA, social exchange/bargaining theory provides a useful foundation for the analysis. Many of its concepts offer guideposts for examining state actions and reactions vis-a-vis other actors involved in CETA decision-making.

THEORY OF SOCIAL EXCHANGE/BARGAINING

EXPLANATION OF SOCIAL EXCHANGE/BARGAINING

The major works done on this aspect of interpersonal relations are by such scholars as Blau, Homans, and Gouldner. Blau, especially in his work, *Exchange and Power in Social Life* (1964), sets out the assumptions underlying social exchange, the processes involved, and certain consequences that result from social exchange.

In exchange theory there are several assumptions about human relations that provide a useful way of looking at the world. Blau (1974) presents what he feels is the cornerstone to social exchange (p. 204):

The basic assumptions of the theory of social exchange are that men enter into new social associations because they expect doing so to be rewarding and that they continue relationships with old associates and expand their interaction with them because they actually find doing so to be rewarding.
Gouldner (cited in Manley (1970, p. 61)) too sees several assumptions underlying exchange theory: "Specifically, I suggest that a norm of reciprocity, in its universal form, makes two interrelated, minimal demands: (a) people should help those who have helped them, and (b) people should not injure those who have helped them." Blau (1964) sees two necessary conditions for social exchange to occur (p. 5): "It must be oriented toward ends that can only be achieved through interaction with other persons, and it must seek to adapt means to further the achievement of these ends." Social exchange is a goal oriented activity and any interaction that takes place presumably helps to achieve the given goal.

Given these broad conditions, then, exchange theory can be described as follows. People perceive social interaction with other individuals or groups as being rewarding, or providing benefits to them. Therefore they try to convince those individuals or groups of this fact: that interaction and association will produce benefits for all concerned. However, the interaction does not produce only benefits. Costs are also involved, i.e., the individuals must give up something to get something. This primarily takes the form of doing a favor for someone else, without exactly knowing if and when the favor will be reciprocated. It is this important component of social exchange--the development of trust between individuals--that helps cement relationships.

Several authors have likened social exchange to the better known economic exchange. Indeed there are many similarities. Blau (1974) sees such a relationship. He believes (p. 210):
Economic exchange may be considered a special case of the general phenomenon of exchange, with social exchange being the excluded residual category. Many social benefits have no price, either because they are never traded on an economic market, as in the case with social support, or because they are not so traded in this instance.

Yet, there are several major differences with economics which help shed even more light on the meaning of social exchange. Blau (1964), on the one hand, claims that in economic exchange the terms of the transaction are known to all and that payment or repayment is known in advance when it will occur. Social exchange, on the other hand, is much more ambiguous. A favor is done for one person or group, but it is unclear how and when that debt will be repaid. This ambiguity therefore becomes one of the cornerstones—that someone is in someone else's debt for an undetermined period of time. A second divergence from economic exchange is the role that persons and groups play in the exchange itself. Blau (1960) makes the following observation (p. 548):

In contrast to economic markets, where a firm's competitors are distinct from its customers (other firms which sell the same product are generally not its customers), a group member's competitors are identical with the 'customers' whose output of attraction is the object of the competition for popularity.

Thus, while social exchange can be patterned somewhat after economic exchange, there are important differences that must be taken into account.

There are a number of side issues and consequences from the basic social exchange as presented above. Some of these, as will be seen, are directly relevant to the study of the role of the states under CETA. The concept of power, perhaps, is most relevant. While there are wide divergences and disagreements as to the definition and identification
of power within political systems, the definition that will be used in this dissertation is the one set out by Blau. His description of how power is attained can be summarized as follows. As social exchanges are made, there will inevitably come a point where rewards are at an imbalance. One person or group, due to superior qualities or other such attributes, will become the major supplier of rewards to others. Status inconsistencies will therefore develop, with the supplier being put in more or less a superordinate position over the receivers of the rewards. According to Blau (1974, p. 211): "The recurrent unilateral supply of important benefits is a basic source of power." Once this pattern has been established, a transformation then occurs. While under the normal processes of exchange social debts are repayed at the discretion of the person or group who owes the debt, under the new arrangement, the debts are repaid at the demand of the major unilateral supplier. Since there was a reason for this arrangement developing in the first place, virtually the only way that the subordinates repay their debts is through the legitimation of the person or group in the latter's power position, especially by putting peer pressure on those who might challenge that power. An ironic point about this whole process is that as the power relationship is established, it becomes less and less necessary to supply as many of the rewards that originally contributed to the supplier's position of power. Therefore Blau (1964) defines power as the "ability of persons or groups to impose their will on others despite resistance through deterence either in the forms of withholding regularly supplied rewards or in the form of punishment" (p. 117). Through legitimation, the powerful one is able to get by for less.
All of this, as with any social organization, is not entirely static.

Blau states (1964, p. 7):

Although there is a strain toward reciprocity in social relations and a strain toward equilibrium in social structures, the same forces that restore balance or equilibrium in one respect are imbalancing or disequilibrating forces in others, which means that the very processes of adjustment create imbalances requiring further adjustments.

There is a problem that the powerful one himself must face. It is a dual dilemma, a concomitant problem to the one discussed above. On the one hand, the person or group must be in the role of a superordinate and make sure that the favors and rewards that he gives are unreciprocated. At the same time, the person or group must be able to win and keep the social approval of those over whom he or it has the power. This would entail accepting a level of favors or rewards from subordinates in order to maintain some modicum of legitimation.

Manley (1970), for example, believes that bargaining with those who are to be subordinate is important in sustaining power. Skillful bargaining with others is the mark of influential leadership. In the context of Congress, Manley makes the following observation (p. 131):

Those men whose influence transcends their own vote have made use of whatever limited formal advantages they are given plus the vital factor of their skill at exchanging benefits with their colleagues.

A similar problem of leadership, according to both Manley and Blau (1964) is one of creating unity and minimizing conflict within the group. Blau asserts it is much easier to accomplish in a smaller group where there is little diversity and differentiation among individuals. Also, it is much easier within a group that has common goals and shared interests.
SOCIAL EXCHANGE/BARGAINING IN POLITICAL SCIENCE

The social exchange framework is not unknown in political science studies. This approach has been used in studies of congressional committees. As already seen, Manley (1970) has made heavy use of exchange theory in his study of the Ways and Means Committee of the House of Representatives. Fenno (1973) also used some of the concepts of exchange theory in his study of congressional committees.

Thus, this social exchange/bargaining has been used successfully in the study of governmental institutions. The major institution to be studied by this approach, however, has been the Congress. Regarding government bureaucracies, little work has been done except, perhaps, by Blau himself (1963). This has usually been the domain of sociologists and organizational theorists.

It is my belief that borrowing some aspects of the social exchange/bargaining approach will be useful in studying the role of the states under CETA. As a PS, the state is given no more "bargaining" resources than any other substate PS. As the statewide coordinator of manpower efforts, the state is given a formal role but less than totally adequate resources to carry out the role and, in effect, no sanctions over PSs. The crux of the matter then becomes: To what extent does the state have some impact through the skillful use of bargaining in interacting with other relevant actors.

ADMINISTRATIVE STAFF AS THE UNIT OF ANALYSIS

The setting in which I will investigate state impact will be the administrative staff of CETA at the state level. As already mentioned
in Chapter 1, the governor is the designated prime sponsor for receiving the BOS funds. He is also the final authority in making decisions regarding the special Grant. Yet there is much empirical evidence to suggest that political officials in all types of PSs do not get very involved at all with the day to day details of CETA, especially regarding the manpower programs offered under Title I. One would expect this to be especially true of governors, if for no other reason than that their responsibilities are so much greater than that of mayors and county officials at substate levels. Thus decision-making on most matters, and particularly day to day operations, are delegated to a CETA administrative staff, usually located within a (manpower related) state level department. This administrative "professional" manpower staff will then become the unit of analysis for purposes of this dissertation. Any role that the state plays or does not play will essentially be due to the activity/non-activity of this staff.7

FRAMEWORK FOR STUDYING THE ROLE OF THE STATES UNDER CETA

INTRODUCTION

The social exchange/bargaining theory contains a number of concepts that will help me analyze the results of group interactions and state impact in the CETA program. These concepts are similar to those used by Fenno (1973). His own framework can be described as follows (pp. XIV - XV):

The members of each congressional committee have certain goals that they want to achieve through membership on a committee.
If there is a high level of consensus on goals, they will organize their committee internally in ways that seem likely to aid them in achieving these individual goals. However, each committee operates within a distinctive set of environmental constraints—most particularly the expectations of influential external groups. Committee members will, therefore, also organize their committee internally in ways that seem likely to satisfy the expectations of these groups that make up their environment. The members of each committee will develop strategies for accommodating the achievement of their individual goals to the satisfaction of key environmental expectations. These strategies become the proximate premises on which each committee's internal decision making processes are based. From these strategies, operationalized as decision rules, flow committee decisions.

Fenno's framework provides the core from which my analysis is derived. Specifically, the interrelationships of the various exchange factors in state impact under CETA is set out in Figure 1.

Each of these factors in turn contains aspects on which the analysis will focus. These aspects suggest possible explanations for the level of state policy impact under CETA.

Before I set out these explanatory aspects, I will first describe the exchange components as well as the linkages between these components as shown in Figure 1.

ENVIRONMENTAL CONSTRAINTS

Groups

The most important environmental constraints are the groups with whom the state staff must interact in order to achieve its goals. This is the crux of social exchange/bargaining. Oftentimes these external groups have more resources than the state staff; it is through bargaining skill that the latter does or does not achieve a high level of impact.
FIGURE 1: FACTORS IN STATE IMPACT UNDER CETA
Although the specific external groups vary from state to state, they will, more often than not, be among the following: 1) State and local political officials, such as the governor, relevant members of the governor's cabinet, other close officials, local mayors, and chief county officials. As stated earlier, political officials' involvement in CETA is not great, but at times it serves as a formidable constraint. 2) Service deliverers. Service deliverers are the agencies that receive funding to operate specific programs from the PS (or to operate programs under the Special Grant 4% or 5% funds). The BOS receives federal money and in turn subcontracts for manpower programs that it wants operated within a given area. These subcontractors in many cases were local level deliverers under the former categorical system of manpower programs. (For example, Community Action Programs (CAPs) operated a number of these programs.) Because service deliverers vie for funds that the state staff has as its disposal, they often serve as a powerful constraint. 3) Other prime sponsor professional staffs within the state. They become a force when the state tries to perform its role as coordinator of manpower activities. There is already some empirical evidence to suggest that there is resistance from other prime sponsors in what they perceive as an encroachment upon their independence. 4) The state manpower planning council. According to the regulations, issues regarding the administration of CETA (e.g., what agencies should be subcontractors, what particular manpower programs should be emphasized in the PS, what persons or demographic groups should be given priority service, etc.) are to be brought before a citizens' advisory council for input and review. Every prime sponsorship must
have such a manpower planning council, including the BOS. Like the
state services council, certain groups must be represented on the
planning council, such as program participant representatives, business,
and labor. 5) State Manpower Services Council. This council was
discussed earlier. In itself, it may be an environmental constraint,
although much of its constraining ability may well be derived from
the individual groups that help comprise the services council (e.g.,
representatives of the state's PSs). 6) Federal representatives. In
order to ensure that a PS is complying with the law as set out in the
regulations, the Regional Departments of Labor (RDOLs) provide for a
field staff. Fed reps are therefore assigned to an individual PS.
In larger PSs there may be more than one fed rep who visits on a regular
basis. Or, one fed rep may be assigned to several smaller PSs. An
RDOL may, in addition to assigning a fed rep to a BOS, also assign a
second one to a state staff to monitor only the Special Governor's
Grant. A fed rep as a spokesperson for RDOL carries that agency's
goals as well as his own for the state. He can be a formidable con­
straint, especially where the state goals do not complement the former.

These six actors comprise the major groups from the environment
that compete with the state staff for influence in the CETA program.
Under certain circumstances some groups will be more active than others.
In certain spheres they will have more resources that they can bring to
bear against the state staff. It is the results of these circumstances
and spheres that I want to explore to determine if the state staff
can achieve a position of influence.
Non-Group Constraints

Environmental constraints other than groups may be important contributors to state impact, even though they are not a direct part of bargaining relationships. Non-group constraints are among the following:

1) Economic conditions of the state. Economics perhaps can always be seen as a constraining factor. The level of unemployment, features of the labor market, unemployment among various subgroups within the state, all help to set the stage for the development of state impact.

2) Budget constraint. While this is inextricably tied to economic conditions within the state, it is often seen as an entity in and of itself. The fact that budgets increase or decrease according to the application of the distribution formula for Title I certainly affects the establishment of realistic goals for both the EOS and the statewide coordination efforts.

3) Political traditions. A state's political traditions implicitly influence the decisions of a state staff, and in effect serve as a very formidable constraint.

4) Historical factors. This is closely linked to political traditions. However, it also includes such factors as the importance of manpower in the state relative to other functional areas; traditional processes in state government, the role of the state agencies in general, pre-CETA manpower service delivery, etc.

5) Federal guidelines concerning operations. This is a very explicit constraint, but one that can be reinterpreted or even circumvented with the appropriate skill.
INTERNAL WORKINGS OF THE STATE STAFF

Nature of Goals

Nature of goals includes both the identification of staff goals and some broad explanations about the nature of these goals. There are two categories of goals that will be examined in depth. The first is a rough aggregate of individual staffers' goals, which are referred to as "dominant goals." The second category focuses on individuals' goals in cases where the individuals are in a high enough position potentially to affect the CETA program. In these categories, goals need not be CETA specific nor even manpower specific. However, exchange relationships can be expected to differ greatly depending upon the nature of these staff goals.

Identifying these goals in the context of environmental constraints will take several forms: 1) gleaning such goals from plan narratives of the various titles; 2) inferring explicit or implicit goals from interviews; and 3) inferring goals from observation of behavior.

Organization

According to the framework, the nature of the goals helps shape the organizational relationships. The state staff exhibits tendencies similar to any government bureaucracy, such as the levels of differentiation or integration within the organization and how this differentiation/integration sets the stage for exchange and bargaining, and ultimate state impact. At the broadest level, I will look at the manner in which the Special Grant and the BOS functions are handled administratively. There are three possibilities that might be explored:
1) No differentiation at all between the BOS staff and the Special Grant staff. An example of this would be where a staff person with the job title of "planner" would do labor market analyses, project manpower needs, etc. for both the Title I plan and the Special Grant plan.

2) Separate staffs for each state function within the same overall administrative structure. Under, say, the chief professional staff person there would be separate BOS units and Special Grant units.

3) Separate staffs for each state function under totally different administrative structures.

Other relevant organizational decisions that are linked to staff goals in the context of environmental constraints are: 1) the state staff's organizational relationships to other manpower related state agencies; 2) the size of the state staff; and 3) differentiation of function within the state staff in addition to the BOS/Special Grant divergence.

Some organizational arrangements in the case of the CETA state staff are not controlled by the staff, but rather by such persons as state political officials. But many arrangements are controllable by the staff. Those that are not will be looked at in terms of environmental constraints; those arrangements that are controllable will be linked more closely with goals.

**Decision Strategies**

Decision strategies, or internal rules concerning state operations, are important components in studying the role of the state. These strategies help determine the level of state impact resulting from a number of policy decisions.
Given the focus on group interactions, perhaps the most important decision strategies are those that deal with the environmental groups in a direct way. Since state impact means state influence over other manpower actors, one would expect that strategies that are developed are done so within the context of these group constraints.

DECISION PROCESSES AND DECISIONS

From the decision rules that have been devised to help implement state activities, decision processes are set in motion and decisions themselves are somehow made. A "pure" social exchange/bargaining approach might make a clear distinction between decision processes and actual decisions. This dissertation will treat the two as one, because the result of interactions, rather the interactions per se is the major focus.

Decision processes and decisions reflect the social exchange/bargaining that has occurred between the state staff and the actors that comprise the environment. These processes and decisions essentially focus on the following: 1) For the state as BOS, the Title I planning process and subsequent decisions that occur during the spring and summer. Also, certain decisions regarding the operational side of Title I, as well as some important PSE decisions will be investigated. 2) For the state as manpower coordinator, the Special Grant planning process and subsequent decisions. Also, several issues that might be addressed throughout the year are a) coordinating manpower related state agencies; b) filling in gaps and pointing out duplications in the state manpower effort; and c) monitoring the PSES within the state.
Policy Impact. The concept of state policy impact has been discussed at the beginning of this chapter. As might be expected, in the broader context of the framework, impact is subsumed under decision processes and decisions as well as under the results of exchange. Therefore, processes within and between the other components set the stage for that which is to be explained: the level of state policy impact.

In looking at policy impact as a dependent variable, some distinction has to be made regarding the state's role as a BOS as well as its role as statewide manpower coordinator. These two state functions will be kept separate and investigated independently of one another for several reasons: 1) although it is all CETA money coming from the same source, the funds for the two state functions have different planning, spending, operating, and reporting requirements; 2) most manpower actors perceive the distinction between the two functions of the state; and 3) looking at the two functions separately permits more "cases" to be analyzed. Moreover, it is certainly possible that a state may have impact in one function but not in the other. This kind of information is not lost when these two formal roles are separated from the start.

Because policy impact in both state roles essentially represents state influence in a social exchange/bargaining setting, a set of objective indicators is needed to measure the degree of impact. This will be addressed in the next section.
HYPOTHESES IN DETERMINING STATE IMPACT

INTRODUCTION

The framework presented in Figure describes the major components that have been borrowed from social exchange/bargaining theory for use in this dissertation. Moreover, the framework suggests the linkages between the major components that ultimately help explain state policy impact.

Given this type of framework, a subsequent analysis can go in one of two directions. On the one hand, the analysis might focus on the components themselves. The components could be refined, and their relationships with the dependent variable could be explored. On the other hand, the analysis could focus primarily on the linkages between the components. Special attention would be given to how the different processes evolve and interrelate. Focusing on one analysis does not necessarily mean that the other is excluded altogether or that it is less important. Rather, it is merely a matter of emphasis and maximizing the possibility of answering the questions at hand.

For purposes of this analysis, I have chosen to focus on the components of the framework. There are three reasons for this choice: 1) it potentially sheds more light on the level of state policy impact; 2) it allows for more standardization across states; and 3) it permits the investigation of a greater number of decisions over a larger time frame.
EXPLANATORY VARIABLES

There are a number of hypotheses concerning the impact of the state in the two state functions that will be examined. The explanatory variables that are chosen for study are taken from all components of the working framework. These variables, hypotheses, and other pertinent information are described in Tables 3, 4, 5 and 6. There are separate tables for the state as BOS and as statewide manpower coordinator, because of the realization that different factors are important to increasing state impact in these two distinct functions.

Although the emphasis is on the components, social exchange/bargaining is a dynamic event. For this reason, the explanatory variables will be handled in the following way. I will examine through case studies the social exchange/bargaining of three states: Ohio, Connecticut, and Arkansas. To capture the dynamic quality, I will treat the explanatory factors as "building blocks" for these three different cases. In other words, I will use the independent variables as a way of organizing the analysis. I will go in the direction that the independent variable has taken by discussing at some length the exchange/bargaining setting. Finally, I will assess the contribution to state impact that the independent variable makes within that setting.

As stated earlier, policy impact, as subsumed under decision process and decisions, can best be handled through a set of objective indicators for each state function. It is even more desirable to have a set of quantitative indicators in which to measure the policy impact of the two state functions in each of my three states. Often, however,
<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>HYPOTHESIS</th>
<th>RATIONALE</th>
<th>DATA COLLECTION</th>
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<tbody>
<tr>
<td>1) number of environmental groups</td>
<td>State impact increases where there are fewer environmental groups</td>
<td>Not as many groups to bargain with</td>
<td>Interviews; observation</td>
</tr>
<tr>
<td>2) Organization of environmental groups</td>
<td>A lower number of associations involving environmental groups increases state impact</td>
<td>More &quot;leverage&quot; for the state; less for others</td>
<td>Interviews; observation</td>
</tr>
<tr>
<td>3) Political traditions</td>
<td>&quot;Centralistic&quot; political traditions increase state impact</td>
<td>Political traditions that are not supportive of states put the state staff at a disadvantage vis-a-vis environmental groups</td>
<td>Literature on political traditions; observation</td>
</tr>
<tr>
<td>4) Changes in Title I funding</td>
<td>Substantial change (greater than 10% after adjusting for inflation) increases state impact</td>
<td>Increase: easier to increase state functions without cutting off other groups. Decrease: everyone must be cut—but state functions are cut least</td>
<td>Federal Register; Employment and Training Reporter</td>
</tr>
<tr>
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<td>1) Dominant goals that are manpower specific</td>
<td>A dominance of manpower specific goals among the state staff increase state impact</td>
<td>More attention is focused on the formal &quot;purpose&quot; of the state staff</td>
<td>Interviews; observation</td>
</tr>
<tr>
<td>2) Attention to national goals</td>
<td>Attention to and dominance of national goals increase state impact</td>
<td>&quot;Federal mandates&quot; can be used as a bargaining device vis-a-vis environmental groups</td>
<td>Interviews; observation; plan narratives</td>
</tr>
<tr>
<td>3) Commonality of goals</td>
<td>Goals that are widely shared among state staff increase state impact</td>
<td>State staff is able to be a &quot;united front&quot; against environmental groups</td>
<td>Interviews; observation</td>
</tr>
<tr>
<td>4) Organizational relationships with manpower related state agencies</td>
<td>Close organizational relationships with manpower related state agencies increase state impact</td>
<td>Close ties encourage rapport, a greater willingness to work together</td>
<td>Interviews; observation; organizational charts</td>
</tr>
<tr>
<td>5) Separation of Titles within the BOS organization</td>
<td>Separation of Titles within the BOS organization increases state impact</td>
<td>More specialization increases overall bargaining power</td>
<td>Interviews; observation; organizational charts</td>
</tr>
<tr>
<td>6) Articulated strategies for dealing with environmental groups</td>
<td>Articulated strategies for dealing with environmental groups increase state impact</td>
<td>Cognizance of the need to deal with these groups helps state staff prepare for interaction with them</td>
<td>Interviews; observation; written documents</td>
</tr>
<tr>
<td>7) Information hiding strategies</td>
<td>Information hiding strategies increase state impact</td>
<td>Concealing information helps create and maintain a superior position</td>
<td>Interviews; observation</td>
</tr>
<tr>
<td>VARIABLE</td>
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<td>Interviews; observation; organizational charts</td>
</tr>
<tr>
<td>4) Separation of Special Grant staff from BCS staff</td>
<td>Separation of the Special Grant staff from the BOS staff increases state impact</td>
<td>More staff time devoted exclusively to statewide functions</td>
<td>Interviews; observation; organizational charts</td>
</tr>
<tr>
<td>5) Size of Special Grant staff</td>
<td>A larger Special Grant staff helps to increase state impact</td>
<td>Helps to insure adequate attention to statewide functions</td>
<td>Interviews; observation; organizational charts</td>
</tr>
<tr>
<td>6) Articulated strategies for dealing with environmental groups</td>
<td>Articulated strategies for dealing with environmental groups increase state impact</td>
<td>Cognizance of the need to deal with these groups helps state staff prepare for interaction with them</td>
<td>Interviews; observation; written documents</td>
</tr>
<tr>
<td>7) Aggressive strategy for obtaining Regional Department of Labor support</td>
<td>An aggressive strategy for obtaining RDOL support helps increase state impact</td>
<td>RDOL can be an important ally for the state staff in achieving its goals</td>
<td>Interviews; observation</td>
</tr>
<tr>
<td>8) Information sharing strategies</td>
<td>Information sharing strategies increase state impact</td>
<td>Information sharing reduces the possibility of any formidable environmental group feeling &quot;threatened&quot;</td>
<td>Interviews; observation</td>
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</table>
the indicators that must be used in a policy study are imperfect at best. For this reason, two caveats must be kept in mind: 1) finding adequate policy indicators is generally a very difficult task; and 2) all dimensions of state policy impact under CETA may not be tapped by the indicators.

Given these caveats, the indicators that I have chosen to measure the dependent variable of state policy impact in each of the two state functions are listed in Tables 7 and 8. The interpretations that I have given for each indicator suggest high, medium, or low levels. Aggregating the individual rankings for each state function and using an appropriate scoring technique will yield an overall level of policy impact that is high, medium, or low. (See Appendix A for a more detailed discussion of this.)

Because objective indicators are being used to measure state policy impact, there is some need to reconcile this measure of impact with the goal-oriented behavior that the whole social exchange/bargaining process exemplifies. On the one hand, goal achievement by the state staff in terms of successful bargaining may not necessarily be accompanied by policy impact. Too, if goals of both state staff and formidable environmental groups are the same, the achievement of these goals does not even signify successful bargaining on the part of the state staff.

It is the case that the indicators of policy impact do contain implicit goals that a state staff "should" have in order to increase this impact. Knowledge of the CETA program as well as the observations of other scholars have led me to believe that these are reasonable aspirations for a state staff. Yet, in order to reconcile this with
<table>
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<th>DATA COLLECTION</th>
<th>INTERPRETATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Monetary commitment to state agencies, Title I</td>
<td>% of Title I funds to state agencies, FY 75 - FY 77</td>
<td>Use of state agencies is one vehicle through which state impact is realized.</td>
<td>Contract information; planning documents</td>
<td>Increasing commitment indicates state impact</td>
</tr>
<tr>
<td>2) Level of work experience in Title I</td>
<td>% Title I program fund for work experience, FY 75-FY 77</td>
<td>Set out in Rawlins (1975). The state is not usually a deliverer of work experience program.</td>
<td>Quarterly progress reports</td>
<td>Decreasing commitment to work experience indicates state impact</td>
</tr>
<tr>
<td>3) Limits on work experience participation</td>
<td>The BOS policy regarding the amount of time a participant may be enrolled in a work experience program</td>
<td>There had been no real limits prior to CETA. If they are imposed, the state has imposed them.</td>
<td>Interviews, planning documents</td>
<td>The greater the limitations, the greater the impact of the state</td>
</tr>
<tr>
<td>4) Change in articulated local decisions, Title I planning</td>
<td>Comparison of articulated local board desires and subsequent decisions in Title I planning for FY 77</td>
<td>The degree of change indicates the extent to which the state is willing to disregard local desires</td>
<td>Written documents</td>
<td>The greater the changes within a single local board and across local boards, the greater the impact of the state</td>
</tr>
<tr>
<td>5) State agencies as PSE employing agencies</td>
<td>% of PSE jobs with state agencies, FY 75 - FY 77</td>
<td>The allocation of PSE jobs between state and local agencies involves &quot;political&quot; decisions. More jobs for the state means more control at the state level</td>
<td>Titles II and VI planning documents</td>
<td>Increasing use of state agencies indicates state impact</td>
</tr>
<tr>
<td>6) Perceptions of state impact</td>
<td>&quot;Tone&quot; of interviews with state staff and other state and local actors; results of closed ended questionnaire items</td>
<td>One dimension of impact is that states are perceived as having impact</td>
<td>Interviews; observation</td>
<td>State impact if consensus in that direction</td>
</tr>
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</table>

* Work experience programs, like PSE, are often considered to be "shorter term" manpower programs in that the benefits to participants extend little farther than income maintenance or the jobs themselves. Many feel that "longer term" programs such as classroom training or on-the-job training (OJT) are more valuable because they offer concrete skills to participants that will help them in the long run.

Because of the low overhead in operating work experience programs, rural counties have traditionally emphasized this type of manpower program.
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<th>DATA COLLECTION</th>
<th>INTERPRETATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) State agencies as 4% deliverers</td>
<td>% of all 4% projects that have state agencies as deliverers, FY 75 - FY 77</td>
<td>Use of state agencies is one vehicle through which state impact is realized</td>
<td>Contract information; Special Grant plan narratives</td>
<td>Increasing commitment indicates state impact</td>
</tr>
<tr>
<td>2) Monetary commitment to state agencies as 4% deliverers</td>
<td>% of 4% funds to state agencies, FY 75 - FY 77</td>
<td>Use of state agencies is one vehicle through which state impact is realized</td>
<td>Contract information; Special Grant plan narratives</td>
<td>Increasing commitment indicates state impact</td>
</tr>
<tr>
<td>3) 4% research, development, and demonstration projects</td>
<td>% of all 4% projects that are research, development and demonstration projects, FY 75 - FY 77</td>
<td>Set out in Murphy (1974). These are areas in which a state can potentially excel</td>
<td>Special Grant plan narratives</td>
<td>Increasing commitment indicates state impact</td>
</tr>
<tr>
<td>4) New 4% projects</td>
<td>% of 4% projects that are new, FY 76 and FY 77</td>
<td>Set out in Murphy (1974). Indicates the extent to which the state is free from being locked into existing projects</td>
<td>Special Grant plan narratives</td>
<td>More new projects over time indicate state impact</td>
</tr>
<tr>
<td>5) Type of 5% Voc. Ed. allocation formula</td>
<td>Use of an incentive Voc. Ed. formula or &quot;off the top&quot; funding in the allocation of 5% funds, rather than the Title I formula or no formula</td>
<td>Control at the state level is more assured with an incentive or &quot;off the top&quot; formula</td>
<td>Special Grant plan narratives</td>
<td>Consistent use of an incentive Voc. Ed. formula or &quot;off the top&quot; funding indicates state impact</td>
</tr>
<tr>
<td>6) Perceptions of state impact</td>
<td>&quot;Tone&quot; of interviews with state staff and other state and local actors; results of closed-ended questionnaire items</td>
<td>One dimension of impact is that states are perceived as having impact</td>
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<td>State impact if consensus in that direction</td>
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</tbody>
</table>
goals the state staff has developed for itself, I will try to take both factors into account. Just as policy impact may be described as low, medium, or high, so too will state staff goal achievement be judged similarly, although in a less rigorous way.

Rankings of each state role for the three states will be noted in a 3x3 table showing both the level of policy impact and the level of goal achievement (see Figure 2). State functions that fall in cells 1, 2, 4, or 5 exemplify successful social exchange/bargaining. In these situations the level of policy impact is reasonably high. Just as importantly, there is a medium to high level of goal achievement.

State functions that fall in cells 3 or 6 suggest "misplaced exchange." The staff does reasonably well in what it wants to do, but it seems to be a step away from making an impact as I have defined it.

Cells 7, 8, and 9 represent staffs that are unsuccessful bargainers. Although they might make an impact in the objective sense, they simply cannot achieve their goals, either because the staff itself lacks direction, or because of formidable environmental groups.
### FIGURE 2: STATE POLICY IMPACT AND GOAL ACHIEVEMENT

<table>
<thead>
<tr>
<th>State Policy Impact</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
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</thead>
<tbody>
<tr>
<td>High</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Medium</td>
<td>4</td>
<td>5</td>
<td>6</td>
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<tr>
<td>Low</td>
<td>7</td>
<td>8</td>
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</table>
INTRODUCTION

In Ohio, most of the counties have their manpower programs administered by the state. In FY 75 there were 64 counties (out of 88 total) that comprised the BOS. (Two of these counties were eligible PSs, but they decided to stay with BOS.) In FY 76 several counties became PSs or formed consortia, leaving 58 counties in BOS. By FY 77 there were still 58 counties in BOS, but the composition changed as some counties left the state administered programs while others returned to BOS.

For planning and operational purposes the BOS counties are divided into eight planning regions. These regions closely correspond to a previous governor's desire for uniform service districts throughout the state. Each planning region has a planning board. These boards are comprised of local elected officials, service deliverers, and business/labor representatives. (See Figure 7 in Appendix B for a map of these regions.)

The state staff that administers both the BOS and statewide programs is formally called the Office of Manpower Development (CMD). This office is in the Personnel Division of the state Department of Administrative Services. During FY 75, however, the major portion of CETA was administered from the state Department of Economic and
Community Development. Only Title II was with Administrative Services at that time.

The size of the state staff has grown dramatically within Administrative Services. Presently, for both state functions the staff is well over one hundred persons. Below the administrator, assistant administrator and special sections there are five functional units: Services Council, Office Management, Planning and Evaluation, Participant Services (Operations), and Fiscal. Each of these major sections are, in turn, subdivided into specific functions. (See Figure 10 in Appendix C for an organizational chart of the state staff.

THE BOS MANPOWER PROGRAM

ENVIRONMENTAL CONSTRAINTS

Group Constraints

Number of Environmental Groups. Constraints impinge upon the OMD at both the state and local levels. On the state level, the most formidable constraint comes from the state political officials: the governor, his cabinet, and other close and high level officials. For reasons that will be elucidated in another section, the constraining force is not so much from manpower related matters, but rather from nonmanpower related ones. These constraints from political officials have nevertheless had a large impact upon the BOS program in both social exchange and programmatic terms.

The fact that state political officials are seen as an important environmental constraint suggests an important thing: the state CETA
program is not a high priority within state government. The state staff is organizationally far down within state government, although the program is potentially flexible enough to be located in the governor's office itself. As the CETA unit gets farther away from the governor, however, the number of political officials that the program must answer to necessarily increases. Consequently, as the number of political officials increases, the more difficult it becomes for state staffers to administer the BOS program without changes being made by one official after another.

A less formidable constraint that exists on the state level is the planning council. The planning council is a citizens' advisory group that provides input to the BOS on policy matters. Empirical evidence has suggested that councils such as these tend to be inactive. While this may accurately describe BOS Ohio's planning council, in certain instances it has been constraining enough on the state staff to force the latter into an exchange/bargaining relationship.

Several important environmental constraints also exist on the local or substate level. The most important grouping of such constraints is the local service deliverers. These deliverers are the agencies that actually operate the specific manpower programs under Title I: classroom training, OJT, public service employment, and work experience. As one might expect in Ohio's large BOS, the number of deliverers is high. For example, during FY 76 there were over 35 subcontracts to local service deliverers for work experience programs alone.
With the high number of work experience deliverers (not to mention the number of local deliverers for the other Title I program components) several consequences for the state staff in terms of social exchange/bargaining become evident. First, because of the geographical spread of the service deliverers, the state staff's control over them is difficult. Second, lateral communication between deliverers is more extensive than communication between the staff and the deliverers. This helps to promote the development of monolithic groups at the local level.

A subset of service deliverers, especially of the work experience deliverers, is comprised of Community Action Programs (CAPs). While their influence has been attenuated in the larger cities, in rural counties these CAPs are many times the only social service agency able to deliver manpower services to residents (except, perhaps for the local Employment Service). Located throughout the BOS, the CAPs are potentially a very strong constraining force.

A final environmental constraint is the local planning boards, eight citizens' advisory councils at the regional BOS level. The composition of the boards is similar to that of the planning council, but there is also heavy representation of local political officials and service deliverers. The boards are not mandated under CETA, although they bear a marked resemblance to the mandated Ancillary Manpower Planning Boards in pre-CETA days. The staff sees the boards as useful planning tools. Even though the state can do away with the planning boards at will, the latter still can be a very important constraining force on the plans and actions of the state staff.
Organization of Environmental Groups. Associations involving important environmental groups might act as a formidable constraint on the state staff, resulting in less policy impact for the state. The reason is that the organized groups are more difficult to bargain with than individual and isolated constraining forces.

The potentially strongest association to impinge upon the state staff in Ohio is the Ohio Association of Community Action Agencies (OACCA). However, this CAP association has not chosen to become a vocal advocate for CAP interests under Title I of CETA, even though a few CAPs in BOS have lost programs to political jurisdictions. Part of the reason for non-involvement might be because the association got highly involved in the BOS PSE program when Title VI of CETA was being initially implemented. Too, perhaps the local CAPs feel that informal association is strong enough without having to call upon the CAP association in Title I matters.

The informal association of the CAPs has in fact shown itself to be a formidable constraint on the BOS operation. The most dramatic example of its influence took place during the first year of CETA. There was an attempt by the state staff to change the membership of the local boards. The reasons for this attempt were: 1) to conform to the governor's planning districts; and 2) to reduce the representation and influence of the CAPs. While the state staff did succeed with the redistricting concerns, it failed to diminish CAP influence. Virtually all the CAPs were represented on the new boards. By generating enough flak and obtaining enough allies at the local level, the CAPs remained strong.
Another potentially strong organization in affecting the BOS operation is the Ohio Manpower Association. This association is comprised of manpower actors throughout the state. While the organization was formed to affect manpower decisions in all of Ohio's PSs, including BOS, the association has yet to realize this original intent.

Non-Group Constraints

Political Traditions. Scholars such as Elazar (1972) and Sharkansky (1972) have suggested that the political culture of a state affects intergovernmental relations. This is true in federal-to-state linkages as well as state-to-local ones. Two concepts that Elazar sets out and that have consequences for the state CETA program in Ohio concern the dominant political culture of the state (individualistic, moralistic, or traditionalistic) and the dominant tendencies on a centralism/localism dimension.

Ohio's individualistic political culture has some consequences for BOS Ohio. The most important consequence concerns attitudes toward the planning council. Although a decision was made by the governor to have a "small workable council," several groups throughout BOS have continually charged that the SPSC is unrepresentative of manpower interests in BOS. For example, there is no CAP representation on the council, nor is there representation of Hispanics—a recognized group in Ohio. These local groups almost expect that their views should be aired in the planning council setting, and they should not be closed off from it. Although the original decision for a small council was made by political officials, the state staff seems to be caught in the
middle, because they have failed to either openly support the decision of the political officials, or advocate local groups' desires to these officials. A result has been that the staff has lost some degree of creditability in the eyes of these individualistically oriented local groups.

The second aspect of political culture to be examined is the orientation toward centralization of government at the state level, or toward localism, with less dependence on the states. According to Elazar, the predominant tradition in Ohio is localistic, with centralizing tendencies toward state government. This manifests itself in several ways in the CETA program. First, the use of the local boards comports well with the localistic tradition that values the input from the local level. Centralizing tendencies are evident in such staff decisions as taking money off the top for priority projects that it wants funded in the BOS Title I program. Yet the bulk of the money is given to the eight BOS planning regions on a formula basis.

Changes in Title I Funding. Potentially, substantial changes in BOS Ohio's Title I funding, either an increase or a decrease, from one year to the next suggests an opportunity for the staff to gain some leverage against certain environmental groups, especially the local service deliverers who vie for Title I money every year.

In actual terms, Title I allocation information for BOS Ohio is contained in Table 9. Title I funds in the first year of CETA were over $1 million more than what was coming into the BOS in the pre-CETA categorical programs. However, by FY 76 BOS's four quarter allocation had gone down by $2,820,486. (Part of this decrease was due to several high unemployment counties leaving BOS.) By FY 77 the allocation was
TABLE 9: TITLE I ALLOCATIONS: BOS OHIO

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Allocation a</th>
<th>Adjustment for Inflation</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 1974</td>
<td>$14,540,200 b</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 1975</td>
<td>$15,600,554</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 1976 (4 quarters)</td>
<td>$12,780,068</td>
<td>$10,863,057 c</td>
<td>30% decrease</td>
</tr>
<tr>
<td>FY 1977</td>
<td>$15,953,611</td>
<td>$14,358,249 d</td>
<td>11% increase</td>
</tr>
</tbody>
</table>

a Source: Employment and Training Reporter, 70:1013; 71:1016; 71:1020
b Total, categorical programs
c 15% adjustment for inflation
d 10% adjustment for inflation
approximately $353,000 more than the FY 75 allocation (again, this must be viewed in light of the changing constituency of BOS). Even allowing for inflation, these changes are greater than 10%.

The funding change from FY 75 to FY 76 was not used to the direct advantage of the state staff. As seen from Table 9, BOS received less money in FY 76. However, instead of maintaining state level operations at the FY 75 level, state agencies were initially given decreases (an "oversight" by all accounts). The state Employment Service was cut substantially in one of its program areas in original FY 76 planning. Due to such factors as corrections in calculations and possible political pressure from the Employment Service, the staff saw the need to increase allocations to this state agency. At approximately the same point in time, the Regional Department of Labor was directing the state staff to deobligate money from a Title I project because of maintenance of effort problems. Instead of using the deobligated money to increase the allocation to the Employment Service, the staff divided the money among the local work experience deliverers. Thus, the staff's initial response was to give in to local demands first and its own and/or state agencies' needs second. (However, the Employment Service was finally given an increase in funds with some of the deobligated money at a later point in time.)

For FY 77, there was an increase in funds going to BOS. Here, the increase in funds was used as a moderately successful tool to increase state level impact. For FY 77 the staff decided to fund not only the priority projects that had been done since the beginning of CETA, but also to fund a separate group of programs, called "Special Projects."
These programs were to focus on specific target groups such as offenders and veterans. On the face of it, the state staff used this as an opportunity both to concentrate more decision-making at the state level and to bring more state agencies into the manpower picture. Upon further analysis, however, many of these special projects were given to local level CAPs as well as to the CAP association. To wit, of the money to be allocated for these special projects, 36% was given to state level agencies, 48% to CAPs, and the remaining 17% to other agencies. Thus, the results of this strategy were mixed in terms of giving money to state as opposed to locally based agencies.

INTERNAL WORKINGS OF THE STATE STAFF

Goals

Dominant Goals that are Manpower Specific. From ETA's inception almost until the beginning of FY 77, the state staff has had to react to a number of non-ETA related political considerations. This has limited the development of manpower specific goals for BOS.

When ETA first began, the political officials' principal goal, which superseded staff goals, was to divide the program up administratively so that several state departments could have parts of the program. Therefore, Economic and Community Development received the main Title I and VI staff, Administrative Services received Title II administration, and the Employment Service was to administer Titles II and VI for counties with less than 50,000 population.

The ETA DOS program, especially the PSE program, was therefore dispersed administratively during FY 75. One high level state staffer found this arrangement very difficult. He felt that the separation
of Titles II and VI created unnecessary administrative and information flow problems. Administrative Services reported directly to the Regional Department of Labor. Yet the staff in Economic and Community Development was still ultimately responsible for the whole of CETA. Thus, the major staff goal that seemed to be articulated at that time was to develop better coordination among the agencies involved in administering CETA.

The most important political occurrence that affected staff goals was the gubernatorial election in November, 1974, when the Democratic incumbent was defeated by the Republican. At that time, it was discovered that virtually all of the Economic and Community Development CETA staff (except for clericals) were not classified under a civil service system that would have protected their jobs. Evidently, most of these staffers had decided to take their chances on the election and receive the higher pay accorded to those who were not on civil service.

In the wake of the election outcome, nonmanpower specific goals developed and quickly became dominant within the state staff. Most staffers realized they were sure to lose their jobs. The goal they vigorously pursued was to find alternative employment for themselves. The programmatic consequence for CETA was that planning and operations under these individuals virtually came to a standstill.

Other staffers were slightly more optimistic about their future in BOS, and a few high level persons were even on civil service. Yet, the CETA program under them was still affected, because their goal was to proceed as cautiously and as conservatively as possible so
as not to engender any wrath from those who could "do them in."
As a result, any degree of innovativeness was halted or discouraged.

During the summer of 1975 the new political officials decided to centralize the whole CETA operation in Administrative Services. As expected, most of the old staffers were fired. Those under civil service were given insignificant jobs in the new organization; a few nonclassified persons were able to retain their positions. Basically a new staff took over BOS for FY 76. Therefore, the goal for them became simply: find out how CETA works.

The consequences of the election were far reaching. It affected the program and staff abilities in several ways: 1) personal well-being, understandably enough, was paramount; 2) the state staff could not show leadership in planning vis-a-vis local groups; and 3) even after the organizational change to Administrative Services, it took the new staff practically all of FY 76 to become familiar with all aspects of the CETA program as well as to undo the damage of inactivity of the old staff because of the election.

Attention to National Goals. Just as political considerations militated against the development of dominant manpower specific goals in the state staff, so too was little attention given to addressing the issues of decentralization, decategorization, and comprehensiveness. Only after things began to settle down within the new staff was there even an awareness that national CETA goals existed. Then, there was only an attempt to achieve a degree of comprehensiveness, defined in terms of providing some CETA services in all BOS counties.
There are several social exchange/bargaining consequences of the state staff's failure to deal with decategorization, decentralization, and other aspects of comprehensiveness. First, there is no incentive for local work experience deliverers (usually CATs) to change old categorical ways of thinking—including the view that the state has no business getting involved in the operation of their programs.

Second, although some aspects of a broad definition of comprehensiveness simply cannot hold in a BOS (such as a centralized center where all persons go to enter the CETA program), other questions regarding comprehensiveness have not even been asked that could potentially improve the program (for example, are all CETA services offered by the BOS available to residents in all counties).

Commonality of Goals. Commonality of goals for a state staff is most easily achieved where the dominant goals themselves are manpower specific. However, as seen above, the outcome of the 1974 gubernatorial election did not have a favorable effect on the development of manpower specific or common goals. To be sure, one might interpret "finding or keeping my job" as a goal common to Economic and Community Development staffers during the second half of FY 75. This type of "commonality," however, led staffers to go off in their own separate directions, rather than causing them to unite in a common front with unidirectional objectives of what the CETA program should accomplish.

Commonality of goals has not developed for another reason as well. Under the Democratic governor, different aspects of the CETA program were divided among different state agencies. This caused communication difficulties at the least, and at most hastened the development of different and often competing norms in the different agencies. When
the CETA program was finally brought together under Administrative Services, one result was the mixture of staff that had varying ideas concerning the "proper" direction of the program.

Lack of common goals has had several other consequences for staff social exchange/bargaining. First, because of the different viewpoints regarding "proper" operations, local service deliverers complained of receiving inconsistent answers to questions and interpretations of state policy, depending on with whom the deliverers communicated. Second, there was disagreement among staffers regarding the reliance on CAPs and work experience in Title I for FY 77. Some planners felt that the role of community based organizations such as CAPs should be diminished in Title I. Other key planners felt that a reliance on these deliverers was the only feasible way to operate a BOS program. This difference of opinion generated some degree of controversy. Third, the lack of common goals provided an opportunity for state political officials to gain advantages over the state staff. For example, staffers were often fired or transferred for no apparent reasons--but no one else on the staff took issue with this, even if the staffer had much expertise in manpower. The united front just did not exist.

Organization

Organizational Relationships with Manpower Related State Agencies. As discussed earlier, during FY 75 the CETA program was divided administratively among several different state agencies. This, however, did not promote close organizational ties. In fact, some problems developed regarding reporting and communication.
Even when CETA became centralized in Administrative Services, there was still a need to develop a close working relationship with the Employment Service and the Division of Vocational Education, because these two agencies were important to the BOS Title I program. Yet, coordination problems were serious enough in some instances to affect the quality of the CETA program.

There was some improvement in this situation by mid-FY 76. A key staffer who had been with the CETA program since the beginning took a high level post at the Employment Service, a post basically concerned with Employment Service-CETA relations. With her integral knowledge of both the CETA program and Employment Service operations, coordination improved to some extent. Similarly, within Voc. Ed. several staff changes were made, so that the individual staffers who were thought to be "causing the problems" were replaced. Finally, to improve the working relationship with the other state agencies the state staff hired a person whose sole job was to deal with the Employment Service and Voc. Ed. on a regular basis. Because this liaison person was able to devote full time to developing good relations with these other state agencies, communication flow problems became better and the general relationships became more cordial.

These developments have consequences for the social exchange/bargaining relationships between the agencies. First, the goal of improving relations with manpower related state agencies was a goal that was developed by the staff in the first year of CETA. This was one of the few individual manpower goals that survived the transition to Administrative Services. Second, with better organizational
relationships among the important state level agencies, it became more difficult for local level agencies to play one organization off against another. For example, at one point the local boards complained to the staff that the Employment Service was not fulfilling the terms of its subcontract in some BOS counties. Without the appropriate data, staffers had no way of knowing if this were true. After the level of coordination increased, however, problems were indeed found in the Employment Service operation, but these problems were not as severe as the local actors were making them out to be.

Separation of Titles within the BOS Organization. It was hypothesized in Chapter 2 that administrative separation of Titles within the BOS organization helps to increase state impact. Separation here refers to Title I and the PSE Titles of II and VI being administered by different functional units within the CETA staff.

The staff administrative substructure has different staff working on Title I and the PSE titles, with integration only at the top staff levels. The way this structure developed was due to several factors. First, it was partly due to the fact that the CETA administration had been fragmented during the first year of CETA. Such historical considerations helped shape the structure of the new, centralized staff in Administrative Services. Second, some staff goals seemed to affect the present administrative structure. The staff wishes to present a picture to local areas of Title I being separate from PSE. As evidence of this, the local boards do not deal with PSE, only Title I. Third, simple pragmatic reasons guided the decision to separate Title I from
PSE administratively. The BOS is quite large—it makes sense, for example, to have different field staff for Title I and PSE.

Because of the lack of common goals in the state staff, some key staffers want to move in the direction of more integration, while others want to keep this level of separation. Those who are most in favor of integration are usually the highest level staff. Those against integration of titles are either middle staff or field staff, i.e., those most likely to see the operational problems of such integration.

Certain results of the separation of titles for the BOS have become evident. First, the PSE program became entangled in some legal problems. Title I was thereby spared a somewhat bad image. Second, expertise has developed within the state staff so that some level of creditability can be increased, especially where local service deliverers need answers and interpretations.

Strategies

Articulated Strategies for Dealing with Environmental Groups.

Because of the lack of staff commitment to manpower specific, common, and national goals, it has become quite difficult for staffers to develop set strategies for dealing with the various environmental groups.

There is no strategy for dealing with state level political officials. Perhaps there is no strategy because the staff deals mainly with programmatic and not policy concerns—concerns that offer no real political benefit for political official involvement. Lack of staff direction can only hurt the officials, not help them.
Problems with goals also manifests itself in the lack of a clear cut strategy for dealing with the planning council. To be sure, the rhetoric seems clear enough: "We want an active and meaningful council." Yet, actions suggest that the staff would prefer a council that rubber stamps Title I decisions already made.

At first, it was easy to say one thing and do another. The newly elected and appointed political officials were dragging their feet in appointing a new council. This new council did not even convene for the first time until late spring, 1975--too late to make meaningful input into FY 76 planning.

By planning time for FY 77, however, staffers began to hedge in allowing the planning council to make important programmatic decisions. For example, at one meeting when "dangerous" questions began to be asked concerning the program mix for Title I, with the implication that there should be a significant change in this mix, the staff began to talk around these questions and in general tried to change the subject.

Moreover, the state staff never really developed a strategy for the linking together of local board and planning council input. Rather, local board decisions were brought before the planning council for approval without any discussion of the rationale behind the local decisions.

The most serious consequences for state impact in the BOS program derive from the staff's inability to develop a consistent strategy for dealing with the local groups: local boards and service deliverers. Since the beginning of CETA there have been rumors that the planning boards would be done away with, and planning would occur only at the
state level. Several boards attempted to get a policy statement from
the staff one way or the other. No such statement materialized. On
the one hand, perhaps staffers felt that they were in no position to
make the decision, that it really was one that the political officials
should make. On the other hand, however, the staff did little, if
anything, to try to facilitate a policy statement from the political
officials. The state staff just would not commit itself.

Additionally, since staff opinion is split regarding the value of
programs offered by local service deliverers, especially the CAPs,
there is no clear cut strategy for dealing with them. Consequently,
staffers have lost a large degree of creditability in the eyes of
many local deliverers, especially those who have been in manpower for
a number of years. For example, inconsistent views at the state level
have resulted in some decisions that the local deliverers have felt
were capricious. On at least one occasion, local areas have generated
enough political pressure to overturn a state staff decision.

Information Hiding Strategies. The state staff does not have a
conscious information hiding strategy. This could be due, in part, to
the lack of manpower specific and common goals. Without a common
direction, there are no articulated reasons for wanting to hide infor-
mation from environmental groups.

There are several consequences in social exchange/bargaining terms.
The most important negative consequence is that information filters to
the environmental groups in an almost random manner. Differential
amounts of information to different groups, in turn, reduces the credit-
ability of the state staff.
INTRODUCTION

The second major role that the state staff plays is one of coordinator for statewide manpower activities. This role involves several functions: administration of the Special Grant (5%, 4%, and 1% funds); staff support to the state services council for monitoring/evaluation activities and plans for coordination of state agencies; and giving technical assistance and other advice to the PSs within the state.

This section of Chapter 3 will follow basically the same format as the first section. State impact in the role as manpower coordinator will be evaluated in light of eleven explanatory variables that are thought to be associated with a high level of state impact.

ENVIRONMENTAL CONSTRAINTS

Group Constraints

Number of Environmental Groups. The number of groups that impact upon the state staff in its role as statewide manpower coordinator is quite high. The most formidable group is the number of PSs that exist within the state. In FY 75 there were 13 other PSs besides BOS. In FY 76 the number of substate PSs has grown to 16, as two eligible counties left BOS and formed their own prime sponsorships. With the breakup of several consortia and the last eligible county leaving BOS for FY 77, there are 19 other CETA PSs that the staff must contend with.

There have been several consequences of this high number of PSs for statewide activities. First, it has been virtually impossible for staffers to obtain planning and operations documents on a regular basis from the various PSs. These documents are important for monitoring
purposes as well as for identifying gaps in the statewide manpower effort. Second, the staff just does not have enough staff continually to contact all of the PSs for this information. Third, the staffers must take at face value what the PSs say they are doing with their own programs.

The state political officials are also a formidable force in Ohio, and the number directly involved in manpower is higher than one might expect. As seen in the first section of this chapter, there are several layers of organization before decisions reach the governor for his approval. The Personnel Division head, the director of Administrative Services, as well as the governor himself are three political officials who have the capacity to redirect the statewide manpower effort in keeping with their own preferences, rather than those of the staff. Moreover, because of this multiple layering of organization, the individual staffers who are most concerned with statewide manpower issues cannot communicate directly with the governor or the director of Administrative Services. As evidence of this problem, some middle level staffers expended much time and energy both developing criteria to judge 4% projects for FY 77 as well as getting the services council integrally involved in the Special Grant planning process. However, the governor and the department head were apparently unaware of these efforts and consequently changed the nature of the projects being funded by the state 4% monies.

Organization of Environmental Groups. By far the strongest organization that operates in Ohio and that has consequences for statewide manpower efforts is the association that includes all of the PSs in Ohio. During FY 76 this association was meeting regularly before
every services council meeting. The PS meetings opened the channels of communication to all the prime sponsorships and provided a forum for the PSs to hash out ideas, problems and complaints. Too, because of the association, a powerful PS bloc formed that was in some instances able to halt effectively some state staff efforts. In one case, the staff presented the PSs with a plan for monitoring all PSs in the state. The PSs in turn became opposed to this idea ("You can't monitor us--we're prime sponsors.") They reduced the definition of state monitoring to merely information gathering that would determine "gaps in manpower services." They also blocked efforts by the staff or the services council to judge their programs. A second example of the influence of the PS association involved the allocation formula for the 5% Vocational Education funds. Two PSs had received a misallocation of funds during the first year of CETA, under a three part formula that included two Voc. Ed. incentive factors. By gaining political support for their positions during these PS meetings, the two PSs were able to change the formula to the national Title I allocation formula, which has no Voc. Ed. incentive factor--and which was more favorable to the PSs that were complaining.

Associations of political officials have exercised sufficient clout to affect statewide manpower efforts. During the first year of CETA, the lame duck Democratic governor added several 4% projects that he wanted funded. High level CETA staffers at the time speculated that the governor might have done this to provide some Democratic continuity in the manpower programs after January, 1975 when the Republican governor
was to take office. Apparently, the CETA staff supported the funding of these projects without question, but the Regional Department of Labor objected strongly to the additional projects. The National Governor's Conference finally stepped in and asserted the governor's right to spend the money as he chose. The Regional Department of Labor backed down.

A much less formal but no less powerful association operating in Ohio is the one that binds the larger cities of Ohio together. The Cleveland area consortium seems to be the leader of this informal group. Together with the other major cities and depending upon the issue involved, Cleveland has consistently been able to obtain 4% money for projects that serve only the Cleveland area. This is in direct opposition to the wishes of OMD staffers, who constantly push for projects that are statewide in nature or have a statewide impact. Moreover, although the regulations suggest Special Grant monies going for the rural areas of the state—the direct purview of the state staff in this case—most of the money from year to year has gone to the largest cities of Ohio, usually the cities of Akron, Cleveland, Youngstown, and Cincinnati.

As a final example of the influence of this informal group, only the larger PSs have representation on the SMSC (the Hamilton County PS is a partial exception, however).

Non-Group Constraints

Political Traditions. One relevant aspect of Ohio's political tradition is the localistic tradition with centralizing tendencies. The state staff would never think of going ahead in statewide efforts
without first consulting the PSs. For example, when the staff came before the PSs with a plan for monitoring all PSs in the state, and the PSs opposed it, the staff did not really push the issue. Rather, they allowed the prime sponsorships to dictate what the state would or would not do in the way of statewide activities. Second, while in other states the Voc. Ed. 5% allocation decisions are sometimes made by the state staff with little or no input from a group such as the services council, in Ohio 5% decisions are an integral part of the council's agenda--there is even a standing committee on the allocation of the 5% monies. This suggests a reluctance on the part of the staff to appear that they are trying to dictate to PSs. The basically localistic tradition, therefore, helps militate against the effective bargaining ability of the state staff because local input is seen as valuable.

Centralizing tendencies do exist, however. While they would not do anything in direct opposition to PSs or political officials, staffers do realize that the state needs to gain some control over statewide coordination. For example, during the Special Grant planning process for FY 77 the staff presented the services council, PSs, and political officials with a recommended list of projects. In the "bargaining" that then took place with the PSs and council, the staff continued to push for their most preferred projects. By being very familiar with the projects, staffers were able to gain some leverage with projects that were statewide in scope.
INTERNAL WORKINGS OF THE STATE STAFF

Goals

Dominant Goals that are Manpower Specific. With any organization, the goals that are dominant may or may not be relevant to the purpose of the organization itself. In the case of Ohio in its role as statewide manpower coordinator, however, manpower specific goals are for the most part the dominant goals. Moreover, the articulated goals for the state run the whole gamut of the CETA mandated activities: developing cooperation with manpower related state agencies; monitoring and evaluating prime sponsors; and spending the 4% and 5% monies in the most cost effective manner. Those staffers specifically involved in the statewide role have made an effort to address these issues.

The political considerations that wreaked havoc on the state's BOS program had little, if any, effect on statewide activities. There are two explanations for this. First, Ohio's statewide activities are much smaller in scope than the BOS program. Disruptions that had large repercussions in the BOS program could be more easily taken care of in the statewide program. Second, there was some degree of continuity in the Special Grant staff in the organizational transition to Administrative Services. In other words, some staffers who were working with the Special Grant during FY 75 were retained in the move to Administrative Services. Given these factors, there was an opportunity for manpower specific goals to develop and take hold.

Commonality of Goals. Although the dominant goals have been manpower specific and there is a genuine attempt to address the statewide role under CETA, different goals have been emphasized by different
staff persons. Consequently, there is a lack of commonality of goals among relevant staffers. This is underscored by the fact that the staff persons most directly concerned with the statewide functions have widely varying views of what the state should be doing statewide vis-a-vis the PSs on the one hand and the state political officials on the other hand.

One staffer's approach is a service orientation; other preferences and goals should prevail before those of the staff. As evidence of this, when asked about the utility of workshops put on by the state the staffer responded: "Frankly, I feel they have been and are useless, but if that's what the prime sponsors want, that's what they'll get."

Additionally, when asked about the disregard of staff and services council priorities by the governor in the allocation of the 4% monies, the reply was: "Two sides can be taken in the distribution of the 4% money... I can understand how the governor felt it was politically expedient to spend the money as he has. And there have been political payoffs for him."

While the staff person quoted above is operating under a goal that capitulates to PS and political desires, another relevant staffer takes an entirely different view. His model is "ideal" public administration:

I feel we should set an example for all PSs. We should be the best PS in the state. Unfortunately, in reality, we are no better than anyone else. Part of this is due to a shortage of money. But the state politicians are too prone to giving in to reality.

Ideally, we should be the ones to get all the manpower programs together. We should be independent. CETA should not be a political issue. It should not be trusted to politicians. The politicians got involved and now we have a lot of PSE in the 4% fund.
Coal divergence is also evident in staff written documents that concern statewide activities. These written goals, which support neither of the goals set out by the two staffers quoted above, deal with a number of wide ranging topics: 1) 5% money should be used basically for instructional costs; 2) 4% money (at least for FY 77) should be used for training in paraprofessional areas, services for the elderly, and upgrading for already employed workers; 3) regarding the activities of the services council, a first priority should be the monitoring of PSs, state agencies, and 4% and 5% service deliverers; and 4) "State agencies providing manpower and manpower related services either independently or as subgrantees will cooperate with prime sponsors and eligible applicants in implementation of the programs."

The point here is that individual staff goals, while they may be manpower specific, are not commonly shared by all concerned. To complicate matters, written statements of goals do not bear a great deal of resemblance to staff goals. Consequently, like the state's BOS program, the statewide program fails to move in a single direction.

Organization

Organizational Relationships with Manpower Related State Agencies. The different aspects of CETA administration became centralized in Administrative Services. Yet, there was still a need to develop good working relationships with the Human Resource Manpower Division of the Employment Service and the Division of Vocational Education in the Department of Education, two state agencies that were particularly important in statewide manpower activities. Also, in order to fulfill
a statewide mandate, better linkages had to be established with other manpower related state agencies, especially those agencies that had projects from the 4Z fund (e.g., Department of Economic and Community Development, Department of Welfare, Department of Corrections).

On the operational level, state staffers were aware that closer organizational relationships had to be developed. There were sometimes serious communication problems with Voc. Ed., which had a large share of the responsibility for administering the 5Z fund. The staff was not able to get documents from them in a timely fashion. There were similar problems with the Employment Service; reporting and information systems between that agency and the state staff needed to be improved.

In the face of this, the staff made two changes. First, a state agency liaison was hired on the staff. Because of this staff person, problems were better able to be ironed out. (Too, staffing changes in Voc. Ed. and the Employment Service also had positive ramifications for the state staff's statewide activities.) A second change was for the staff to reduce its dependence on other agencies by developing greater internal capabilities. As an example, in order to get away from dependence on the Employment Service for labor market analyses, a staff person was hired away from the Service's Research and Statistics Section and into the state staff, so that he could help develop a similar capability. Regarding this second change, however, while the staff may have solved the problem of clearing up communication gaps between itself and the Employment Service, it did nothing to solve the crux of the problem—a lack of close organizational ties. The final result could well be even more duplication of effort than what had occurred before.
Separation of Special Grant staff from BOS staff. Within the OMD the Special Grant staff and the staff concerned with statewide activities are separated from the BOS staff, except at the highest levels. This comports with the notion that the dominant goals for a statewide role are manpower specific. An attempt is therefore made to address the statewide issues adequately.

Organizationally, the head of statewide activities is on par with the BOS unit heads. This insures that the statewide functions are not shunted to second place, even though the total amount of money in the Special Grant is much less than the BOS operation.

There are several other consequences of an independent statewide staff within the CETA organization. First, a separate staff helps in dealing with the PSs, because the latter have an identifiable source to which they can direct questions and complaints. Second, some degree of continuity is maintained, so that mistakes that are always inevitable are less likely to be repeated from year to year. Third, and relatedly, a level of staff expertise develops with regard to statewide activities. This helps in a social exchange/bargaining situation because advantages and disadvantages of different operating approaches are known, as well as the strengths and weaknesses of those with whom the staff must bargain.

Size of Special Grant Staff. Just as there is a functional separation of the statewide and the BOS staffs within the CETA unit, so too does the size of the Special Grant unit help promote state impact. As of the middle of FY 76, 10 staffers were specifically assigned to deal with the statewide functions (not including the top level staff that deals with both state functions). This number was an increase from
when the staff was housed in Economic and Community Development during FY 75. Several reasons can be posited for the increase. First, there was an increase of over $100,000 in the 12 fund from FY 75 to FY 76. This fund provides for staff salaries, among other things. Second, the staff increase might have been in response to the previous actions of state political officials. For example, after the Republican governor was elected in November, 1974, staff expansion of the whole CETA structure in Economic and Community Development was halted, due to job uncertainty. Once the move to Administrative Services took place and people got settled into their jobs, attention then turned to CETA planning and operations—and a natural expansion of staff occurred. A third reason for the expansion of the statewide staff may have been the result of a successful maneuver vis-a-vis some powerful PSs. Since the beginning of CETA the statewide unit had some field staff, but these staffers had become, for all intents and purposes, part of local PSs' staffs around the state. Top level state staffers never liked the situation. After all, the field staffers' salaries were coming from the state, but they were operating as PS staff. Once things became more settled in Administrative Services, however, there was a move to bring these field staffers under the direct control of the state staff. For the most part, it has been successful. While the field staff may now still spend a large proportion of their time and energies in the local PSs, they are now having to report in Columbus more often. They must also more clearly represent the interests of the state.
Strategies

Articulated Strategies for Dealing with Environmental Groups.

The staff concerned with the statewide manpower role is generally
cognizant of the steps it needs to take to carry out the mandate
under CETA. The fact that staffers have manpower specific goals
also works in the state's favor. However, perhaps the lack of
commonality of emphasis is most responsible for the staff's failure
to develop decision rules to deal with all of the important environ-
mental groups.

The ramifications for this are serious in the staff's dealings
with state political officials. Even though the number of involved
state political officials is higher than one might expect, the staff
has nevertheless failed to make as its first priority the development
of some method for keeping the governor and other high officials
informed about its activities. Moreover, the staff has not been
aggressive enough in soliciting as early as possible gubernatorial
preferences in spending the 4% fund. Consequently, it has not been
uncommon for a large amount of internal staff work to be undermined
by changes made by political officials at the last moment.

The pattern of no explicit strategy for dealing with political
officials was set during the first year of CETA. Several officials
at the time were angry because the staff was not keeping them informed
on the status of the 4% projects. (This was not a conscious decision on
the part of the staff.) This lack of communication then backfired on
the staff as the political officials proceeded to make some changes
in the allocation of the 4% money without the knowledge of the staff
before the fact.
The Special Grant planning cycles for the second and third fiscal years, however, did not bring on the development of a strategy for dealing with political officials. In approving the Special Grant for FY 76, the governor went against the priorities of the staff in the allocation of the 4% monies. He did it again in the FY 77 grant—and several staffers were still able to be surprised at the outcome, not realizing that an aggressive strategy on their part might have averted these changes.

Likewise, the staff has not articulated clear cut decision rules for dealing with the PSs in the state, so that the former can better carry out its mandate. Certain problems for the state staff thereby develop. First, lack of a strategy permits individual PSs to make inroads into staff priorities by allying themselves with other PSs and with state political officials. Because there is no set response that the PSs can expect from the state, the former are often successful in their endeavors. Second, absence of a strategy allows the staff to be caught "off guard." If the staff were to plan how to handle certain situations involving PSs, it would have sufficient capability to head off PS attempts to undermine the state.

There is one instance where the state does have an articulated and well-defined decision rule regarding a potential environmental group: the services council. The staff has a commitment to developing an active and well informed council (regardless of whether it actually is or not). There is good staff support to the council. In terms of paperwork and notices, there is ample opportunity for council members
to become familiar with the staff efforts regarding statewide coordination and 4% and 5% recommendations.

Several reasons can be posited for an articulated services council strategy. First, under the CETA regulations, the council is an integral part of the statewide activities. Because the state staff is already committed to fulfilling a role statewide, a functioning services council is seen as important. Second, there is a more self-serving reason for having a firmly articulated strategy for dealing with the council. As any manpower staff knows, an advisory body is only as good as the support it receives from the staff. Empirical evidence has also shown that a council virtually always approves recommendations made to it by the staff. Therefore, by getting the services council involved as much as possible, the staff feels that it may gain important allies to get what it wants—allies in state agencies, business, labor, minorities, and sometimes even the PSs themselves.

However, as seen from the final allocation of the 4% projects for FY 77, much depends on the willingness of the services council to be active and to generate vocal allies, especially vis-a-vis state political officials. The council did not do this. For reasons that may not even be related to manpower, council members were not willing, or might not have been able, to expend much political credit in defending recommendations that are not for them a high priority. In view of this, staffers may be wasting time and energy trying to gain leverage with the services council (although the costs may be lower with this group). Instead, they might do better to deal directly with PSs and political officials.
**Aggressive Strategy for Obtaining RDOL support.** The state staff can gain important bargaining leverage with environmental groups by allying itself with the Regional Department of Labor (RDOL). Hypothetically, this would be useful because: 1) RDOL in some instances has authority over the entire manpower effort in the state; and 2) RDOL is able to provide the state staff with useful PS information that can help the latter carry out its statewide role.

Unfortunately, no such aggressive strategy exists for obtaining RDOL support in Ohio. This lack of a strategy has two causes. First, the RDOL in Chicago is held in low regard by state staff and PSs alike. Evidence suggests that manpower actors around the state were generally displeased with RDOL operations. Second, there has been a high rate of turnover of federal representatives assigned to the state staff. Ideally, the federal representative could provide continuity. At the least he could ensure that the state staff received PS planning and operations documents. With staffing changes occurring so frequently, meaningful help from RDOL never materialized for the Ohio state staff.

**Information Sharing Strategies.** The state staff is put in a precarious position of being the "equals" of the PSs on the one hand (as a BOS) and the superiors of the PSs on the other hand (as statewide manpower coordinator). In the latter role the staff must move cautiously if it wishes to make some policy impact. Part of this caution involves a commitment to sharing information with important environmental groups.

For the most part, the state staff has tried to follow this strategy. Since the dominant goals are manpower specific, it sees
the advantages of aprising the PSs of all relevant information that it has gained or generated with regard to statewide activities. Thus, PSs do not feel they are "left out in the cold" when decisions are made. They are well aware of statewide coordination efforts proposed by the staff.

Information sharing strategies have not been very successful in the case of the political officials, however. The aggressiveness by which they attempt to share information is not as strong as might be needed to achieve all of their goals. However, neither has there been a conscious attempt to hide information from these officials.

CONCLUSION

Several conclusions can be gleaned from the discussion of Ohio in its role as both BOS and statewide manpower coordinator. The state staff in both roles has had to cope with a large number of environmental groups. These are strong and well-organized. This suggests that the staff should be more vigilant in anticipating the actions of these groups and more aggressive in trying to gain leverage with them.

The BOS operation was neither anticipatory nor aggressive, and the statewide operation was only partially so. The goal problems exhibited by the staff perhaps contributed most to this state of affairs. The consequences of political events during the first year of CETA were so great that normal goal development within the organization was halted, and virtually undermined in the BOS instance. Fortunately, thoughts of goals for manpower and goal priorities began to take on new importance as the transition to Administrative Services
became more settled. Moreover, intra- and interorganizational relationships are already conducive to the development of state policy impact. Therefore, regardless of whether or not the state staff has made an impact in the past, the movement toward this objective has been discerned.
CHAPTER 4: SOCIAL EXCHANGE/BARGAINING IN CONNECTICUT

INTRODUCTION

The manpower programs in Connecticut are administered by five PSs besides the state operation. They are the town of Waterbury and the Hartford, New Haven, Bridgeport, and Stamford consortia. One hundred and eighteen towns have comprised the BOS since the beginning of CETA, although some changes occurred in FY 77, as two towns decided to come in with BOS and two other towns left BOS to join with consortia. There are no towns that are eligible PSs in the BOS.

The 118 towns that comprised the BOS during FY 75 and FY 76 were part of twelve labor market areas within Connecticut. For planning and operational purposes they were considered to be separate BOS regions. For FY 77 thirteen labor market areas are represented in BOS. One of the counties that joined the state's program is part of the Hartford labor market area. (See Figure 8 in Appendix B for a map of these regions.)

The state staff that administers both the BOS and statewide programs is formally called the Office of Manpower Planning (OMP). This office is housed within the Connecticut Labor Department, a major state agency. Like other comparable departments within the state, the Labor Department head is part of the governor's cabinet and is called a "commissioner."
Although the governor is the designated prime sponsor, she has delegated the signing of all documents to the Commissioner. She is not completely uninvolved, but her level of involvement is generally lower than the governor of Ohio's.

The Office of Manpower Planning enjoys a special place within the Labor Department. While the director of Ohio's manpower unit had to answer to a division head within the Department of Administrative Services, Connecticut's manpower unit is a separate entity within its department. The staff director reports directly to the Labor Commissioner. This situation is potentially favorable in terms of the social exchange/bargaining capacity of the state staff.

The state staff for both state functions is presently comprised of approximately 45 persons. Below the director, deputy director, and chief of staff operations there are five functional units: Planning/Evaluation; Classroom Training/OJT; Field Operations; Special Grants; and Fiscal. The director was appointed by the governor; the rest of the staff is covered by civil service. (See Figure 11 in Appendix C for an organizational chart of the Connecticut state staff.)

THE BOS MANPOWER PROGRAM

ENVIRONMENTAL CONSTRAINTS

Group Constraints

Number of Environmental Groups. Connecticut has a considerable number of environmental groups with which to contend. The nature of these constraints is somewhat different than Ohio's, and the constraints therefore impact upon the state staff in different ways.
Although the state political officials were an important constraint in Ohio, in Connecticut there is a greater degree of harmony between the officials and the state staff. There have been some conflicts in the past, but the two groups do not usually work at cross purposes with each other.

Similarly, because of its inactivity, the planning council has not been an important environmental constraint. To be sure, there have been individual members who have been quite vocal during council deliberations. Yet, any council influence derives mainly from the activity of its component parts (e.g., individual service deliverers, local political officials, etc.) than from a collective identity and a common purpose. If anything, the planning council provides a forum for individual members to air their complaints with the state staff.

Although the state political officials and the planning council are not important environmental constraints, the work experience service deliverers are consistently formidable. As with Ohio, the sheer size of the BOS suggests a need for a relatively large number of service deliverers. In Connecticut during FY 76, for example, there were fourteen major deliverers for the work experience programs alone.  

The local planning boards are also an important constraint. During FY 76 there were twelve planning areas in the BOS. Most of these areas have boards that have been convening since pre-CETA days. The remaining two or three areas have recently formed boards.

Recall that in Ohio the state staff reconstituted the membership and county groupings of the BOS regions to limit local board influence.
The Connecticut state staff has never done this, basically because the planning areas were drawn to correspond roughly to labor market areas. Therefore, the staff has no plausible rationale for changing the areas or the boards.

One consequence of the failure to make local changes is that individuals at that level have worked together for a long period of time. They have built up common bonds and levels of expertise. Second, before the inception of CETA, decisions made by local boards were final. Under CETA, local boards in a BOS are not mandated by law. Therefore, the local boards are fighting to maintain their former position of power, while the state staff itself is trying to have a greater impact in the BOS program.

A final environmental constraint of some importance in Connecticut is the local elected officials. While these officials in Ohio confined their activity mainly to the local councils, in Connecticut their scope of activities is broader. Several factors account for this. First, during FY 76 the BOS began to use a considerable amount of the Title I money for public service employment (PSE) in order to spend BOS funds more quickly. In contrast, PSE in Title I has been a rarity in Ohio. This public jobs program is one of special interest for political officials, because jobs subsidized by CETA are usually in city or town departments. Thus, in Connecticut, local political officials became interested in Title I because of PSE. Even though Title I PSE was to be phased out during FY 77, it is likely that these local officials will maintain some interest in Title I.
A second reason for the moderate involvement of local officials in the BOS program concerns state staff handling of some administrative funds. In Ohio, the state staff keeps all funds to defray administrative costs at the state level. In Connecticut, half of all administrative funds for the PSE titles of II and VI goes to local officials for their own staffing purposes. While the major concern of these local staffers is PSE, it nevertheless provides local officials with a close source of information that potentially runs the full gamut of CETA.

Organization of Environmental Groups. While the statewide Community Action Association was not a serious constraint in Ohio, its counterpart in Connecticut (called CAFCA) had a direct interest in ensuring the continued strength of the various Community Action Programs (CAPs) in the state. Most of the deliverers of the work experience programs in the BOS are CAPs. Through the efforts of the statewide organization, they have remained strong.

On at least one occasion, according to some sources, the statewide organization has used political influence on behalf of individual CAPs. In one situation there was talk of defunding a particular CAP deliverer. One staffer subsequently remarked, "I would be surprised if anything in BOS were approved if it ultimately hurt the CAP agencies, because this organization is pretty influential."

Not only is the statewide association active behind the scene in promoting the interests of CAPs around the state, but it is also a widely recognized force that has achieved a degree of legitimacy. As evidence of the association's visibility, its executive director is a member of the state services council.
There are several consequences of the CAP association's active involvement in manpower. First, in the absence of such an organization, the state staff would probably make a serious attempt to defund several poorly performing CAPs. With the presence of the organization, however, the state staff is much less flexible in this regard. Second, the presence of a strong, manpower-oriented organization in some ways neutralizes the support the state staff can expect from the state political officials. The executive director is a formal advocate at the state level, who is both willing and able to negotiate with the governor and Labor Commissioner on behalf of local CAPs.

As in Ohio, the informal association of work experience deliverers (CAPs and other agencies such as regional planning districts) is a potent constraint that must be dealt with by the state staff. While there are some limitations in Ohio on the extent of informal association, no such limits exist in Connecticut for several reasons. First, the state is much smaller, and there is more opportunity for the deliverers to deal with one another. Second, most of the major deliverers sit on the state planning council. This provides a setting for the development of informal ties.

Non-Group Constraints

Political Traditions. According to Elazar, Connecticut's dominant political culture is an individualistic one, with moralistic tendencies. Like Ohio, Connecticut exhibits a political culture that is open and highly political—a marketplace atmosphere. Observation bears this out. Major groups and organizations are all somehow represented in manpower
decision-making. A strong two party system, also a hallmark of an individualistic culture, is highly visible in Connecticut.

While the dominant political culture in Connecticut may be individualistic, the rural nature of the BOS suggests a moralistic tendency, probably a vestige of the "Yankee" tradition of New England. For example, the presence of a strong civil service system might be considered to be a moralistic strain within an individualistic culture. One of the major problems in Ohio was that a viable two party system without the benefit of a strong civil service cost most of the state staffers their jobs. In Connecticut, there was also a gubernatorial election in 1974 that resulted in a defeat for the (Republican) incumbent. However, a large degree of continuity was maintained in the manpower program because of a civil service system that severely restricts political patronage.

Both the individualistic and moralistic political cultures call for the participation of groups in decision-making (albeit for different reasons). The state staff in Connecticut is more optimistic in tone about why different groups participate than the Ohio staff, perhaps suggesting some moralistic influence. One gets the feeling that the Connecticut staff is much more willing to believe that local and other statewide groups may have "something important to say." Therefore, while important groups are excluded from membership in Ohio's planning council (e.g., Hispanic groups or CAP representatives), the state staff in Connecticut would not even consider barring major groups, even "have-not" groups, from their council.
The blending of the two political cultures in Connecticut results in a uniqueness that extends far beyond the manpower program. For example, actions that might be construed as blatant party politics in a state like Ohio (and therefore discussed in whispers), are discussed openly and candidly in Connecticut. In manpower terms, the peculiar mix of cultures would help explain why the governor held up for months the appointment of planning council members until the "right" balance of racial, sexual, and interest groups could be achieved. There might have been two motives for this: 1) to appease these groups politically; and 2) to conform to some conception of "participatory democracy" and the "public good."

Changes in Title I Funding. Since the beginning of CETA, the BOS Connecticut program has received increasing allocations from year to year (see Table 10). These increases occurred because Connecticut was especially hard hit by the recession. Moreover, there has been a gradual movement of industry out of the New England area, which has been displacing workers. Actions by the state staff in the face of increasing funds seem to indicate a desire to increase state impact and pursue state, not local, goals.

During the first year of CETA, the staff began to realize that they needed a greater degree of planning and operational control. The staff had been criticized by the Regional Department of Labor (RDOL) for not doing any meaningful planning of how the CETA funds should be spent. Rather, the various planning areas within BOS had essentially done the major planning and grant preparation. In planning for FY 76, the staff became somewhat overzealous in trying to gain influence and tried to
<table>
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<tr>
<th>FISCAL YEAR</th>
<th>ALLOCATION a</th>
<th>ADJUSTMENT FOR INFLATION</th>
<th>PERCENT CHANGE</th>
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<tr>
<td>FY 1974</td>
<td>$6,469,700 b</td>
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<tr>
<td>FY 1975</td>
<td>$6,878,891</td>
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<td>FY 1976 (4 quarters)</td>
<td>$7,120,662</td>
<td>$6,052,563 c</td>
<td>12% decrease</td>
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<tr>
<td>FY 1977</td>
<td>$8,895,013</td>
<td>$8,006,412 d</td>
<td>11% increase</td>
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b  Total, categorical programs

c  15% adjustment for inflation

d  10% adjustment for inflation
make too many changes too fast. Some of these changes involved cutting funds to local deliverers. This, of course, created a great deal of controversy. Typical of the prevailing attitude was the statement of one disgruntled deliverer during a planning council meeting:

Look at the CAP agencies—you treat them as animals. The submission of my plan was all but dismissed. None of my recommendations were considered. Take my situation in Norwalk. My staff and a member of your staff deliberated on the plan. It was agreed upon by all. Two weeks later your staff totally changed our plan, and monies were taken away from us. Explanation made by the OMP [state staff]: the field person made a mistake!

Although relations between the state staff and local actors were tense for several months, the state staff had won a victory in the social exchange sense (if not in the dollar sense), because it had demonstrated for the first time (albeit somewhat crudely) that state priorities were important and state decisions could be made.

By FY 77 the state staff had become expert enough to use increases in Title I allocations for state preferences, without engendering the wrath of local actors on a widescale basis.

INTERNAL WORKINGS OF THE STATE STAFF

Goals

Dominant Goals that are Manpower Specific. In Ohio, political considerations were important in the slow development of manpower specific goals at the state level. Political considerations have also played a role in the Connecticut BOS program, but such considerations have encouraged the formation of manpower specific goals.

The case study of Ohio suggested that the BOS program did not have a great deal of support from the state political officials at any time.
At the beginning of CETA, during the summer and fall of 1974, the same situation existed in Connecticut. However, after the gubernatorial election in November, the new governor moved quickly to appoint a Labor Commissioner who was genuinely interested in the manpower effort.

With the support of the Labor Commissioner, the severely understaffed CETA unit expanded in size during the rest of FY 75. The staffers were then able to address several questions of goals for the BOS. Inevitably, the dominant goals that developed were manpower specific.

In terms of content, the state staff seems to be committed to the dual programmatic goals of placement of CETA participants into unsubsidized employment and a greater emphasis on training programs (OJT or classroom training) as opposed to employment programs (such as work experience and public service employment).

The fact that most state staffers see the BOS program in terms of at least one of these goals has had several consequences for social exchange/bargaining relationships. First, the goals of training and placement are in direct opposition to the goals of many actors at the local level, especially work experience deliverers and local planning board chairmen. The local actors feel that the nature of the BOS CETA participant is such that employment programs emphasizing experience in the world of work is the only feasible approach to this "hard core" unemployment problem. Moreover, according to this local view, some individuals will never be prepared for unsubsidized employment. Thus, employment type programs are a form of income maintenance for them.
There is a valid point to this argument, of course. Serving the most disadvantaged persons may be impossible in a prime sponsorship that emphasizes training, i.e., serving those who will most likely complete the program. On the other hand, this is a self-serving argument as well. State agencies have been responsible for most training programs in Connecticut. A greater commitment to such programs would mean reducing funds to local work experience deliverers. Ever concerned about their share of the "manpower pie," these deliverers would be resistant to any state attempt to increase training programs.

There is a third manpower goal which has also been articulated by state staffers: improve the coordination of manpower related agencies within the state, especially through the Employment Service. This goal was originally the idea of the Labor Commissioner, who wanted to encourage higher placement rates in the Employment Service. However, while the state staff was influenced by the Commissioner, the former felt that the idea also could permit the filling of gaps in CETA services.

As expected, this goal of greater coordination with the Employment Service created a significant amount of controversy at the local level. At first, the plan called for all job development and placement activities to be centralized in local Employment Service offices. The local community based organizations, most of whom had been doing their own job development and placement services, saw this in terms of losing staff and therefore funds. Two arguments were made against the proposal: 1) the work experience deliverers knew their participants personally and were more qualified to select the right person for the right job opening;
and 2) the Employment Service had a long history of "creaming" the best job candidates, leaving the hard core, usually minorities, without job prospects.

In the midst of these protests, both the Labor Commissioner and the state staff backed down on one hard and fast way to implement the coordination effort. Proposals for implementation were solicited from each local board. Implementation plans varied from area to area. Some areas proposed radical changes in the existing manpower delivery system, but most areas proposed only incremental or "on paper" changes.

**Attention to National Goals.** Although the questions of local manpower goals has begun to be addressed by the state staff, attention to the three national goals of comprehensiveness, decategorization, and decentralization has not been articulated to any great extent. Although the coordination goal might be subsumed under the rubric of "comprehensiveness," no staffer ever saw the idea in those national terms.

There is an explanation for the lack of attention to national goals. The state staff may well feel that using the national rhetoric on especially the local actors might use up more bargaining credit than it is willing to commit on such goals. For example, observation suggests that local delivery systems have not really been decategorized from the pre-CETA days (although the coordination idea may change this). Yet, perhaps the state staff feels that the goal of decategorization does not warrant serious attention—certainly no more than the state generated goals. The same could hold true for the goals of decentralization and comprehensiveness. One staffer even observed that the national
goals themselves may be mutually exclusive, and therefore cannot be achieved simultaneously.

Social exchange/bargaining relationships are affected by the absence of a commitment to national goals. If nothing else, the state staff has chosen not to use the Regional Department of Labor as a useful ally in helping to strengthen the impact of the state in the DOS program.

**Commonality of Goals.** Most state staffers are agreed that the goal of job placement is very important and is the ultimate reason for the Title I CETA program. Therefore, with this important goal, there is a high degree of commonality.

With regard to the other, more minor goals, there are varying degrees of commonality. One area where differences emerge concerns the proper Title I program mix, relating ultimately to job placement. (Title I programs can have a mix of four components: classroom training, OJT, work experience, and public service employment.) The dominant staff idea of a proper program mix emphasizes the training programs over the employment programs. This view, however, is not shared by all, especially by the field staff who know their individual planning areas and the relative seriousness of the structural and cyclical unemployment problems. For example, one field staffer disagreed with the push toward training programs. He went on to describe the planning area to which he was assigned:

> The major economic problem is the lack of jobs, pure and simple. There are many low income families, that all they need is a job. . . . One thing I am not satisfied with is [the staff director's] decision to have no PSE in Title I. I personally see its utility.

Another field staffer voiced a similar complaint:
I feel that program mix should be determined by the local area. For example, in my area there are no jobs to train for. Yet we get Voc. Ed. [money for training programs].

There is also some staff disagreement as to the kind of participant that should be served in the BOS program and the extent to which the job placement goal should be compromised in order to serve more disadvantaged individuals. Some staffs, like most local deliverers, see the need to serve the harder core unemployed, even though success for them in the CETA program is not guaranteed. Others, especially those most concerned with the training end of the BOS program, see completion of training as more important, even if this means "creaming" from the pool of potential CETA participants. What seems to mitigate this division of view, however, is the fact that most state staffs do not see job placement and serving the most disadvantaged as mutually exclusive goals, even though they might well be.

The degree of goal commonality has consequences for the state staff in a social exchange/bargaining sense. Because the push for greater job placement is shared by most of the state staff, the environmental groups know exactly where they stand with regard to the state staff. Many local actors disagree with this goal, but they are unable to resist by pitting one staffer against the other. The staff is united in its purpose. Varying commonality of the secondary goals, however, has been slightly dysfunctional from a social exchange perspective. An example is the top level decision not to use Title I money for PSE for FY 77. As stated earlier, one field staffer was opposed to the cut off of Title I PSE. As it turned out, the planning area under his purview
was one of the last to phase out its Title I program—after other areas around BOS has to either place the participants or lay them off. Apparently the field staffer was a useful ally of the local area against the rest of the state staff.

Organizational relationships with Manpower Related State Agencies.

The relationships that exist among state agencies in Connecticut are more conducive to the development of state impact than was the case in Ohio, even though the latter's state staff tried to alleviate some coordination problems. The major state agency deliverers of Title I programs in Connecticut are the Employment Service (for manpower services) and the Apprenticeship and Training Division (which is responsible for most of the OJT in BOS). They are both housed within the Connecticut Labor Department—the same location as the state staff. This helps promote coordination, because the solution to some problems may be just down the hall.

The Vocational Education Division is part of the state Department of Education. Like Ohio, there were severe coordination problems with Voc. Ed. during the first year and a half of CETA. Sometimes these were so severe that money was not being spent and services were not being properly delivered. During FY 76 a special Classroom Training/OJT unit was created within the state staff. As part of its responsibilities, the unit was to develop more effective liaison with Voc. Ed. By all indications coordination has since improved dramatically.
During the first year of CETA the administration of the PSE program was separated from the administration of the Title I program. The Connecticut Personnel and Administration Department handled Titles II and VI. Some of the reasons cited for separation were pragmatic, e.g., Personnel and Administration handled the pre-CETA PSE programs, such as the Emergency Employment Act. But there were more political reasons as well. The first CETA director could not have handled the growing PSE program because he was politically committed to keeping the staff in the Labor Department small.

After the new governor took office, key state staffers began to complain that coordination with another agency regarding PSE was difficult. In response, Personnel and Administration lost the Titles II and VI programs to Labor, except for those public service jobs that are within state agencies (and that have more administrative restrictions). Once this move was made, coordination problems were alleviated.

State agency coordination has been promoted in one final way. The state departments of Education, Personnel and Administration, Community Affairs, and Commerce all have seats on the state planning council. In Ohio, only those state agencies that were direct program deliverers (such as the Employment Service) had representatives on the council. Although local actors charge that the council is stacked in favor of the state, if nothing else, it promotes some degree of communication and coordination on manpower matters.

All aspects considered, there has been at least a medium level of coordination among manpower related state agencies. This has had several positive consequences for state impact. First, basically good
relations now exist in the BOS program. Second, local actors usually see the state agencies and the state staff as a monolithic group.

Separation of Titles within the BOS Organization. The administration of Titles I, II, and VI are integrated at the top staff levels and within the major units of Planning/Evaluation, Field Operations, and Fiscal. The Classroom Training/OJT unit does not deal with PSE, however. This handling of the titles administratively, especially at the field operations level, differs significantly from the case in Ohio, where the titles were administratively separated at the unit level.

Although, like Ohio, the titles were separated organizationally during the first year of CETA, several factors subsequently blended the titles together in Connecticut. First, the shortage of staff that plagued the program during the first year and a half of CETA forced everyone to become involved with all aspects of the program. This situation existed well after all titles were housed in the Labor Department. Second, the philosophy of the top level staff encourages a generalist, rather than a specialist orientation. They feel that it is more preferable for staffers to know all aspects of CETA, i.e., the "big picture." To be sure, not everyone agrees with this orientation; however, it is the dominant one.

While the integration of titles within some units comports with historical and attitudinal factors involving the state staff, it nevertheless poses problems for the staff in the social exchange/bargaining sense. First, planning and evaluation of PSE takes second place to Title I. If there were a separate staff for PSE, which could plan meaningfully for jobs in the public sector, perhaps it could
reduce some local desires to use Title I for PSE. Second, the integration of titles creates undo pressure on the field staff. Although Title I is seen as the more important aspect of the BOS program, the most time consuming and mundane tasks that the field staff must perform concern the PSE programs. Time used up for PSE matters means less time for Title I matters. Third, perhaps owing to some degree of integration of titles and the lack of specialists, local actors complain that "there are too many points of contact increasing the chances for confusion... The communications should be rationalized so that a given problem is always handled in the same way."

Strategies

Articulated Strategies for Dealing with Environmental Groups. The state staff has clearly defined strategies for dealing with some environmental groups (usually state level groups) but less clearly defined strategies for other groups (locally based groups).

The decision rule for dealing with state political officials is to take care of mundane problems internally. "Political" problems and policy decisions, however, require the advice of the officials. In social exchange/bargaining terms this strategy has been successful for several reasons. First, by being the final decision-maker on a large proportion of (nonpolitical) problems, the state staff is able to build important leverage for itself vis-a-vis local groups. For example, staff decisions to limit participation in work experience to six months and PSE to one year has important positive ramifications for the staff goal of job placement. Second, even when political problems develop,
the state staff sets the agenda for the state political officials. The staff is the first to present its ideas to the officials about what should be done, thereby coloring the latter's views in favor of the staff.

The strategy for the state planning council is to maintain it as a rubber stamp for state staff desires (although the staff continually stresses its commitment to an independent council). Several staff actions have suggested a rubber stamp strategy: calling meetings infrequently; hurrying ideas through the council without proper council deliberation; and hedging on the formation of a committee structure. Again, the staff has been successful—it is increasing its impact at the expense of the council.

Although a clear strategy is evident for the state level environmental groups, less clear decision rules exist for groups on the local level, namely, the local boards, the work experience service deliverers, and the local political officials. The staff seems to be undecided as to how these local groups should be dealt with. On the one hand, the staff concurs that local input is very important to BOS decision-making. Yet, on the other hand, staffers assert that since the state is the PS, the only way to achieve unified BOS planning is to have greater direction at the state level, even if this means disregarding local desires.

Lack of a local strategy has created some controversy and resentment toward the state staff. More than one local board chairman expressed a desire to have the state staff specifically set out the role of the local planning boards. A few suggested that the law itself should explicitly call for or abolish local boards within BOSs.
Likewise, local service deliverers are not satisfied with the unclear cues they are receiving from the state regarding the value of their input in BOS decision-making. Some differential treatment by the state staff has also caused some resentment.

**Information Hiding Strategies.** The state staff in Connecticut does not make a conscious attempt to hide information from relevant environmental groups in the BOS program. (The only exception might be the state planning council, where complete information—which would help the council make some meaningful input—is withheld.) On the other hand, there is no conscious attempt to share information. As with the problem of no clear cut local strategy, one consequence may be that information filters down to some areas or actors but not others. This results in some resentment if the uninformed areas learn about the situation.

If the state staffers ever decided on an information strategy, however, they would probably be more inclined to share information rather than hide it. This might be in response to a reasoned or imagined fear of local groups, such as the CAPs, and the influence they can muster. Because the state staff has failed to hide information from other groups, especially local actors, several problems for the staff have resulted: 1) other actors obtain information from the state, reinterpret it, and re-present the data that sheds an unfavorable light on the state staff (this was actually done by one service deliverer); and 2) state goals and possible means to achieve them are known by the local groups thereby encouraging the development of counter plans at the local level.
THE STATEWIDE MANPOWER PROGRAM

INTRODUCTION

The state staff of Connecticut is also responsible for the administration of the Special Governor's Grant. It also has the responsibility of giving staff support to the state Services Council, for the purpose of promoting statewide manpower activities. As an introduction into the statewide activities of the Connecticut state staff, it may be useful here to describe the amount of money formally allocated to the state for these functions.

Regarding the size of the Special Grant fund, Connecticut receives less money than Ohio. For FY 77, Connecticut has at its disposal approximately $1.2 million for special statewide projects (the 4% fund), $1.5 million for the 5% vocational education fund, and $235,000 for 1% staffing purposes. This is approximately 1/3 to 1/4 the amount that goes to Ohio. However, the potential statewide impact may be the same, due to the smaller geographical area to be served and the smaller number of prime sponsorships in the state (six, including the BOS, as opposed to Ohio's twenty).

ENVIRONMENTAL CONSTRAINTS

Number of Environmental Groups. Connecticut is in a much more favorable position than Ohio in terms of the number of constraining forces that attempt to affect statewide manpower policy. Since the beginning of CETA, there have been only five other prime sponsorships besides the BOS. Moreover, several staffers have indicated that the
overall level of interest of the PSs in statewide affairs, especially the Special Grant, is low. This poses both advantages and disadvantages for the state. On the one hand, statewide plans can develop at the state level without a great deal of interference from the PSs. On the other hand, though, the noninvolvement of the PSs could be an important barrier to the actual implementation of these plans.

The state staff in Connecticut has favorable relations with the state political officials. Recall that in Ohio relations were not so good, and severe communication problems often resulted. Connecticut's governor has delegated virtually all authority for the Special Grant and other activities to the Labor Commissioner. (One exception has been the appointment of members to the services council by the governor herself.) The Labor Commissioner is positively involved in the BOS program, and all indications seem to be that he is favorably disposed to statewide activities when the staff puts such matters on his agenda. For example, at the request of the staff he has: 1) contacted all the PSs to ask for their cooperation in developing a meaningful manpower policy for Connecticut; and 2) taken an active role in coordinating manpower related state agencies by writing letters to other commissioners and directors, and by overseeing the development of a liaison group that would facilitate such coordination with the Labor Department.

The constraining force of the services council, like the planning council in the BOS case, is minimal. There are several reasons for this. First, the PSs that comprise the council (all PSs have representation) are generally not interested in statewide activities. Second, minimal activity could also be due to the actual membership of the
council. In virtually all cases the formal membership representing the PSs are elected officials or their close aides. These persons simply do not have the time to get very deeply involved with manpower in their own PSs, let alone statewide. In contrast, the formal membership of Ohio's services council representing the PSs is comprised of PS staff. Because these persons are integrally involved in manpower, this helps promote more activity on the state level. A third reason that might help explain the absence of the council as a constraining force concerns the one action over which the governor retains control--the designation of membership. When the new governor assumed office in early 1975, she took a long time in appointing members to the reconstituted council. It was a longer period still until a viable committee structure was formed. Without these working committees, the council was described as a "blue ribbon commission."

Organization of Environmental Groups. Just as there are few groups that consistently try to affect statewide manpower policy, so too is there a lack of organizational bonds that strengthen these groups. The forces that are important in BOS decisions and that could conceivably have a stake in statewide activities, do not seem to get involved. One exception might be that there is a representative from the Connecticut Manpower Executives Association on the services council. However, while that individual may be one of the more vocal members of the Council, the potential impact of the Executives Association, like its impact in BOS matters, is minimal.

While the formal and informal associations of the PSs were perhaps the most important environmental constraints operating in Ohio, no
similar associations exist in Connecticut. This is probably due to the low level of interest of the PSs in statewide manpower.

The lack of a high number of environmental groups as well as the non-activity of any formidable organizations puts the state staff at an initial advantage in terms of achieving state impact. In Ohio, the social exchange/bargaining setting was one of continual anticipation of and reaction to the various environmental groups' demands for a piece of the manpower pie. The social exchange/bargaining setting is quite different in the Connecticut statewide program. Here, the staff's major task is to encourage the various groups to become active in statewide manpower—but active in such a way as to enhance the state's impact.

On the face of it, Connecticut's task seems to be easier by comparison with Ohio. Important leverage could be gained by the staff's careful planning of agendas, presenting of staff views of a proper statewide direction, and cultivating of important allies both at the state and local levels. If the state fails to have an impact, therefore, it is not because the staff has been overwhelmed by formidable environmental groups. Rather, other factors would be coming to play.

Non-Group Constraints

Political Traditions. Two political traditions that Elazar (1972) discusses (the political culture of the state and attitudes toward centralism and localism) do not really show themselves to be important in explaining the state's role as manpower coordinator, as they do in its role as BOS administrator. However, certain other aspects of
Connecticut's political tradition help shape how the state staff even thinks about fulfilling its statewide role.

Perhaps the most important aspect of Connecticut's political tradition is the role that party politics plays in the state. It is a fact of life within state government, and partisan concerns are discussed openly and candidly.

Because party politics is so important in Connecticut, it is bound to have an effect on the state's approach to achieving a statewide manpower role. The top level staff consists of Democratic political appointees (although some have been able to break into the civil service system). It is conceivable that if they were to go through the planning and operations documents of Republican controlled PSs, this might be construed as trying to embarrass the opposing party's program. Additionally, one top staffer concurred that partisan differences was the major reason why the state has not been aggressively pursuing the monitoring of PSs, even though it is a mandated function in the law.

Since the state staff is aware of these partisan pitfalls, it has begun to emphasize to a large extent the nonpartisan nature of the state's activities. For example, by having all PSs represented on the services council monitoring committee, the staff demonstrated its commitment to fair and equal treatment of all concerned. Too, the state staff made it very clear that the reason for monitoring is more for information gathering purposes than for contract compliance or the identification of internal problems. Both the committee appointments and the initial plans for monitoring have only been recently established. While it is too early to tell if the PSs will cooperate fully with the
state staff, there are indications to suggest that perhaps the greatest partisan fears of the PSs have been alleviated.

INTERNAL WORKINGS OF THE STATE STAFF

Goals

Dominant Goals that are Manpower Specific. In looking at environmental groups, the Connecticut state staff is relatively free of the constraints that have seriously hamstrung the Ohio state staff's desires for a meaningful statewide role. The Connecticut staff has also begun to get a handle on the partisan forces that might interfere with what it wants to do in the way of statewide activities. Yet, the larger picture of Connecticut's statewide role would suggest that something has gone wrong, that the program has hardly progressed from the beginning of CETA. Since ineffective bargaining in the face of formidable environmental groups cannot be to blame, the reason for any breakdown must lie with circumstances internal to the staff.

In analyzing the internal operation, therefore, one finds that an important problem has been the lack, until very recently, of dominant goals that are manpower specific. To understand how and why this developed, a brief discussion of some historical factors is needed.

In Connecticut, CETA began under a Republican governor and a staff director who was originally hired as an efficiency expert with the mandate to reduce waste in government. The state staff reflected this philosophy; it was kept very small in size. As the CETA program mushroomed during its first year, staffing needs became acute. Yet, the director still felt obliged to keep the staff small. Consequently,
given the more immediate demands of the BOS program, virtually all available staff time was devoted to that function. No consideration was even given to the Special Grant or the statewide role until well into FY 75. When some attention finally did turn to the Special Grant, the only feasible goal by that time seemed to be to "spend the money as quickly as possible."

The staff was in fact receiving some pressure from the Department of Labor to spend the money quickly. It was already March in FY 75, and more money for the next fiscal year was supposed to be available as of July 1. In terms of the 4% fund the staff decided on a stop gap measure: approve any project that wants funded. One staffer believes that severe political pressure would have been applied had the staff refused to fund any 4% project during that first fiscal year.

The lack of adequate staff and the pressure to spend the Special Grant money as fast as possible had serious consequences for other aspects of the statewide program as well. The one staffer assigned to statewide functions was so overwhelmed with the administrative aspects of the Special Grant that she was never able to develop the subtler aspects of the statewide role. No monitoring procedures were developed. There was no plan for the routine collection of planning and operations documents from the PSs within the state. The services council meetings served no purpose. Little thought was given to filling in gaps in manpower services through the use of state agencies.

When the new Democratic governor took office and appointed a new CETA staff director (spring, 1975) the need for larger staff was immediately identified. At the same time, an assessment of Connecticut's
statewide program came from the Regional Department of Labor. The report was very critical:

The Prime Sponsor overestimated its capacity to organize administratively to implement the Special Grant to the Governor during the first two quarters.

The former CETA Administrator assigned the primary responsibility for the operation of this program to only one staff person. He failed to assess adequately the staff needs in this and other areas.

The Federal Representative is concerned about the expenditure rate. As of March 31, 1975, the sponsor had spent only 13.1 percent of the original allotment (spent $131,000 of approximately $1,000,000).

In our opinion, the prime sponsor should carefully assess the expenditure rate on a continuous basis and modify the grant as necessary to achieve the desired results.

Although a move to increase the staff overall helped somewhat in state operations, the fiscal problems that developed during the first year of CETA were so severe that it took staffers nearly another fiscal year to iron them out. Consequently, planning for the FY 76 Special Grant became almost an afterthought—just as it had been in FY 75.

Again, the staff was forced into a position of funding almost every 4% project that wanted money, although the staff had slightly more leeway than it did the year before.

The 5% fund was also plagued by severe underspending problems. The lack of good coordination with the Voc. Ed. Division was holding up the signing of nonfinancial agreements with the prime sponsors. Such documents are necessary for the 5% funds to be released to PSs for vocational education. Even after the agreements were signed, the BOS—the largest recipient of Voc. Ed. funds in Connecticut—was not spending the 5% money fast enough. Spending did not begin to pick up until the spring of FY 76, well into the second fiscal year of CETA.
By the spring and summer of FY 76 statewide operations began to be normalized in expenditure terms, and the subtler issues of the statewide program began to be addressed, e.g., a meaningful services council, involvement of manpower related state agencies, identification of gaps and duplications in services, etc. However, these aspects began to be set in place only at the end of the planning cycle for FY 77. As a result, the impact of these activities was not entirely evident in the FY 77 Special Grant.

There are several social exchange/bargaining consequences of the lack of a dominance of manpower specific goals in the state's role of manpower coordinator. First, because administrative (i.e., fiscal) problems became paramount, there was little opportunity for the staff to rally together the environmental groups in a statewide effort. Second, the state staff allowed itself to be dominated by the Regional Department of Labor, whether rightfully so or not. The federal office made it clear that the fiscal problems had to be worked out satisfactorily before all else. Third, because the state staff itself made the internal decision that BOS concerns would preempt the statewide concerns, the decision effectively put the statewide role permanently in second place. Consequently, for the first year and a half of CETA, the Special Grant was seen as little more than "money being dumped in the state's lap."

Commonality of Goals. Given that the dominant goals for the state staff were not entirely manpower specific, commonality of direction has at best been mixed. Commonality has not existed in the sense that, at the beginning of CETA at least, no one on the staff was concerned with
statewide activities. There were no goals even to have in common. After the new staff director was appointed, there finally developed a greater commitment to statewide manpower. Yet, part of that commitment was to merely getting the operation in shape administratively, e.g., spending the money in a timely fashion and promoting better coordination with Voc. Ed. Even though the staffers newly assigned to the statewide function may have had broader ideas, the preceding events forced them to deal with the immediate problems at hand.

With time, the enlarged statewide staff is able to begin moving toward more substantive concerns as well as more commonality of direction. One of the first steps the staff is taking is to encourage the greater involvement of more environmental groups in statewide manpower activities.

The difficulties of the previous two fiscal years have had long lasting effects on the success of the statewide program and the impact that the state might have in that program. First, because the PSs have never had to seriously deal with the state before, they might begin to believe that if the state has not mattered before, it will not matter now. Second, even though the state political officials are positively disposed toward statewide manpower efforts, their actual attitudes are ambivalent, because the staff has failed to keep the officials informed and involved. For example, although the Labor Commissioner has been supportive of individual requests from the state staff (such as writing letters to the commissioners of manpower related state agencies) he still fails to see the overall manpower picture and the role that the state should play in that picture. As a consequence, he did not properly communicate to the governor how timely appointments
to the services council could be important in building a meaningful state role.

Organization

Organizational Relationships with Manpower Related State Agencies. Since the state staff concerned with statewide activities is housed, like the BOS operation, in the Connecticut Labor Department, the former also has the advantage of being organizationally close to several agencies that are manpower related and that might help in statewide coordination efforts. For example, the state Employment Service is housed in the Labor Department.

There had been consistently poor coordination, however, with the Voc. Ed. Division of the state Department of Education. This had a serious effect on the statewide program in the sense that Voc. Ed. was an integral part of the 5% fund. Without the proper coordination, services just could not be delivered in a timely fashion. Part of the explanation lay with the goal problems that the staff was experiencing. Too, some sources alluded to personal disagreements between the Voc. Ed. Division head and the first CETA director. However, when the directorship changed after the new governor took office, such animosity decreased dramatically.

Connecticut's staff began to realize that changes were needed to improve relations with Voc. Ed. As discussed in the BOS section, the creation of a special Classroom Training/OJT unit was designed to facilitate Voc. Ed.-CETA coordination. The unit has only been operating for several months, yet, both sides seem pleased with the level of harmony that has been achieved thus far.
Goal problems in the statewide role are beginning to be addressed as the fiscal rough spots are smoothed out. One particular goal to which the state staff is now committed is to make all major state agencies aware of the statewide CETA program and each agency's possible role in that program. Taking a more aggressive stance on this than Ohio's state staff ever did, Connecticut's state staff involved the Labor Commissioner by having him write letters to the commissioners and directors of state departments and agencies asking for their cooperation in the manpower effort. Moreover, manpower related activities were identified in each department and agency so that, at the state level at least, gaps or duplication in services could be better identified. A liaison from the particular department or agency was then appointed to facilitate coordination.

In sum, organizational relationships have not been perfect in the past, but they are improving. Some relationships were already close (such as with the Employment Service); others were identified as problem areas and corrective action was taken (such as with the Voc. Ed. Division). The state staff has more recently begun to go beyond the agencies closely tied with CETA and has attempted to become familiar with manpower related efforts that are less central but nevertheless important to the statewide CETA program.

Separation of Special Grant Staff from BOS Staff. When FY 77 began in the fall of 1976, there was a separate and identifiable staff designed to deal exclusively with the Special Grant and related statewide activities. However, while Ohio's separate staff was characterized by continuity and stability (even in the face of a gubernatorial change),
the Special Grant staff in Connecticut can be characterized by newness, instability, and change.

As discussed earlier, during the first year and a half of CETA there was either no one specifically assigned to statewide activities, or there was only one person assigned. Due to top level staffing changes, an overall increase in staff size, and pressure from the Regional Department of Labor, a statewide unit was created that was to have more than one staff person. Yet, the staffing of this unit contained no person or persons who had previously dealt with the Special Grant. Therefore, the unit had to start at the beginning in determining what goals it should set for itself.

Organizationally, the Special Grant unit is equal to the important BOS units of Planning/Evaluation, Field Operations, and Fiscal, although the latter unit does accounting for both state functions. The Classroom Training/OJT unit, basically a subunit of Planning/Evaluation and Field Operations, also handles both BOS and statewide aspects (5% fund). However, the unit is so small that one state function does not preempt the other.

The fact that the units were not separated in the past, however, has had ramifications for the present and future. First, when the separate Special Grant unit was formed, a great deal of time was spent correcting the problems of the past. Moreover, attitudes about the inactivity of the state have already formed in the minds of potentially important environmental groups such as the PSs. It may be even more difficult now for the Special Grant unit to bring these groups meaningfully into the statewide manpower picture. For example, now that it is well into
the third year of CETA, the Special Grant unit may now have a more difficult time convincing the PSs that requests for documents, plans, and PS time are legitimate, if not suggested in the law.

Second, because of their relative inexperience in statewide concerns, the staffers in the Special Grant unit have been more concerned with procedural rather than substantive matters. For example, while Ohio's state staff was able to deal with such issues as developing criteria in which to judge 4Z projects or coming up with innovative uses of the 5% fund, Connecticut's state staff has been concerned with: making services council members aware that the Special unit is accessible to them; setting the stage for PSs to cooperate with the state staff; and trying to get the committee structure of the services council in some kind of working order.

Size of Special Grant Staff. The Special Grant staff was either nonexistent or extremely understaffed during the first year and a half of CETA. Consequently, this created serious problems in terms of the staff's ability to carry out even the most basic statewide mandates, such as putting together the Special Grant plan. Once the commitment was made to increase the state staff overall and to create the Special Grant unit, the staff has begun to be adequate enough to deal with the subtler issues of statewide manpower, as well as to perform more mundane tasks.

By the end of FY 76 there was one supervisor and three manpower specialists dealing with statewide issues. Top level staff were also planning the addition of two more staff to the Special unit.
Again, the late development of a viable Special Grant staff has had consequences for potential state impact. First, only recently have there been identifiable staff persons with whom the PSs and other environmental groups can communicate. Such an absence in the past may have militated against groups even attempting to call the state for information or other technical assistance. Second, no PS plans and operations documents were collected in the past. Consequently, trend analysis—data that would be useful for the PSs and prestige building for the state—cannot be done. Third, the pressure to fund every 4% project that wanted money may have set a dangerous precedent. Some programs or deliverers become entrenched and are difficult to defund.

Strategies

Articulated Strategies for Dealing with Environmental Groups. Like the BOS operation in Ohio, the lack of articulated strategies for dealing with environmental groups can be traced, in large part, to the goal problems that existed throughout almost the first two years of CETA. Because these years were devoted almost exclusively to spending money quickly and forming a Special Grant staff, little time was spent in making the PSs, political officials, and others aware that the state did indeed have a statewide role under the law and that the staff meant to do something about it.

The lack of a clearly outlined strategy for involving the political officials has resulted in a situation whereby the Labor Commissioner is not able to see the entire picture of what the state should be doing. This is unfortunate, because he is favorably disposed toward supporting
state staff desires. A more aggressive strategy on the part of the staff could probably permanently ally the Commissioner with the state. Moreover, developing a careful strategy involving the state political officials might bring the governor more actively into the manpower picture, possibly increasing state impact even further.

Likewise, the lack of a clear cut strategy for dealing with the PSs has had its consequences for possible state impact. Because they have not had to deal with the state in such a capacity before, the PSs may begin to believe that any moves by the state are an encroachment of their domain. For the most part, the staff realizes that this attitude might prevail and therefore tries to move very cautiously in getting the PSs involved. On the one hand, the staff may be moving too cautiously. After all, the PSs are not bound together in any organization as they are in Ohio. Moreover, it is doubtful if there is a great deal of communication between the PSs. On the other hand, as one staffer observed, the organization of the political parties is enough to slow down attempts by the staff to bring the PSs into the manpower picture.

Lack of definite decision rules has also contributed to an inactive services council. However, this may work to both the advantage and the disadvantage of the state staff in its quest for impact. In terms of the advantages of an active council, council approval of essentially staff decisions can give more legitimacy to statewide activities, especially in the use of the 4% fund. This tack would make more sense in Connecticut (where the state political officials are positively involved) than in Ohio (where it was used unsuccessfully due to political considerations). In terms of the disadvantages of an active council, however,
jockeying for 4% and 5% funds may become more commonplace, as it did in Ohio.

**Aggressive Strategy for Obtaining RDOL Support.** Just as there are no strategies for dealing with the environmental groups with the state, there is likewise no strategy to obtain Regional Department of Labor (RDOL) support, especially from the federal representative. Part of the problem can be attributed to the internal workings of the state staff. For example, the lack of manpower specific goals and a low degree of goal commonality militates against a judicious cultivation of RDOL support.

On the other hand, matters internal to RDOL itself have also interfered with the prospect of the state staff gaining support from the office. The first priority of RDOL seems to ensure that funds are expended in a timely fashion so that services are consistently delivered. Because an underrun of funds was a serious problem in Connecticut, the only meaningful support the state could expect to receive, for the time being at least, was to get its fiscal difficulties in order.

A second major concern of the RDOL is to make sure that the letter of the law is obeyed. Such concern prompted a push on the state to appoint the services council and have it meet regularly.

The third RDOL priority, finally, is that the spirit of the law be obeyed. In statewide terms this would include such things as helping the state get plans and operations documents from the PSs. Given the higher priorities, however, there is little time for the office or the federal representative to help the state in these matters.
What makes this an even more remote likelihood is the time constraints on the federal representative. While in Ohio there is a separate federal representative who deals exclusively with the Special Grant, in Connecticut one federal representative must take care of the BOS, Special Grant, and even another PS. Even if the state aggressively pursued RDOL support and the federal representative was willing, time pressures alone would almost preclude the possibility of support.

Information Sharing Strategies. In the past, the state staff has not aggressively pursued a strategy of sharing information with the environmental groups. Neither have they tried to deliberately hide information. A ramification of this may well be that the environmental groups were never aware that the state could be a useful source of information to them.

Recently, however, the state staff has begun to realize that an information sharing strategy is important to developing a statewide role and having some impact. Too, it is a low cost strategy and one that would be the least threatening to the PSs. The staff seems to be moving in that direction by openly inviting questions from PSs, sending out informational sheets, and letting the PSs know the staff is available for technical assistance. It is too early to tell if this newly found strategy will be successful, or if it is too little, too late. One thing is clear, however. The fact that little was done in the way of an information sharing strategy during the first two years of CETA has made it more difficult for the state staff to begin doing it now.
CONCLUSION

BOS Connecticut's program developed more smoothly than Ohio's, even in the face of important environmental constraints. What seemed to be the key was that the state staff had a common direction in which it was headed. For the most part, staffers showed a genuine commitment to achieving the goals that had been set out. As it has turned out, however, the success that the BOS achieved was at the direct expense of the statewide program. Plagued by understaffing and general neglect of the statewide function early in CETA, the state lost an important opportunity to make a meaningful contribution to manpower policy in Connecticut.

Yet, there are successful aspects of both state functions. The state staff is now more successful in dealing with the manpower related state agencies. (In fact, it was a major objective in the state staff's recent attempt to develop a meaningful role statewide.) Close organizational relationships with some agencies, such as the Employment Service, combined with support from the Labor Commissioner, has resulted in reasonably good working relationships with organizations at the state level.

Like Ohio's BOS program, the work experience deliverers, especially the CAPs, are a formidable environmental constraint in Connecticut's BOS program. Although the deliverers seem to have more potential influence in Connecticut than in Ohio, the unidirectional goals of the state staff help to attenuate their impact to a large degree.
The situation in Connecticut also suggests that cooperation from the state political officials is an important ingredient in establishing state impact. For example, although Ohio's state staff was much more advanced in its statewide role, the negative political considerations did as much to undermine the program as the internal goal problems experienced by Connecticut's state staff.

One final thing can be gleaned from the analysis in this chapter. Although no important environmental groups try to affect policy, internal problems can be just as dysfunctional to a strong state role as being overcome by environmental groups.
CHAPTER 5: SOCIAL EXCHANGE/BARGAINING IN ARKANSAS

INTRODUCTION

Ohio and Connecticut are dotted with urban and suburban prime sponsorships that essentially make the BOS operations "left over" and the statewide operations more difficult to address. The state CETA operation in Arkansas, however, is much more important to the total manpower effort. Because of Arkansas' basically rural complexion, sixty-nine of the seventy-five counties are in the BOS operation. Four of the remaining counties are in the Little Rock/Central Arkansas consortium, and two Arkansas counties, together with Bowie County, Texas, comprise the Texarkana Consortium. These compositions have remained unchanged since the beginning of CETA.

For planning and operational purposes, the sixty-nine BOS counties have been divided into regions. During FY 75 and FY 76 there were seven of these regions. For FY 77 the North East planning region was further subdivided into the North East and East Central regions. (See Figure 9 in Appendix B for a map of these Arkansas regions.)

Administration of both the BOS and the statewide programs is housed in the state Department of Local Services in Little Rock. The formal name of the state staff is the Arkansas Manpower Council (AMC). The staff director answers to the Department head, who in turn answers directly to the governor. According to the staff personnel assistant,
forty-four staff positions are authorized, but the optimal number to be filled is thirty-eight. As of the end of 1976, thirty-four persons comprised the state staff. (See Figure 12 in Appendix C for an organizational chart of the Arkansas state staff.)

As with the Ohio and Connecticut programs, the staff is broken down into functional units. They are Administration, Planning, and Grants Administration/Assistance (operations). These major units in turn are functionally subdivided to deal with the various aspects of the major unit. The entire fiscal portion of CETA is subcontracted to another state department, that of Finance and Administration. The CETA fiscal unit of this department is physically housed in the same building as the regular state staff.

From a broader perspective, the CETA program is the largest federal grant within the state Department of Local Services, which also handles such grants as community development and land/water conservation. CETA's importance thereby becomes magnified at the state level, and the general degree of awareness of the CETA program is somewhat higher than the counterparts in Ohio or Connecticut. In the latter two cases, interest in other federal and locally generated revenues often supersedes CETA at the state level.

THE BOS MANPOWER PROGRAM

ENVIRONMENTAL CONSTRAINTS

Group Constraints

Number of Environmental Groups. Of the three case studies being analyzed in this dissertation, Arkansas has the lowest number of
constraints with which the state staff must contend. This is a favorable condition in terms of the possible impact that the state staff might have in BOS policy and decision-making.

The state political officials are aware and supportive of the BOS program. Since CETA is the largest program operating within the state Department of Local Services, the Department head, who is a political appointee, is knowledgeable and active in helping design manpower policy. He works very closely with the CETA staff director. In the governor's office, both the governor and his administrative assistant are aware and reasonably knowledgeable about CETA. The governor is the formal chairman of the state planning and services council, and he has actually attended some meetings. The governor's assistant usually chairs the council meetings and generally tries to keep abreast of policy matters at the state level.

Although the CETA director answers to the Department head, the relations between the two individuals and with the governor are informal enough so that on several occasions the CETA director has dealt directly with the governor.

Citizen participation through the state planning council also cannot be considered a formidable environmental constraint. Recall that in Ohio and Connecticut there were two state councils (one for BOS matters and one for statewide matters) with different membership rosters. In Arkansas the two councils are dealt with as one functioning body. In one key staffer's words:

Well, the way we've tried to do it here in Arkansas is that the Planning Council is kind of a core group and we've expanded it to the Services Council. We've encouraged participation
by the whole Services Council in discussion, dealing
with, talking, and going about [both the BOS Title I
and Special Grant] plan.

While this strategy may make sense because of the rural nature
of Arkansas and because there are so few PSs in the state, the
deliberations of this hybrid council deal much more with the statewide
function than with the BOS function. For that reason the council
cannot be considered an important environmental constraint for BOS
purposes; therefore, it will be dealt with more fully in the statewide
section of this chapter.

Likewise, as a group the service deliverers, especially the work
experience deliverers, are not as important an environmental constraint
as their counterparts in Ohio and Connecticut. Part of the reason for
this is the lower relative number of work experience deliverers through­
out the state. While Connecticut had twelve such deliverers in the state
outside of the five PSs, Arkansas—over ten times the size of
Connecticut in land area and with two fifths of the non-BOS PSs—has
only eight such deliverers. A second reason for this could be that
when CETA first began, the federal representative assigned to Arkansas
was committed to getting rid of unsatisfactory pre-CETA work experience
deliverers in the state. Moreover, to help reduce the administrative
costs of deliverers, he saw to it that programs did not overlap between
the designated BOS planning regions. The result was that there would
be only one work experience deliverer per BOS planning region.

The BOS policy of avoiding duplication of work experience services
in any one geographical area has remained since CETA's inception.
However, the size of some of these work experience deliverers in terms
of funding and area served exaggerates to some degree their ability to be a successful constraint on the state staff. Developments over time have tended to attenuate their constraining potential.

During the first two years of CETA the local planning boards that operated in each BOS region were a force that the Arkansas state staff had to deal with. Initially, these boards were not quite as formidable as the boards in Connecticut. However, state staff allowance of local decision-making, combined with the independent thinking of individual members in some of the boards, resulted in greater influence for the Arkansas boards than they otherwise might have had.

For FY 77 a major change occurred in the composition of the local boards. Prior to the change, the composition of the boards was one third agency representatives, one third local elected officials, and one third client representatives. After the change, only local elected officials (mayors and county judges (the chief county elected officials)) now sit on the boards, supported by groups comprised of service deliverers and business/labor representatives from the community.

There are several consequences of this change for staff social exchange/bargaining purposes. First, the role of the service deliverers in Title I decision-making has become ambiguous. On the one hand, the fact that the change in board structure was able to occur at all suggests that perhaps the local service deliverers were not as influential as originally supposed. On the other hand, the service deliverers were the most active board members under the old structure. Through their activities in the support group the deliverers may continue to be important on the local level by having the elected officials depend
heavily on them for advice. A second consequence of the change in local board structure is that for the first time local elected officials, and to a lesser degree business and labor representatives, are seriously brought into Title I decision-making. If the state staff is unhappy with decisions made by local elected officials, there may be little that it can do, because it has even less programmatic flexibility than it had under the old system.

In summary, there are few groups in BOS Arkansas that would be a formidable constraint on the state staff. Decisions made by the old local boards and the deliverers sitting on the boards were heeded by the state staff to some extent. Yet, their broader ability to actually constrain the staff could not have been that great or else there would have been more resistance to the change in local board composition. In themselves, the individual local elected officials that sit on the new board are not a formidable constraint, but they could potentially develop into one.

Organization of Environmental Groups. Just as there are few environmental groups that try to affect policy in BOS matters, so too are there few organizations or associations that seriously attempt to make an impact in BOS Arkansas.

It is somewhat significant that the statewide association of Community Action Agencies—which was involved in manpower to a great extent in Connecticut and to a lesser extent in Ohio—has not gotten involved in manpower matters in Arkansas. Part of the reason for this is that a majority of the service deliverers for work experience programs in BOS are not Community Action Programs (CAPs) as they are in
Connecticut and Ohio. Many of the CAPs in BOS that were delivering manpower programs prior to CETA were defunded at the urging of the federal representative. As a result, several economic development districts became involved in manpower. The few CAPs that are still in manpower are not bound together in terms of a manpower organization and in terms of dealing with the economic development districts. Moreover, the development districts themselves do not have an association that provides a common forum for the individual agencies. Together with the small number of such deliverers relative to the large size of the BOS, isolation has been a major problem for the deliverers. At the same time, it has provided a major opportunity for the state staff to make an impact in BOS matters.

There is, however, one organization operating in Arkansas that may become more formidable in the future. Because of the change to local elected official involvement in BOS decision-making, the County Judges' Association may become a force with which the state staff must contend. The governor must sometimes defer to the Association on non-manpower matters. With the greater involvement of county judges under the new decision-making arrangement, it is likely that the Association will become even more involved in manpower in the future.

In sum, then, few associations pose a serious threat to the state staff in making an impact in the BOS program. This initially suggests a low level of social exchange/bargaining activity in which the state staff needs to engage.
Non-Group Constraints

Political Traditions. Certain political traditions in Arkansas have had an effect on intergovernmental and political relations in Arkansas. In turn, the traditions have had ramifications for the BOS program.

First, the "personalized" nature of the traditionalistic political culture is evident in the BOS CETA program. For example, persons were more willing to mention in Arkansas than in either Connecticut or Ohio that they were "personal friends of the governor" or that they "grew up with [such-and-such] administrator." The implication is that a personalized network of communication may be more important in some instances than an open and more "democratic" process.

Second, the general feeling among state political officials and staff is that CETA decisions made by those elected to office (i.e., the mayors and county judges) are more legitimate than those made by non-elected officials. Yet, the implementation of this idea at the local level contradicts somewhat predominantly centralistic traditions, with the state as the historical locus of decision-making. In other words, by changing the composition of the local boards, the state has essentially given a greater share of the decision-making burden of BOS to local areas. At the same time, these local areas have traditionally turned to the state to help solve local problems and assist in local decisions.

The implications for the state staff's social exchange/bargaining potential are several. First, even with the move to bring local elected officials into the decision-making arena, it is nevertheless still likely that the ultimate decision-making capacity will be retained at the
state level. For example, several staffers indicated that if local elected officials went "too far out of line" of state priorities, the staff would step in and change the decision. Moreover, one staffer even admitted that while local preferences may not be initially changed by the state staff, the use of modifications to the original plan have been, and will probably continue to be used throughout the fiscal year to change local preferences.

Second, the fact that a rural, Southern state such as Arkansas has to rely on its state institutions rather than its local ones (as opposed to more urbanized states) sets a positive stage for state impact, even though important manpower personnel at the state level are proposing movement of the decision-making locus away from the state. In sum, historical and traditional trends may be more important to gauging the direction of the BOS program than the actual effect of the recently proposed changes.

One final aspect of the political tradition of Arkansas that has social exchange/bargaining consequences concerns partisanship and political factions. In Arkansas there is a virtual one party system—Democratic. From a factional point of view the moderates in terms of racial attitudes have gained and kept control of state government. By implication, a social program with the governor as the final decision-maker who answers to the federal government will be more moderately designed.

Yet, some rural areas of the state have not advanced beyond the segregationist attitudes that have for so long dominated Southern Democratic parties. For the state staff to let local decision-making
go unrestrained might, in some cases, be tantamount to legitimizing racist decisions. At the same time, any changes at the state level undermines local desires to some extent. The net result may well be to have the state level norms prevail. In CETA BOS terms, this would mean a predisposition to go along with state desires when racial issues are involved.\footnote{14}

One part of the BOS program that cannot be directly controlled by the state staff, however, is the type of participant that is brought into CETA. Here, local service deliverers exert greater influence, and there are some negative ramifications in racial terms.

For example, since the beginning of CETA the average percent of blacks among those persons in the state Employment Service's unemployment records has been 41%. (To wit, some believe that the actual black unemployment figure is higher, because many blacks will not go to the Employment Service in search of a job.) Yet, among Title I CETA participants, the percent of blacks served has never been higher than 38%. At the end of FY 76 the figure was as low as 29%. Even fewer blacks have been served under the PSE titles of II and VI.\footnote{15} The conclusion that has to be drawn from this is that blacks are underserved in BOS Arkansas.

The state staff is aware of this problem of underservice. Through a new management information system, it hopes to gain more control over who enters the CETA program. Therefore, once the staff has identified the problem areas, it is quite likely that more moderate racial policies will come into play.
Changes in Title I Funding. Table 11 shows the Title I allocations for BOS Arkansas. With the inception of CETA in FY 75 the BOS experienced over a million dollar cut from what had been going to the BOS counties in the pre-CETA categorical programs. Again, in FY 76 BOS Arkansas was faced with $1.2 million less (for four fiscal quarters) than what it had received the previous year. For FY 77, however, BOS Arkansas was receiving approximately $12.5 million—more than it had ever received under CETA.

At the same time that the BOS staffers were beginning to be aware of some increase in funds, they were, however, telling all BOS deliverers at the state and local level to prepare for budget cuts that would be taken across the board. This apparent inconsistency could well have been unintentional, although some observers feel that it was intentional. It was not until well into the fall of 1976 that the state staff learned of the final BOS allocation for FY 77. At any rate, all service deliverers were prepared to "bite the bullet" and be ready for a budget cut during the next fiscal year.

This particular action has had some consequences for the social exchange/bargaining capacity of the state staff. First, by warning the service deliverers that there may be a cut from previous allocations, the deliverers are less inclined to push for increased shares of the manpower pie. Second, the increased allocation, together with deliverers' expectation of fewer funds allows for a much greater degree of flexibility on the part of the state staff. It has the potential for controlling a larger share of the funds without prior commitments and constraints.
<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>ALLOCATION ( ^a )</th>
<th>ADJUSTMENT FOR INFLATION ( ^c )</th>
<th>PERCENT CHANGE</th>
</tr>
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<tr>
<td>FY 1974</td>
<td>$13,397,400 (^b)</td>
<td></td>
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<tr>
<td>FY 1975</td>
<td>$12,057,660</td>
<td></td>
<td></td>
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<tr>
<td>FY 1976 (4 quarters)</td>
<td>$10,851,894</td>
<td>$9,224,110 (^c)</td>
<td>23% decrease</td>
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<tr>
<td>FY 1977</td>
<td>$12,527,577</td>
<td>$11,274,819 (^d)</td>
<td>4% increase</td>
</tr>
</tbody>
</table>

\( ^a \) Source: Employment and Training Reporter, 71:1013; 71:1016; 71:1020

\( ^b \) Total, categorical programs

\( ^c \) 15% adjustment for inflation

\( ^d \) 10% adjustment for inflation
INNER WORKINGS OF THE STATE STAFF

Goals

**Dominant Goals that are Manpower Specific.** Many goals have been articulated by state staffers for the BOS program in Arkansas. The dominant goals that have developed from the beginning of CETA have been both manpower specific and not manpower specific. The result is that there are fewer dominant manpower specific goals in Arkansas than there are in BOS Connecticut, yet more than what was the case in the BOS Ohio program.

Among the major goals, the two most frequently articulated by the staff were: 1) "to insure that every citizen in Arkansas has an opportunity for a job and relevant training leading to a marketable skill at their optimum potential, and a job upon completion of training," and 2) "to assist local governments in order to achieve optimum control in planning and utilization of federal funds for manpower services. 16

From the two articulated goals, one sees that the first might be described as being manpower specific. To be sure, this goal is quite broad. However, with such references as "opportunity for a job" and "training leading to a marketable skill," the direction in which the staff wishes to go is by and large manpower specific.

The second major state staff goal, however, is not manpower specific in almost any sense. The intention is to implement this goal in the CETA program, but the goal itself is procedural in nature and could actually be applied to any federal grant going into the state.

The change in local board structure to local elected officials was in partial response to a new goal of trying to decentralize
decision-making. More fundamentally, there also came a change in the attitude toward these boards. Because the local elected officials were not comprising the memberships, an important corollary is that the state staff must go one step further in its commitment to local decision-making and accountability, by recognizing that local board decisions are final and are not to be changed by the state staff.

While the staff allowed the old boards to make decisions that were "final," the former was still able to maintain state priorities to some degree. With the new boards, the staff may feel more constrained and less able to make changes, because it is elected officials making decisions, not "self serving" CAPs or development districts. Bringing local elected officials, especially the judges, into the BOS decision-making arena also brings into play the interests of the County Judges' Association.

Given that there is a commitment to both of the articulated goals, there may be a degree of incompatibility between the two. As a consequence, a situation has developed which threatens the social exchange/bargaining capacity of the state staff. The problem arises if for some reason the local elected officials have goals that are not manpower specific. In those cases, if the state staff were not to step in and change decisions, the whole commitment to the state level manpower specific goals might be undermined.

Key staffers are aware of this problem and are attempting to align local elected official goals with state staff goals, thereby avoiding possible future confrontation. This is to be accomplished by a large amount of technical assistance to the new local boards. In other words,
the bargaining approach that the state staff has decided to use vis-a-vis the new local boards is to allow the latter to make "final" decisions—based on the information and other assistance given the local boards by the state staff. The elected officials are also receiving advice from support groups comprised of community representatives and service deliverers. Thus, other groups are used by the state to help in the proper development of the CETABOS program.

Compared with Connecticut, the goal of local decision-making is an unusual one for a BOS manpower program—especially since the state level is the final decision-maker in the eyes of the Department of Labor. Moreover, adopting this particular goal forces the state staff to go to great lengths to help ensure that its own manpower specific goal is not undermined as a result.

Yet, this procedural goal is very important to both the governor and key staffers. It assumes even greater importance in light of the fact that chief state level decision-makers have personal political stakes in making local elected officials beholden to them. In Arkansas local elected officials are important allies in building political careers.

Other articulated goals are both manpower specific, e.g. serving the greatest number of people, and procedural, e.g. improving intra-staff decision-making and improving information systems.

In sum, and in social exchange/bargaining terms, there is a dominant feeling that manpower problems need to be addressed in the BOS program (a feeling that just did not exist for so long in Ohio). However, because the procedural goal of local decision-making has been established for one reason or another, elaborate social
exchange/bargaining mechanisms are developed to help ensure the compatibility of the two goals and the integrity of the former goal.

Attention to National Goals. There is an awareness among state staffers in Arkansas of the three national goals of decategorization, decentralization, and comprehensiveness, but these goals have little meaning in operational terms for them. The state staff chooses not to use the national goals as a bargaining wedge to make changes in the BOS program. Moreover, the federal representative assigned to BOS Arkansas has encouraged the pursuit of state-generated, rather than nationall-generated goals.

At the same time that the state staff has been spurning the three national goals, however, they have been pushing their own goals—the procedural goal of decentralized decision-making bearing a marked resemblance to one of the national goals. While the national goal implies decision-making away from the federal level to state and local governments, the state staff in Arkansas has begun to use decentralization to promise local areas a greater decision-making responsibility. Thus, while the staff itself does not see this connection between national and state goals, the articulated goal of decentralization is very much present in the BOS program.

There are several consequences in social exchange/bargaining terms of the attention to the national goal of decentralization (albeit in an unintentional way). Some of these consequences may be both helpful and harmful to the development of state impact and leadership. First, the staff has taken the idea of decentralization further than might have been intended by the CETA legislation. As seen in the previous section, this
could have the adverse effect of putting sub-BOS areas' preferences, goals, and objectives ahead of the state level. Second, any subnational goal has the support of the federal representative in Arkansas. Because this local goal comports with the national goal of decentralization, federal support can be expected by the state staff. Third, while there is no conscious effort to link the state and national goal of decentralization, national rhetoric has been used to implement the change from the old local boards to the new elected official boards. Due in no small measure to such national intent, the transition to the new boards occurred relatively smoothly, with some modicum of support from such groups as the County Judges' Association.

**Commonality of Goals.** As seen, the major goals of the BOS Arkansas program are either broadly manpower specific or more procedural in nature. Inevitably, some persons want to emphasize one goal over the other. Moreover, the two broad goals themselves are disparate enough so that one can emphasize one of the goals without ever addressing, even perhaps undermining, the other goal. The result is that there is automatically built into the BOS program a possibility for nonconvergence of goals.

In terms of who emphasizes what goal, the very top level staff seems to focus on local decision-making. The staff director wants to minimize the influence of vested interests and jockeying for support (much of which occurred at the local level) and maximize local accountability through the involvement of local elected officials.

Below the top staff level, however, are those who must deal in an intensive way with certain parts of the BOS program. Consequently, their concern is not so much with the procedural goal but rather with the
programmatic one: who is being served with what programs with what results. Yet, within this goal itself there is much room for divergence. For example, some staffers see the manpower goal in terms of looking for greater accountability from the service deliverers. One staffer states:

When I was a monitor, we did not monitor [a particular service deliverer]. There has been some recent talk about monitoring them for FY 77, but nothing is actually being done about it.

Another staffer feels that it is important to improve the management information system within the BOS. Still a third staffer—who also probably represents staffers who had been with manpower a long time—feels that:

We've got some broad goals. They're so broad that they could include anything. It is not a placement program. It is to serve the greatest number of people.

Therefore, even among those who see the need to develop programmatic goals in the BOS, there is a lack of consensus as to what specific aspects of the goal are most important.

Given this low level of goal commonality among state staffers, there are several consequences for the staff in the social exchange/bargaining sense for ultimate state impact. First, some dissension is generated within the state staff. Some staffers emphasize some goals and cannot understand why others are emphasizing different, more "inferior" goals. This, in turn, militates against the development of a common front, whereby environmental groups would know exactly where they stand vis-à-vis the state staff. Second and relatedly, others perceive the state staff as having no common direction in its BOS program. For example,
the state political officials were enthusiastic about bringing local elected officials into BOS decision-making. The top state staffers were also in favor of the change. Yet, other staffers were not convinced that this was going to be a good move on the part of the staff. Consequently, these staffers began to ally themselves more and more with local service deliverers who were against the change.

A third consequence of the lack of goal convergence concerns state staff accountability itself. If there were a high degree of goal commonality, it would be easier to draw lines of staff responsibility and thereby easier to administer the BOS program. In the absence of goal commonality as exhibited in BOS Arkansas, tasks and responsibilities overlap and intrastaff communication is often difficult. On the one hand, the staff director has attempted to draw clear lines of function in staffing the BOS program. On the other hand, though, he is also committed to a very decentralized mode of intrastaff decision-making. This results in some overlapping and sometimes even chaos when the goals for the BOS are concerned.

Organization

Organizational Relationships with Manpower Related State Agencies. There are close organizational relationships with most manpower related state agencies, especially the Employment Service (which delivers such services as counseling, job development, and OJT), the state Department of Education (which delivers classroom training programs), and the Department of Finance and Administration (which has fiscal responsibility for the entire BOS program). There are several reasons for this.
relatively good working relationship. First, and perhaps most important-
ly, the size of the state government as a whole is small. There is not
a great need to have all manpower related functions under one roof or
even one state department, as it exists in Connecticut. There is easy
access among all individuals involved. Second, informational and other
systems as they have been developed require close working relationships
with other state agencies. For example, the newly designed computerized
management information system is housed in the Employment Service.
Important information must be gotten on a timely basis from the
Education Department (as well as from other service deliverers) so that
the state staff can compile accurate reports. The system for paying
monetary allowances to CETA participants also involved developing close
working relationships with Education, the Employment Service, and the
state staff.

In this respect at least, the state seems to be a united front
against potential or actual environmental groups. With the relatively
good working relationships that exist at the state level, the
environmental groups cannot play one state agency off against the
other, as was successfully done in Ohio.

Separation of Titles with the BOS Organization. Because the top
level staff is committed to having "generalists" rather than "specialists"
administering the BOS program, there is no organizational separation of
Title I from the PSE titles within the state staff. The staff planners
presumably plan for Titles II and VI as well as for Title I; operations
staffers monitor all contracts including PSE within given geographical
areas.
Although some degree of uniformity has been established because of such integration, the staff's social exchange/bargaining capacity has nevertheless been hampered. First, the smaller PSE contracts greatly outnumber the larger non-PSE contracts. Operations monitors therefore must spend more time on PSE with subsequently less payoff in terms of keeping tabs on the BOS program. Second, and more significantly, PSE "experts" have developed within the staff despite the outward organizational structures. Consequently, lines of decision-making have become muddled, channels of communication for the environmental groups have likewise become ambiguous, and in general, the staff itself seems to be pulled in a number of different directions.

Strategies

Articulated Strategies for Dealing with Environmental Groups. There exists an articulated strategy for dealing only with the local elected officials and, in the past, the local planning boards. The strategy in both cases was for the state staff to accept, or at least to appear to accept, the decisions of the local boards.

Yet, at the same time, the staff has increased the potential for its own impact by saying one thing and doing another. All persons concerned in the BOS are aware of the decentralized decision-making strategy. However, several staffers confided that local decisions not in keeping with state desires can be subject to modification later on during the fiscal year (when the planning cycle is over). Thus an articulated strategy here is to divert attention from the real issues and changes that the state staff may wish to make.
Outside of this particular strategy, however, there are no others. For example, there is no articulated strategy for dealing with such groups as the state political officials.

In social exchange/bargaining terms there are several consequences for articulating strategies for some groups but not others. First, state staff dealings with those groups where there is no strategy are irregular and unpredictable at best. For example, the lack of a clear cut strategy in dealing with the state political officials could potentially have serious ramifications for the state staff in the development of state impact (as it did in Ohio). Fortunately for Arkansas' state staff, however, the political officials are close enough to the staff because of the smallness of the state government. Thus, dealings between the two sets of actors have not had an adverse effect on state staff impact possibilities in the BOS program.

Information Hiding Strategies. As with the BOS programs in Ohio and Connecticut, there is not a conscious strategy in BOS Arkansas to either share or hide information from the relevant environmental groups. And again, there are the consequent problems of differential information being heard by different individuals, especially at the local level, which causes resentment against the state staff.

This has special consequences for a sparsely populated, rural state like Arkansas, where local level service deliverers personally know actors at the state level. As an example, the state staff had failed (either consciously or unconsciously) to tell those concerned at the local level that the local planning boards would henceforth be
comprised only of elected officials. One local deliverer who had just found out about the change remarked:

I think the governor got bad advice on this. [Service deliverers] are not off the board. Only judges and mayors are on the new board. I asked for an appointment to see the governor and talk to him about the change. The governor and I grew up together. We are good friends.

In a state such as Arkansas, local level individuals, through personal alliances with state political officials, are able to get special advantages and the possibility of favored treatment. Therefore, if the state staff had a clear cut strategy for either hiding or sharing information, there would not be the necessity for other actors—especially local actors—to try to gain advantages at the expense of the state staff.

THE STATEWIDE MANPOWER PROGRAM

INTRODUCTION

The statewide manpower program has potentially greater significance in a state such as Arkansas, because there are so few PSs in the state, and a statewide policy could be more meaningful. In terms of funding levels, however, the money included in the Special Grant fund for Arkansas is less than for Ohio or Connecticut. Specifically, for FY 77 Arkansas receives $786,610 for the 4% special statewide projects fund, $983,262 for the 5% fund that is earmarked for vocational education use, and $157,322 for staffing and other administrative purposes.
ENVIRONMENTAL CONSTRAINTS

Group Constraints

Number of Environmental Groups. Like Connecticut, the administrators of the Arkansas statewide CETA program have few groups with which they must contend, but one group that can really be considered an adversary. This fact alone is a favorable precondition for the development of the statewide program and statewide leadership.

Of the three states in this dissertation Arkansas has the fewest constraints in the form of other PSs. There is only the Texarkana Consortium in the southwestern portion of the state and Central Arkansas Consortium, which is in the central part of the state. Relations with the PSs are good, by all state staff accounts. One staffer summarized the state position toward the two other PSs:

We tend to forget about Texarkana as being part of the state, because they are down in the corner. We already have good relations with Little Rock.

Likewise, relations are favorable with the state political officials. As a result, the officials are not seen as a formidable environmental constraint on state staff desires for a statewide manpower policy. Due to such factors as the smallness of the state government, the state staff director is able to communicate on a daily basis with the head of the Department Local Services (where the CETA unit is housed) as well as with the governor's administrative assistant. The CETA staff director also communicates directly with the governor, but on a less frequent basis.

Perhaps the only force that must be reckoned with by the state staff is the state services council, which is comprised of prime sponsor
representatives, state agencies, and other community groups. The
council's purpose, among other things, is to help create a manpower
policy for the state as well as to advise the staff and governor on how
the Special Grant monies should be allocated. The first section of this
chapter described how the planning council (for BOS affairs) was
combined with the services council in Arkansas, but that council
deliberations usually concerned the statewide functions. These
statewide deliberations are very much oriented to vested interests, and
there have been occasions where the council has gone against staff
recommendations in the allocation of the special grant 4% money. One
staffer described a situation whereby the council overruled the staff
and recommended for funding a project that the union representatives on
the council especially wanted. The staff was not happy about this.
Therefore, it is not uncommon for a number of vested interests to come
together, mutually support one another, and pose a serious threat
to state staff interests.18

Organization of Environmental Groups. No organizations or
associations seriously constrain the state staff in terms of the poten-
tial impact that the latter might have in affecting statewide manpower.
Several reasons can be posited for this. First, the number of PSs within
the state is quite small and the geographical distance between them is
large. Therefore, close interaction between the PSs in the form of an
association is not always feasible. Second, the communication gaps be-
tween the state staff on the one hand and the substate PSs on the other
are not great. The PSs do not feel that they must band together into an
association in retaliation against the state staff. (Recall that this
situation was found in Ohio.) The state staff director has frequent communications with the director of the Central Arkansas Consortium. Moreover, there are ties between the head of the Department of Local Services and Texarkana, because the former used to be the city manager of Texarkana. If this affects the CETA program at all, it can only do so in a positive way.

There are several consequences of a low number of manpower associations for the state staff in social exchange/bargaining terms. Primarily, the one-to-one relationships with the state staff mitigate the necessity for state level or local level environmental groups to form associations. This, in turn, provides an excellent opportunity for state staffers, through personal influence, to gain leverage in the statewide program. The fact that "everyone knows everyone else" could potentially help the state staff, on the condition that staffers themselves know what they want in developing a statewide manpower policy. At any rate, the precondition is there, i.e., that environmental groups are, for the most part, not predisposed to going against anything the state staff wishes to do.

Second, even without the element of personalization, the fact remains that without substantial organization on the part of the environmental groups, there is little opportunity for them to really thwart state staff desires. This is because of the relative geographical isolation surrounding each potentially constraining group.

In sum, the state staff is in a very favorable position to achieve its statewide goals both because of the low number of environmental
groups and because of the absence of organizations or associations involving these groups.

Political Traditions. Examination of the BOS program has shown that there is a great deal of personalization in the manpower program. Although this situation might enhance the social exchange/bargaining advantages of the state staff, this personalization is really a two-edged sword. Not only do environmental groups deal with the state staff on a one-to-one basis, but they also deal with each other in a likewise manner—especially when specific issues come to play. Perhaps the classic example of this was the services council's refusal to accept some of the state staff's 4% recommendations because of personal relations within the council itself (here, with union representatives).

Of the three states under analysis, the services council in Arkansas exhibits the greatest tendencies toward individual jockeying to gain support for 4% projects. This situation has brought one state staffer to sarcastically remark that the 4% money goes to whomever "has the best sob story."

The blend of Arkansas' personalization and traditionalism is evident in services council deliberations concerning one fiscal year's 4% special project allocation. Two predominantly black community based organizations were vying for 4% funds. Because Arkansas politics has traditionally discriminated against blacks, there was an initial predisposition not to fund the two organizations. However, when representatives from the two organizations appealed personally before the council, they carefully implied that racism might be the reason why neither group was being funded. Because the political moderates are
presently in control of the state political apparatus—and do not want to have problems in racial terms—both of the organizations were funded. The point is that there was an original presupposition that the black organizations would not receive money, but yet through personal interaction as well as the desire of those presently in power not to create racial problems, the 4% money was allocated to the groups by the services council and subsequently approved by the governor.

As with a traditionalistic political culture, there is a dominant political party in Arkansas—Democratic. As seen, the moderates now are in the power holding positions.

Elazar's centralism-localism dimension is also important in understanding Arkansas' statewide manpower program. Arkansas' tradition is centralistic, i.e., toward the state government. This is manifested in several ways. First, by most accounts the two non-BOS PSs do not mind being monitored and evaluated by the state staff and state services council. While the procedure itself is not that rigorous or critical of the PSs, such activities were unheard of in Ohio or Connecticut. Second, most of the proposals for using the 4% special project fund have not been generated at the local, rural level. This latter point is advantageous in terms of the state's desire to make an impact, because interest from many substate jurisdictions has traditionally been low.

In sum, the political traditions that exist are supportive of an active state role and potential state impact. The staff has a tremendous advantage as long as it can marshall personal influence to achieve state level goals. A necessary condition, however, seems to be
that the staff must have smooth internal workings in order to maximize their favorable external situation. To an even greater degree than Connecticut, though, they fall short of this ideal in their statewide role.

INTERNAL WORKINGS OF THE STATE STAFF

Goals

Dominant Goals that are Manpower Specific. Despite the favorable external conditions for the development of state impact in Arkansas, the necessary condition of adequate internal workings are not present in most cases. Perhaps the most important inadequacy is the lack of dominant goals that are manpower specific. To be sure, manpower specific goals do exist in the BOS program. Yet, the commitment to developing manpower goals has just not evolved in the statewide program.

The situation in Arkansas is worse than the situation in Connecticut. At least with the latter, there was an attempt to rectify the goal problems, even though it was one and a half years after the beginning of CETA. Of course, there is talk among Arkansas staffers about doing something about the statewide program, but to date there have been few actions that have backed up the words.

The problem resulting in the lack of manpower specific goals is partly due to the fact that the staff has given up much responsibility in the statewide program, where other state staffs have not. For example, the state staff in Arkansas has abdicated to the state Board for Vocational Education, another state agency, all planning, operational, and fiscal responsibility for the 5% Voc. Ed. fund. While many observers believe that this makes for a better Voc. Ed. 5% program
overall, from the state staff social exchange/bargaining perspective, this situation detracts from potential impact that the state might have.

Furthermore, state staffers give differing accounts about how and why the 4% projects are chosen—and whether or not they are based on goals that are manpower specific. Some staffers feel that the 4% allocations are made solely on the basis of personal jockeying, involving the staff, services council, and those who want the money. Others say that guidelines and criteria to judge the 4% project proposals have been developed, but they are rarely observed. Still others view the 4% allocation process as one where the 4% money in the past has been "doled out automatically." One key staffer has perhaps best summarized the prevailing attitudes toward both the 4% and 5% funds:

There has not been much involvement in 5% planning so far. There will be more this year. The arrangement is just a pass through.

On the 4%, there are no guidelines, goals, priorities. [In the past] projects were funded as long as money was available. The same agencies have been returning to the trough year after year. Now we are putting a one year limit on the projects.

Note that there is a degree of optimism in both these statements. Yet, very little concrete action has actually been taken.

The 4% and the 5% funds are the major functions of the statewide program. However, the state staff also engages in other statewide activities that both Ohio and Connecticut staffers would like to undertake but cannot, due to environmental group pressure in the former instance and the fear of such pressure in the latter case. As stated earlier, the Arkansas staff has good relations with the two other PSs in the state and, together with the services council, monitors PSs'
plans and operations. As a buttress to such monitoring activities, the state staff regularly receives PS planning and operational documents that go to the Department of Labor—documents that neither Ohio nor Connecticut staffers receive.

Given the lack of manpower specific goals, such activities as monitoring and reviewing PSs can only be described as "hit or miss" in Arkansas, without any serious attempt to develop a consistent manpower policy. While Ohio and Connecticut see state utility in reviewing PS plans and operations, Arkansas has this capability and uses it without any conception of how the state might thereby create a position of leadership for itself. On the one hand, one might take the view that because the BOS is virtually the whole state, it really does not matter whether manpower specific goals for the statewide program ever develop or become dominant. On the other hand, though, to exclude two of the largest metropolitan areas of the state in statewide manpower planning seems foolhardy at best and counterproductive at worse. Moreover, spending the 4% and 5% funds without any kind of direction or purpose makes little sense from a managerial perspective.

Therefore, there are several consequences of the lack of dominant goals for the statewide manpower program—either by omission or commission. Obviously, the lack of such goals has resulted in a virtually complete loss of control over the 5% fund and a semicomplete loss of control over 4% spending. This situation does nothing to enhance state impact and leadership. Second, such nonchalant and "hit or miss" attitudes toward the statewide role in general emphasizes the lack of direction, encourages the continuation of such attitudes among the
staff, and also encourages similar attitudes from the groups with which the staff must come in contact. Third, the BOS goals of some individual staffers to advance politically has overridden the statewide program, because there has been no hedge against career building in the latter program. In other words, there is more to be gained politically from dealing with the many counties in BOS (where county judges have substantial power) than with political organizations in the metropolitan areas (where CETA's statewide role would come into play).

Commonality of Goals. Because manpower specific goals are not dominant in Arkansas' statewide program, it becomes difficult for the staff to develop a high degree of goal commonality. There is commonality to the extent that staffers agree that "something must be done," but, unlike Connecticut, concrete ideas are neither widespread nor consistent with one another.

The section above has already described the variety of staff opinions on how and why the 4% special project monies have been allocated as they have. This relates to a more basic fact that the different staffers are unclear of the goals for the statewide program. More importantly, the viewpoints reflect to some extent the differing opinions on the direction the program should be going.

Too, there is a lack of commonality of goals in evaluating the purposes of the 5% vocational education fund. All responsibility for the use of the money is entirely with the state Board of Vocational Education. The state staff merely signs off on all of Voc. Ed.'s plans and operations. For accountability reasons, there is also a monitor
on the state staff who follows the progress of the 5% spending throughout the fiscal year.

Because the Voc. Ed. Board has virtually complete control, it decided to use the money differently from how it is usually spent in other states. While the money is usually divided among the state's PSs to supplement their Title I money used for classroom training activities, Arkansas' Voc. Ed. Board uses the money for special projects around the state. The projects are short courses that help prepare disadvantaged high school students for the world of work. The courses deal with various topics such as: 1) personal hygiene; 2) handling personal finances; 3) coping with employment services; 4) etiquette.

Since the beginning of CETA, the Voc. Ed. Board itself has had a pretty clear idea of where it has wanted to go with the 5% program. Yet, reactions to the program vary within the state staff. Some key staffers are unhappy with both the fact that the Voc. Ed. Board has control and the actual use of the 5% money. They do not, however, offer alternative uses if the staff were to take more of an active role in spending the money.

Other staffers are quite pleased with what Voc. Ed. has been doing with the money. They prefer to keep it the way that it has always been.

What results is that there is a lack of commonality of goals both in the 5% as well as in the 4% fund. Consequently, in social exchange/bargaining terms, the status quo will undoubtedly continue at least in the short run—the 4% fund will continue to be spent without direction, and the 5% will remain under the aegis of the Voc. Ed. Board. This situation will neither enhance state leadership nor state impact.
On a personal level, which is so important in Arkansas, there are usually smooth relations between the state staff and the state Board of Vocational Education and the Employment Service. Although all three are housed in different departments within the state government, contact between all three are close, because of the smallness of the state government overall. From an organizational point of view, however, relations are close, but for different reasons. I have hypothesized that close organizational relationships with manpower related state agencies help increase the impact of the state. In Arkansas, however, close relations work both for and against state impact. It is true that these three organizations work closely together. Yet, because there is a lack of dominance of manpower specific goals as well as a lack of commonality of goals among state staffers, there is a tendency for the Voc. Ed. Board and the Employment Service to dominate the state staff. While the overall result may be a "power bloc" at the state level that helps against the environmental groups (although there are few), there still remains the caveat that the state staff has been abdicating some of its mandated authority to these other state agencies.

As far as developing linkages with other manpower related state agencies, this has not been done in any systematic fashion. There are, of course, dealings with the state agencies who receive 4% money, such as the Department of Corrections. However, there is no sustained attempt to fully involve these agencies, as there was to some extent in Connecticut.
Thus, overall, there is neither a very high degree of cooperation in the statewide manpower effort, nor a low one. Rather, relations are adequate to spend the Special Grant monies without a great deal of planning and operational problems. In social exchange terms, however, the smooth workings that do exist are not so much the result of state staff leadership as they are to the dominance of other agencies in the statewide manpower network.

**Separation of Special Grant Staff from BOS Staff.** Since the beginning of CETA there has never been, nor are there plans to have, a separation of the statewide function from the BOS function in the state staff. There are several reasons for this. First, top level staffers are committed to "developing a staff of generalists rather than specialists." In keeping with this philosophy it was thought that planners, for example, should be responsible for all BOS titles as well as for the Special Grant. Second, the feeling is that because the BOS function includes all but six counties within the state, there is really little justification for making the statewide function a separate unit within the state staff.

On the other hand, the integration of function has had important negative ramifications for the development of staff impact in the statewide manpower program. First, it is very difficult for anyone to find out who is responsible for any part of the statewide effort. Many staffers deal with aspects of the statewide function. Yet, without a common direction or internal leadership, any individual staff efforts easily become dissipated. Second, because the BOS concerns are larger and often more immediate, there is a tendency for staffers who have been
dealing with some statewide aspects to relegate the latter to the end of the priority list. With the presence of a separate Special Grant staff, at least there are some staffers who see as their most important role the development of a meaningful statewide manpower policy. Otherwise, no one has a real stake in wanting to make any changes from what has been done in the past. Third, the staff director himself has not taken ultimate responsibility for the statewide function. Along with a philosophy of staff generalists rather than specialists, he believes in a high level of intrastaff decentralization of decision-making. The result is that no one is ultimately responsible for what goes on in the statewide program.

Although the problem of formidable environmental groups is not as important in Arkansas as it is in other states, the groups that do constrain the Arkansas staff have been able on some occasions to go against the wishes of the staff. Recall the example where the services council recommended for funding a 4% project that the staff did not recommend. Perhaps if there had been a separate staff to carefully review proposals based on well thought out allocation criteria, the actions by the services council might have been halted or at least anticipated by the staff. The point is that the lack of a separate staff does nothing to change the permeation of a sense of randomness and unimportance in the statewide program.

Size of Special Grant Staff. Because there is no separate Special Grant staff, it is difficult to determine what persons are actually involved in the various aspects of the statewide manpower effort. Given the generalistic orientation of the staff, it might be said that all 34
state staffers are part of the Special Grant staff. However, in fact not all persons have dealt with aspects of this program.

Because of the lack of direction and overall random nature of the statewide effort alluded to earlier, there is only one person with consistent responsibility for an aspect of the Special Grant. That person is the program monitor for the 5% fund (who, incidentally, is also the contract specialist for all BOS subgrants to service deliverers). Beyond that, a number of different staffers have claimed to have been involved in the statewide program. However, this involvement, again, has been inconsistent over time, without a common direction, and without a movement toward a common goal.

Needless to say, this situation detracts from the potential of the state to gain impact and develop some leadership. Not only does this create confusion from the perspective of environmental groups, but it also seems to perpetuate itself with lower likelihood for change as time goes on. Because everyone is involved with the statewide program, no one becomes responsible for it.

Strategies

Articulated Strategies for Dealing with Environmental Groups. The lack of clear cut goals as well as ambiguous lines of organizational responsibility almost preclude the possibility for a developed strategy to deal with the environmental groups, especially the most formidable one—the services council. Attitudes toward the council (the BOS planning council is tied in with the services council) vary greatly. Some staffers feel that it could be a useful tool—if properly directed—
to ensure the continuation of staff desires. Others feel that the
council's role is to be nothing more than a group of petty vested
interests, rather than the former role of supporting the state staff.
This is unfortunate for the state staff. Since Arkansas is a state of
personal associations and centralistic tendencies, any direction from the
state could so easily be translated into state impact. As it stands
however, no desire for leadership has been generated within the state
staff, and there is no clear cut strategy for dealing with the
environmental groups. As a result, the staff cannot be sure which groups
will try to affect statewide manpower policy, and how they will try to
do this.

Aggressive Strategy for Obtaining RDOL Support. Likewise, in terms
of strategies, there is no desire on the part of the state staff to gain
Regional Department of Labor support in a positive way to help in the
statewide manpower effort. The kind of meaningful assistance that the
federal representative would be able to give is different in Arkansas
than for other, more metropolitan states. For example, Ohio and
Connecticut could have well used federal assistance to obtain planning
and operational documents from the PSs within the state. This is already
being done in Arkansas. However, the Arkansas staff needs help in terms
of programmatically monitoring the 4% projects and especially in terms
of 4% fiscal accountability. Since the beginning of CETA, financial
records of expenditures and overall spending patterns in the Special
Grant that have been kept by state staffers have been labyrinthine at
best. The federal representative would be particularly capable of helping
them to solve some of these problems.
Yet, he has not done so. There are several explanations for this. The first relates back to the overall staff feeling that somehow the statewide function should be a much lower priority than the BOS function. Perhaps staffers feel that it is all right for the statewide effort and the Special Grant to be secondary. The second reason once again concerns the particular philosophy of the state staff director. He takes the notion of decentralized decision-making seriously, and does not want a great deal of federal intervention. For that reason the federal representative does not get actively involved, until asked. No one has asked him to involve himself in the statewide program to any great degree.

The Regional Department of Labor staffing pattern is a third contributor to low support from that office. The BOS is so large that the federal representative must use all his time to keep that program operating smoothly. He has no assistants in Arkansas; therefore, like Connecticut, the statewide function gets pushed aside.

The result is that not only does the statewide function lack internal direction from lack of goals and pertinent organization, it also lacks important guidance and more specific technical assistance from the federal representative. This person is not cultivated as an ally or as a possible sanction so that the state may gain some leverage in developing a statewide manpower policy.

Information Sharing Strategies. The state staff in Arkansas, like its counterpart in Connecticut, neither consciously tries to share nor hide information from environmental groups. In one sense it does not matter, because of the lack of a high number of constraining groups,
as there are in Ohio. In another sense, however, there is no attempt
to try to get the staff out of a pattern of inertia by widely publicizing
what it has done and intends to do in the way of joining together the
manpower efforts of the BOS and Arkansas' metropolitan areas.
Consequently, many local areas around the state are not aware of
funding possibilities under the Special Grant. Too, state agencies that
are in some ways manpower related are not encouraged to join the state
staff, the Voc. Ed. Board, and the Employment Service in a unifying
manpower effort. As a result of no information strategies at all, the
staff is severely limiting the areas in which it can show some important
leadership capability.

CONCLUSION

The Arkansas manpower program, to a much greater extent than the
previous two states, on the face of it has the best potential for becom­ing
a solid manpower program when viewed in terms of its favorable
conditions regarding environmental groups. The number of groups that
try to affect manpower policy is low in both state programs. Moreover,
the state government is small and flexible enough to permit a large
degree of innovation that the state and manpower structures of Ohio
and Connecticut just cannot handle.

However, the flexibility and changes that the state staff has
tried to build into the manpower program have, more often than not,
impeded movement toward state impact rather than promoting it. For
example, putting the procedural goal of local decision-making on par
with the manpower specific goals in the BOS suggests some degree of misdirection--if the latter goals are to have any meaning at all. Regarding the statewide manpower effort, there has never even been a sustained staff attempt to design a program that brings all areas of the state together in well thought out plans for well thought out actions.

While the state staff itself has been responsible for limiting impact and leadership possibilities, the fact remains that the political traditions of the state are responsible for many of the problems. True, some of these traditions are very supportive of an important state role. Yet, other traditions have been status quo, and some have been reactionary. For example, there is an unsatisfactory civil service system and an unreasonably low staff salary scale--the latter is controlled by the state legislature operating under an 1874 constitution. Given this, it is very difficult to get and keep top notch staffers who are able to develop a good program.

There is some indication that the state is moving away from traditional patterns in some matters by proposing fundamental reforms within state government. However, the desire to have a better manpower program does not seem to be the major impetus behind some of these changes. Rather, the manpower program--especially the BOS effort--is caught up in the web of change. This ultimately might do some good for the state government at large, but it will do little for Arkansas' manpower program specifically.
CHAPTER 6: A COMPARATIVE ANALYSIS OF STATE IMPACT UNDER CETA

INTRODUCTION

The CETA programs of the three states were described in Chapters 3, 4, and 5. Each program suggested different interrelationships of the environmental and internal variables, pointing to various capacities for state impact. In this chapter, information about these capacities is confronted with direct measures of state impact. I will attempt to show relationships among the independent variables, among the independent and the dependent variables, and between the dependent variables and successful goal achievement, the hallmark of successful social exchange/bargaining.

THE INDEPENDENT VARIABLES

SUMMARY OF CASE STUDY CHAPTERS

In a narrative way, the independent variables for each state role were set out in the case study chapters. Moreover, high, medium, and low rankings on these independent variables were either explicitly stated or strongly implied. Tables 12 and 13 summarize the rankings of the three states for each state role. These rankings indicate the level of state impact expected, given the data on each variable. Actual rankings on the independent variables are noted in parentheses.
<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>OHIO</th>
<th>CONNECTICUT</th>
<th>ARKANSAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Number of environmental groups</td>
<td>Low Impact (high number)*</td>
<td>Low Impact (high number)</td>
<td>High Impact (low number)</td>
</tr>
<tr>
<td>2) Organization of environmental groups</td>
<td>Low Impact (high number)</td>
<td>Low Impact (high number)</td>
<td>High Impact (low number)</td>
</tr>
<tr>
<td>3) Political traditions</td>
<td>Medium Impact (moderate support for states)</td>
<td>Medium Impact (moderate support for states)</td>
<td>High Impact (high support for states)</td>
</tr>
<tr>
<td>4) Changes in Title I funding</td>
<td>High Impact (substantial change)</td>
<td>High Impact (substantial change)</td>
<td>Medium Impact (substantial change only from FY 75 to FY 76)</td>
</tr>
<tr>
<td>5) Dominant Goals that are manpower specific</td>
<td>Low Impact (low level)</td>
<td>High Impact (high level)</td>
<td>Medium Impact (medium level)</td>
</tr>
<tr>
<td>6) Attention to National Goals</td>
<td>Low Impact (low attention)</td>
<td>Low Impact (low attention)</td>
<td>Low Impact (low attention)</td>
</tr>
<tr>
<td>7) Commonality of Goals</td>
<td>Low Impact (low level)</td>
<td>High Impact (high level)</td>
<td>Low Impact (low level)</td>
</tr>
<tr>
<td>8) Organizational Relationship with manpower related state agencies</td>
<td>Medium Impact (moderately close)</td>
<td>Medium Impact (moderately close)</td>
<td>High Impact (very close)</td>
</tr>
<tr>
<td>9) Separation of Titles with the BCS organization</td>
<td>High Impact (separated)</td>
<td>Medium Impact (mixed)</td>
<td>Low Impact (integrated)</td>
</tr>
<tr>
<td>10) Articulated strategies for dealing with environmental groups</td>
<td>Low Impact (nonexistent)</td>
<td>Medium Impact (some strategies)</td>
<td>Medium Impact (some strategies)</td>
</tr>
<tr>
<td>11) Information hiding strategies</td>
<td>Low Impact (nonexistent)</td>
<td>Low Impact (nonexistent)</td>
<td>Low Impact (nonexistent)</td>
</tr>
</tbody>
</table>

* Short descriptions of actual conditions are noted in parentheses.
### TABLE 13: SUMMARY RANKINGS OF INDEPENDENT VARIABLES: STATE AS MANPOWER COORDINATOR

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>OHIO</th>
<th>CONNECTICUT</th>
<th>ARKANSAS</th>
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</thead>
<tbody>
<tr>
<td>1) Number of environmental groups</td>
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<td>Medium Impact (moderate number)</td>
<td>High Impact (low number)</td>
</tr>
<tr>
<td>2) Organization of environmental groups</td>
<td>Low Impact (high number)</td>
<td>High Impact (low number)</td>
<td>High Impact (low number)</td>
</tr>
<tr>
<td>3) Political traditions</td>
<td>Medium Impact (moderate support for states)</td>
<td>Medium Impact (moderate support for states)</td>
<td>High Impact (high number)</td>
</tr>
<tr>
<td>4) Dominant goals that are manpower specific</td>
<td>High Impact (high level)</td>
<td>Low Impact (low level)</td>
<td>Low Impact (low level)</td>
</tr>
<tr>
<td>5) Commonality of goals</td>
<td>Low Impact (low level)</td>
<td>Low Impact (low level)</td>
<td>Low Impact (low level)</td>
</tr>
<tr>
<td>6) Organizational relationships with manpower related state agencies</td>
<td>Medium Impact (moderately close)</td>
<td>Medium Impact (moderately close)</td>
<td>Medium Impact (moderately close)</td>
</tr>
<tr>
<td>7) Separation of Special Grant Staff from BOS Staff</td>
<td>High Impact (separate unit since beginning)</td>
<td>Medium Impact (separate unit recently)</td>
<td>Low Impact (no separate unit)</td>
</tr>
<tr>
<td>8) Size of Special Grant Staff</td>
<td>High Impact (relatively large)</td>
<td>Medium Impact (moderate size)</td>
<td>Low Impact (virtually nonexistent)</td>
</tr>
<tr>
<td>9) Articulated strategies for dealing with environmental groups</td>
<td>Low Impact (nonexistent)</td>
<td>Low Impact (nonexistent)</td>
<td>Low Impact (nonexistent)</td>
</tr>
<tr>
<td>10) Aggressive strategy for obtaining Regional Department of Labor support</td>
<td>Low Impact (nonexistent)</td>
<td>Low Impact (nonexistent)</td>
<td>Low Impact (nonexistent)</td>
</tr>
<tr>
<td>11) Information sharing strategies</td>
<td>Medium Impact (some strategies)</td>
<td>Low Impact (nonexistent)</td>
<td>Medium Impact (some strategies)</td>
</tr>
</tbody>
</table>

* Short descriptions of actual conditions are noted in parentheses.
IMPORTANCE OF INDIVIDUAL VARIABLES

The analysis in the previous three chapters suggests that some independent variables may be more important in explaining why a state and/or a state role does or does not have policy impact. Because a social exchange/bargaining framework is used, one expects a priori that the nature of environmental groups and the nature of goals are especially important in state impact. The narrative discussion of the group and goal variables seems to support this contention.

To a lesser degree, strategies for dealing with environmental groups and organization to help achieve goals become important factors in explaining state impact.

The two independent variables reflecting the nature of environmental groups are related to each other across state roles, just as the two goal variables covary. For this reason, they might be thought of as a "dimension," measuring the group and goal concepts, respectively. Implicit "weights" are thereby brought into the analysis of the independent variables. In other words, these concepts are more important in the framework and are represented by more than one variable. The fact that they also covary to some extent ensures that the group and goal concepts receive more emphasis in the analysis.

The organization variables in the statewide role are "weighted" in a similar fashion due to some measure of covariance.

However, the lack of high association among the decision strategies variables as evident in Tables 12 and 13 suggests no such "weighting."
It might well be the case that different concepts are being measured—a situation that makes some intuitive sense. Decision strategies are no less important to successful bargaining. Rather, a state staff has at its disposal a variety of tacks that it can take to achieve its goals.

**THE DEPENDENT VARIABLES**

**INTRODUCTION**

The discussion of the social exchange/bargaining framework in Chapter 2 suggests explanations for and measurements of two dependent variables: 1) policy impact of the state as BOS; and 2) policy impact of the state as statewide manpower coordinator. High, medium, or low rankings of impact are assigned to each state role. These, in turn, are compared with rankings on the independent variables. (A more extended discussion of this is contained in a subsequent section.)

**DIMENSIONS OF THE DEPENDENT VARIABLES**

The indicators measuring policy impact in each of the two state roles may omit some dimensions that are important to impact. It is also possible that several of the indicators are essentially measuring the same aspect of impact.

There is no way of ultimately determining whether or not the first type of error has occurred. However, the possibility is mitigated because: 1) the choice of indicators represents my best judgments, after observing state manpower programs for over two years; 2) to the extent feasible I have relied upon the manpower literature; and 3) I have tried to incorporate the findings of scholars working on the role
of the states in other policy areas. Therefore, because I have tried to take some care in selecting suitable measures of policy impact, I hope to avoid the problem of omitted dimensions.

There is a greater chance that several indicators might be measuring the same aspect of policy impact. However, unlike the first error, it is somewhat easier to identify.

The two indicators most closely associated in measuring BOS impact are the monetary commitment to state agencies and the level of work experience in Title I. They covary in such a way that the greater proportion of funds going to state agencies means less funds available for work experience programs (programs that state agencies virtually never deliver). Yet, this association is not a perfect one, and some slippage does occur. First, different documents are used in measuring the two indicators. Data on commitment to state agencies are taken from the contracts negotiated between the prime sponsor and the delivery agents. Information on work experience is gotten from operations reports on accrued expenditures. Second, slippage occurs because of classroom training and OJT activities, but these activities are not always delivered by state agencies. Third and relatedly, both services to participants and PSE are legitimate activities under Title I. Either of these activities can be delivered by state or nonstate agencies. Where state agencies are used, the information would be reflected in the first indicator but not in the second.

There are no a priori reasons for expecting high levels of association among the four remaining BOS indicators (time limits on participation in work experience programs; changes in articulated local
Title I decisions; state agencies as PSE employing agencies; and perceptions of state impact). Three of these four deal with specific aspects of state relations with environmental groups in a bargaining situation. The last indicator, perceptions of state impact, is very broad and may well subsume the other indicators. Its broadness, however, also provides some safeguard against covariation with any other single indicator.

There are two indicators measuring policy impact in the statewide role that might be closely associated: the percent of 4% projects that are delivered by state agencies and the monetary commitment to state agencies as 4% deliverers. The first indicator weights all projects equally, regardless of size. This is consistent with how manpower actors often view the allocation of 4% funds—as individual projects without regard to the size of these projects. The second indicator, monetary commitment, weights the projects according to funding levels. It tries to gain some handle on the implicit preferences that influential actors have concerning the 4% projects. It is quite possible that out of several projects there is only one state agency deliverer. Yet, the state agency's funding may be larger than the other projects combined.

In sum, while there is a positive association between the two indicators measuring commitment to state agencies in the statewide program, this association is by no means complete.

As with the remaining four BOS impact measures, the four remaining indicators measuring statewide impact seem not to be so closely interrelated that individual "dimensions" become evident. The reasonable
conclusion, therefore, is that the measures are adequate in gauging policy impact.

The general assumption I will make is that each indicator is equally important in measuring state policy impact. Some of the indicators are more quantitative; others are more qualitative. Some are precise, but narrow. Others are less precise, but involve more facets of impact. For these reasons, I choose to treat the indicators as having equal weight.

There is one exception, however. The indicators dealing with state agency use are important because they are a direct part of the basic reason why the state should even have a role in the CETA program. In chapter 1 I implied that the state, through its own agencies, has the greatest capacity to marshall together a statewide manpower network. This network, in turn, potentially provides the most consistent level and quality of manpower services to the needy. ²⁰

Because some case can be made for the use of state agencies, the first two measures of impact in each state role become more important. They most closely tap an important reason for a state role under CETA. Since there are two closely associated indicators in each state role that deal with state agency involvement, implicit "weighting" has occurred in the direction of these indicators. This is a similar tack that was taken with some of the independent variables.

STATE RANKINGS ON THE DEPENDENT VARIABLES

Each of the twelve indicators representing both state roles in all three states was accorded a high, medium, or low rank. From this, a
state's overall level of policy impact was assessed for each role. (See Appendix A for a discussion of the specific methodology and ranking techniques.) Tables 14 and 15 summarize these data.

According to these measures of policy impact, Connecticut has a high level of impact in its BOS program, Ohio has a medium level of impact, and Arkansas has low impact. Impact in this state role, however, does not carry over into impact in the statewide role. In the latter instance, none of the three states have a high impact, one state (Arkansas) has a medium impact, and both Ohio and Connecticut have a low impact.

STATE IMPACT: TOWARD AN EXPLANATION

INTRODUCTION

Tables 12 and 13 presented the level of impact for each independent variable. The linking of these variables with the findings on the dependent variables points toward an explanation for the ability of the state to have policy impact.21

LINKING THE INDEPENDENT AND DEPENDENT VARIABLES

If all of the independent variables for each role were highly associated with their corresponding dependent variable levels, the aggregate independent variable ranking (calculated in a manner similar to the overall level of policy impact) would perfectly correspond to the overall level of policy impact. Figure 3 sets out the hypothetical case of perfect correspondence. The diagonal boxes with the "Xs" show the cells where there is congruence between the independent and the dependent rankings.
<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>OHIO</th>
<th>CONNECTICUT</th>
<th>ARKANSAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Monetary commitment to state agencies, Title I</td>
<td>High</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td>2) Level of work experience in Title I</td>
<td>Medium</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>3) Limits on work experience participation</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td>4) Changes in articulated local decisions, FY 77 Title I planning</td>
<td>Medium</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>5) 2 PSE (Titles II and VI) jobs to state agencies</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td>6) Level of impact—perceptions</td>
<td>Medium</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td><strong>OVERALL LEVEL OF IMPACT</strong></td>
<td>MEDIUM</td>
<td>HIGH</td>
<td>LOW</td>
</tr>
<tr>
<td>INDICATOR</td>
<td>OHIO</td>
<td>CONNECTICUT</td>
<td>ARKANSAS</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>--------</td>
<td>-------------</td>
<td>----------</td>
</tr>
<tr>
<td>1) State agency deliverers of 4% projects</td>
<td>Low</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>2) Monetary commitment to state agencies as 4% deliverers</td>
<td>Low</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>3) 4% research, development and demonstration projects</td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>4) New 4% projects</td>
<td>Low</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>5) Type of 5% Voc. Ed. allocation formula</td>
<td>Medium</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>6) Level of impact—perceptions</td>
<td>Low</td>
<td>Low</td>
<td>Medium</td>
</tr>
<tr>
<td>OVERALL LEVEL OF IMPACT</td>
<td>LOW</td>
<td>LOW</td>
<td>MEDIUM</td>
</tr>
</tbody>
</table>
FIGURE 3: HYPOTHETICAL CASE OF PERFECT CORRESPONDENCE BETWEEN INDEPENDENT AND DEPENDENT VARIABLES
There are two possible explanations for rankings that are congruent. First, there is the possibility that each of the individual rankings on the independent variables perfectly correspond to the overall level of policy impact. For example, if the overall level of impact for a BOS were "high," then each independent variable would have a "high" ranking.

A more likely possibility is the case where the aggregates are congruent, but individual independent variable rankings differ from the overall level of policy impact. This, in turn, might be due to two factors. On the one hand, there is a genuine interactive effect among the independent variables, so that together they are in agreement with the assessments of policy impact. On the other hand, aggregate congruence might have occurred by chance. There is no way to address this latter problem directly. However, the possibility is mitigated to the extent that the case study chapters provide a good basis for coherent judgments and reasonable interpretations of the data.22

Comparisons Using All Independent Variables

Figures 4 and 5 show the actual level of congruence between the overall level of impact and the aggregated independent variable rankings.23 In the BOS role none of the states fall on the congruence diagonal. In the statewide role, Arkansas and Connecticut are on the diagonal, but Ohio is not.

The figures suggest, therefore, that many of the independent variables, especially in the BOS instance, are not closely associated with the overall level of policy impact. Otherwise, there would be an even greater level of congruence. Further, reducing the number of
Overall Ranking on Independent Variables

<table>
<thead>
<tr>
<th>Overall Level of Impact</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Connecticut</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ohio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arkansas</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**FIGURE 4:** LEVEL OF CONGRUENCE BETWEEN THE AGGREGATED INDEPENDENT VARIABLE RANKINGS AND THE OVERALL LEVEL OF POLICY IMPACT: STATE AS BOS
Overall Ranking on Independent Variables

<table>
<thead>
<tr>
<th>Overall Level of Impact</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td></td>
<td></td>
<td>Arkansas</td>
</tr>
<tr>
<td>Low</td>
<td></td>
<td>Ohio</td>
<td>Connecticut</td>
</tr>
</tbody>
</table>

**FIGURE 5:** LEVEL OF CONGRUENCE BETWEEN THE AGGREGATED INDEPENDENT VARIABLE RANKINGS AND THE OVERALL LEVEL OF POLICY IMPACT: STATE AS MANPOWER COORDINATOR
Independent variables help mitigate the problem of more variables than cases—a typical problem in a case study approach (see Lijphart (1971)).

**Subsetting**

A subsetting approach is the most reasonable way of simultaneously eliminating unimportant independent variables and maximizing the congruence of the remaining independent variables with the overall levels of policy impact.

Determining what variables to subset involve: 1) identifying the most important aspects in the social exchange/bargaining framework; 2) staying close to commonsensical notions about the CETA program; and 3) being parsimonious whenever possible. The variables that are chosen for subsetting represent the factors that are important to policy impact. Together, the variables are congruent with the overall level of policy impact for each state role.

**Variables Associated with Impact in the Statewide Program**

Table 16 presents five independent variables that are associated with the differing levels of policy impact in the statewide role among the three states. These variables are: 1) the number of environmental groups; 2) organization of environmental groups; 3) dominant goals that are manpower specific; 4) commonality of goals; and 5) information sharing strategies.

The importance of these particular variables in an assessment of policy impact is consistent with the social exchange/bargaining view
TABLE 16: LEVEL OF CONGRUENCE BETWEEN FIVE INDEPENDENT VARIABLES AND THE OVERALL LEVEL OF POLICY IMPACT: STATE AS MANPOWER COORDINATOR

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>OHIO</th>
<th>CONNECTICUT</th>
<th>ARKANSAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Number of environmental groups</td>
<td>Low impact</td>
<td>Medium impact</td>
<td>High impact</td>
</tr>
<tr>
<td>2) Organization of environmental groups</td>
<td>Low impact</td>
<td>High impact</td>
<td>High impact</td>
</tr>
<tr>
<td>3) Dominant goals that are manpower specific</td>
<td>High impact</td>
<td>Low impact</td>
<td>Low impact</td>
</tr>
<tr>
<td>4) Commonality of goals</td>
<td>Low impact</td>
<td>Low impact</td>
<td>Low impact</td>
</tr>
<tr>
<td>5) Information sharing strategies</td>
<td>Medium impact</td>
<td>Low impact</td>
<td>Medium impact</td>
</tr>
<tr>
<td>OVERALL LEVEL a</td>
<td>LOW</td>
<td>LOW</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>OVERALL LEVEL OF POLICY IMPACT</td>
<td>LOW</td>
<td>LOW</td>
<td>MEDIUM</td>
</tr>
</tbody>
</table>

a The scoring is similar to that set out in Appendix A.
that goals in the face of environmental constraints are important components of the process.

Independent Effects. While it is not possible to determine quantitatively the relative importance of each of the five independent variables, one can nevertheless make reasonable judgments, given the variation among the three states.

First, in two of the three states (Ohio and Arkansas) there is a close association between the environmental group variables and the level of policy impact. This suggests that the presence or absence of environmental groups has much to do with whether or not the state has impact in its statewide role.

Although Connecticut's statewide program had more favorable conditions than Ohio in terms of environmental groups, it was still a low impact state. Further analysis, however, shows that one aspect important in Arkansas but lacking in Connecticut was the existence of some strategy to share information to other groups, especially to other FSs. Ohio's program used this strategy to some extent, but the high number and organization of environmental groups neutralized the usefulness of this strategy.

By themselves, dominant manpower goals and goal commonality have little variation across the three states. This suggests that goals are not important for some policy impact, but they may be important in achieving a high level of impact.

Substantive Interpretation. The most obvious interpretation from these data on the statewide role is that the lack of formidable environmental constraints, together with any internal commitment to
making a policy impact (such as embracing an information sharing strategy) is sufficient to have a moderate, but by no means high, level of policy impact. Internal commitment to impact, however, is difficult in the face of a high number of environmental groups and organization of these groups.

A second observation is that, except in one instance, dominant manpower goals and goal commonality were nonexistent across the three states. In other words, lack of direction in terms of what the state-wide program should accomplish has, in large part, contributed to the lack of a high level of policy impact. This reflects the notion evident in all three of the case studies that the statewide program is seen as a second priority function of the state.

A tentative conclusion to be reached, therefore, is that the less competition the statewide program has from other manpower efforts (such as other prime sponsors), the more likely the state will have some policy impact, if there is any internal commitment at all.

Variables Associated with Impact in the BOS Program

Because the BOS program is larger than the statewide program, the variables important to state impact interrelate in a more complex manner. However, four variables were associated with the differing levels of state impact in the BOS program: 1) changes in Title I funding; 2) dominant goals that are manpower specific; 3) commonality of goals; and 4) administrative separation of CETA titles (see Table 17).

There are several observations concerning these four variables. First, and perhaps most obviously, the nature of environmental groups is not associated with the level of policy impact, as it was in the
## TABLE 17: LEVEL OF CONGRUENCE BETWEEN FOUR INDEPENDENT VARIABLES AND THE OVERALL LEVEL OF POLICY IMPACT: STATE AS BOS

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>OHIO</th>
<th>CONNECTICUT</th>
<th>ARKANSAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Changes in Title I funding</td>
<td>High impact</td>
<td>High impact</td>
<td>Medium impact</td>
</tr>
<tr>
<td>2) Dominant goals that are</td>
<td>Low impact</td>
<td>High impact</td>
<td>Medium impact</td>
</tr>
<tr>
<td>manpower specific</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3) Commonality of goals</td>
<td>Low impact</td>
<td>High impact</td>
<td>Low impact</td>
</tr>
<tr>
<td>4) Separation of titles within</td>
<td>High impact</td>
<td>Medium impact</td>
<td>Low impact</td>
</tr>
<tr>
<td>the BOS organization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OVERALL LEVEL ^a</td>
<td>MEDIUM</td>
<td>HIGH</td>
<td>LOW</td>
</tr>
<tr>
<td>OVERALL LEVEL OF POLICY IMPACT</td>
<td>MEDIUM</td>
<td>HIGH</td>
<td>LOW</td>
</tr>
</tbody>
</table>

^a The scoring is similar to that set out in Appendix A.
statewide program. As evidence of this, both Ohio and Connecticut had greater group constraints than Arkansas. Yet, Arkansas ranks the lowest in terms of policy impact.

Second and relatedly, three of the four independent variables concern the internal workings of the state staff. In other words, it is more crucial to the BOS program that internal mechanisms conducive to state impact are set in motion.

Third, it is significant that the non-group environmental constraint of changes in Title I funding is important to BOS policy impact. On one level it shows the effect that economic conditions (as reflected in the Title I allocation formula) have on a highly politicized decision-making situation. Too, such changes in funding provide the ultimate bargaining chip for the state: threatened or actual loss of funding to some groups and/or additional funding to other groups.

Independent Effects. The independent effects of each of the four variables are more difficult to ascertain in the BOS program than in the statewide program. For example, although Ohio has a medium level of impact according to the measures on the dependent variable, no single ranking on the four independent variables yields a medium score. However, some judgments can be made about both independent and interactive effects.

The two goal variables seem to be the most important factors in a state having a high level of policy impact. Connecticut is the example here, with both a high level of manpower specific goals, and reasonably high goal commonality.
Yet, the two other variables can make up the lack of manpower specific and common goals, as exhibited in the Ohio case. Significant changes in Title I funding forced the staff to make at least some choices concerning those to receive funding cuts (during the FY 76 budget decrease) and those to receive funding increases (with additional FY 77 Title I monies). Furthermore, the fact that the Ohio state staff had clearly defined administrative units for the different CETA titles helped somewhat to increase impact. In other words, to the extent the Title I staff was dealing with manpower concerns, these concerns at least were not diluted with matters involving a variety of CETA titles.

In Arkansas, the goal situation is more like Ohio than like Connecticut. Yet, the complete administrative integration of Titles muddles the direction of the BOS program. Moreover, the program experienced a significant budgetary change only once. Thus, the state staff has not been continually forced, as the other states have, to make hard choices concerning who will gain and lose under Title I. Because of the lack of these countervailing forces, Arkansas' level of policy impact is low.

In sum, the lack of dominant manpower goals and goal commonality can be compensated to some extent by economy related and administrative aspects of the BOS program. Staff agreement concerning the program's direction, however, still seems to be the best way to enhance state policy impact.

Substantive Interpretation. In terms of policy impact, Connecticut has the highest level among the three states, Ohio has a medium level,
and Arkansas has the lowest level. Although Arkansas has the most favorable environmental conditions for state impact (for example, few environmental groups and supportive political culture) the factors that were most crucial to policy impact were either nonexistent or present in only a moderate degree. On the other hand, Connecticut is able to make an impact even in the face of formidable environmental constraints largely because of the state staff's consensus on goals. In some ways Ohio is an unusual case. Its actions suggest a medium level of policy impact, even with the lack of manpower goals and goal commonality.

**Policy Impact and Goal Achievement**

The last section implied that high levels of policy impact are more the exception than the rule. Medium impact is more attainable, but half of the six state programs were in the low impact category.

The final test of successful social exchange/bargaining is to link the level of policy impact with the level of goal achievement in the various state programs. Tables 18 and 19 present goals and levels of goal achievement.²⁴

It is apparent that the overall level of goal achievement does not necessarily correspond to the levels of policy impact. Figure 6 provides a visual illustration of this.

According to the cell interpretations in Figure 6, only Connecticut's BOS program has a successful social exchange/bargaining ability. The staff has a common direction in which it wishes to go, and
### TABLE 18: GOALS AND GOAL ACHIEVEMENT: STATE AS BOS

<table>
<thead>
<tr>
<th>GOAL</th>
<th>OHIO</th>
<th>CONNECTICUT</th>
<th>ARKANSAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Lower local representation of Community Action Programs</td>
<td>Low</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>2) State staff to retain jobs</td>
<td>Low</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>3) Greater degree of comprehensiveness</td>
<td>Medium</td>
<td></td>
<td>Medium</td>
</tr>
<tr>
<td>4) Increase priority funded projects</td>
<td>High</td>
<td></td>
<td>High</td>
</tr>
<tr>
<td>5) Remove artificial barriers on participants</td>
<td>Low</td>
<td></td>
<td>Low</td>
</tr>
<tr>
<td><strong>OVERALL GOAL ACHIEVEMENT</strong></td>
<td>LOW</td>
<td>HIGH</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>1) Greater degree of job placement</td>
<td>Medium</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>2) More classroom training and OJT</td>
<td>High</td>
<td></td>
<td>Medium</td>
</tr>
<tr>
<td>3) Improve coordination with the Employment Service</td>
<td>High</td>
<td></td>
<td>High</td>
</tr>
<tr>
<td>4) Increase services to participants</td>
<td>Medium</td>
<td></td>
<td>Low</td>
</tr>
<tr>
<td>5) Focus on depressed areas</td>
<td>Low</td>
<td></td>
<td>High</td>
</tr>
<tr>
<td>6) Serve the most disadvantaged</td>
<td>High</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OVERALL GOAL ACHIEVEMENT</strong></td>
<td>HIGH</td>
<td></td>
<td>MEDIUM</td>
</tr>
<tr>
<td>1) Training for a job</td>
<td>Low</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) Local decision-making</td>
<td>Medium</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3) Improving information system</td>
<td>Medium</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4) Decentralized staff decision-making</td>
<td>High</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5) More programmatic integration of titles</td>
<td>Low</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6) Linkages with non-CETA programs</td>
<td>Low</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OVERALL GOAL ACHIEVEMENT</strong></td>
<td>MEDIUM</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a The scoring is similar to that set out in Appendix A.
TABLE 19: GOALS AND GOAL ACHIEVEMENT: STATE AS MANPOWER COORDINATOR

<table>
<thead>
<tr>
<th>GOAL</th>
<th>OHIO</th>
<th>CONNECTICUT</th>
<th>ARKANSAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Give prime sponsors what they want</td>
<td>Medium</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>2) Set an example for prime sponsors</td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>3) Better Relations with Employment Service and Voc. Ed.</td>
<td>High</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>4) Service for the elderly</td>
<td>High</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>5) Monitoring for better coordination</td>
<td>Low</td>
<td>Medium</td>
<td>Low</td>
</tr>
</tbody>
</table>

OVERALL GOAL ACHIEVEMENT

<table>
<thead>
<tr>
<th>OHIO</th>
<th>MEDIUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONNECTICUT</td>
<td>LOW</td>
</tr>
<tr>
<td>ARKANSAS</td>
<td>LOW</td>
</tr>
</tbody>
</table>

A request-for-proposal (RFP) system is designed to put more "rationality" into the choice of programs and service deliverers. Programs are chosen on the basis of goals; deliverers are chosen on the basis of cost-effectiveness.
FIGURE 6: CORRESPONDENCE BETWEEN POLICY IMPACT AND GOAL ACHIEVEMENT
it is able to successfully bargain with the various environmental
groups to achieve these articulated goals.

Ohio's statewide program and BOS Arkansas are characterized by
"misplaced exchange." There is some degree of goal achievement, but the
two states fall short of making an impact. In other words, greater
emphasis would have to be placed on such aspects as a greater role for
state agencies and greater direct involvement by the state staff, before
successful exchange can occur.

Three programs have unsuccessful social exchange/bargaining
processes because of low goal achievement and medium to low levels of
policy impact. They are BOS Ohio, Connecticut's statewide program,
and Arkansas' statewide program.

Referring back to the independent variables sheds some light on why
the different programs rank as they do with regard to policy impact and
goal achievement. First, BOS Connecticut has a dominance of goals that
are manpower specific as well as high goal commonality. Because of
this, it is a more straightforward process to achieve both policy impact
and goals. Second, the "misplaced exchange" programs (BOS Arkansas and
Ohio's statewide program) both differ from the "unsuccessful exchange"
programs in that the former at least had some modicum of goal-oriented
behavior that was manpower specific. The "unsuccessful exchange"
programs all had low levels of manpower specific goals and goal
commonality.

These findings emphasize, therefore, the importance of consistent
goals among the state staff if successful BOS social exchange/bargaining
is desired. Further, while favorable environmental conditions may be
enough for policy impact in the statewide program, goal consistency of a manpower nature does help to bring the state staff into a better bargaining position to achieve its goals.

CONCLUSION

The findings presented here represent data from two major state CETA functions in three states. While limited data such as these cannot be directly generalized to hold for all states, they nevertheless provide both tentative explanations and conclusions that might hold nationwide.

If anything, these data have both extended and supported the available (but sparse) literature on the states' role under CETA. The findings concerning the BOS are a logical extension of Rawlins' (1975) claim of the influence of local actors during the first year of CETA. I have shown that states have been able to break away somewhat from this local influence and develop a program with a state identity.

The findings on the statewide program are consistent with those of the Manpower Development Corporation (1977). This study found that gubernatorial involvement was important to the effectiveness of some aspects of the statewide program. This comports with my finding that fewer group constraints (especially in the form of other prime sponsors) help enhance state impact. Fewer group constraints, in turn, are most likely in sparsely populated states—where governors are knowledgable about all or most aspects of state operation.
CHAPTER 7: THE ROLE OF THE STATES UNDER CETA: CONCLUSION

INTRODUCTION

There are still some unresolved issues in analyzing the role of the states under CETA. Chapters 1 and 2 introduced both the states' role in the federal system and the rationale for a social exchange/bargaining perspective. Some conclusions need to be drawn with both of these discussions in mind. Furthermore, the findings in Chapter 6 suggested a number of implications that must be elaborated at greater length.

The purpose of this chapter, therefore, is to address some of these issues. Specifically, I will first examine more fully the utility of the social exchange/bargaining framework, now that the analysis has been completed. Second, I will deal with some implications of my major findings, speculating about the future and suggesting policy recommendations when appropriate. Finally, I will consider the role of the states in the broader intergovernmental context, coming full circle with the issues set out in Chapter 1.

UTILITY OF THE SOCIAL EXCHANGE/BARGAINING FRAMEWORK

SUMMARY OF ITS ANALYTICAL USE

A social exchange/bargaining framework was originally chosen because it highlighted the ways in which states achieve their mandate.
under the law, constrained by limited formal authority and a neutral to hostile environment. The framework focuses on how goals, organization, and decision rules are developed and marshalled against these outside groups.

In light of the analysis, I believe that the concepts used from the social exchange/bargaining approach were appropriate. No framework, especially in a policy setting, can ever be perfect. Some pertinent information will always be excluded from the analysis, just as some useless information will be retained. Even so, given my focus, the social exchange/bargaining framework provided me the best means of maximizing useful information and minimizing potential loss.

**Contributions of the Social Exchange/Bargaining Framework**

There are several contributions that my adaptation of the social exchange/bargaining approach has made to an understanding of the role of the states under CETA. First, I was able to focus directly on the dynamics of decision-making. A systems approach, for example, glosses over specific processes and tends to emphasize the broader ones. A social exchange/bargaining setting, however, directs attention specifically to the interrelationships of groups—the interrelationships that are so important to goal-oriented behavior.

Second, a framework involving social exchange/bargaining is able to take account of the nuances in inter-group behavior. An implicit assumption of the framework is that deals will be made, jockeying for influence will be undertaken, and strategies will be planned. To be sure, other frameworks accept these situations as part of decision-making
to some extent. However, they do not emphasize the importance of these nuances as much as social exchange/bargaining does.

**Shortcomings of the Social Exchange/Bargaining Framework**

Because no framework is problem free, certain shortcomings of my adaptation of the social exchange/bargaining approach need to be identified.

First, because the primary focus was on the state staff, the goal-oriented behavior of environmental groups had to be held constant to some degree. In reality, the goals of the various groups act and react to the behavior of the staff. In turn, the staff changes its own goals and subsequent behavior in response to the environmental groups. The framework perhaps oversimplifies this very complex process.

To gain some handle on these subtleties, I used a case study approach. Rather than merely setting out the values for the independent variables, I felt that a narrative discussion of each state role (organized according to the independent variables) was the best safeguard against presenting too simplistic a picture of the factors that are a result of the social exchange/bargaining process.

Second, one conclusion of a recent report by the Manpower Development Corporation (MDC; 1977) is that state agencies are entrenched. Oftentimes, their behavior is at odds with CETA, or at least at odds with the governor and the state staff. Earlier I pointed out that this situation was evident in several instances. Further, I felt that the framework and my particular operationalizations did not address state agency "independence" from the state staff.
On the one hand, the MDC asserts that the state should have an important role under CETA. Yet, they do not offer any reasons why this should be the case. In my discussions I have implied that part of the state's role includes an important role for state agencies. Given this, state agency "independence" is of lesser concern than might be supposed.

A third potential shortcoming of social exchange/bargaining is that it does not explicitly take into account the presence of non-group environmental constraints. Many political scientists believe that such factors as economic conditions are important in an explanation of policy outcomes. A systems framework, for example, is especially useful in identifying these factors.

For this reason, my particular adaptation included several of these environmental conditions into the analysis. Although this was an even greater deviation from social exchange/bargaining, I felt that much was gained in the way of more solid explanations. (For example, changes in Title I funding, an economic condition, was found to be associated with BOS policy impact.)

In sum, weighing the advantages and disadvantages of the framework shows the social exchange/bargaining approach to be the most reasonable way of analyzing the role of the states under CETA.

POLICY IMPLICATIONS--ROLE AS BOS

INTRODUCTION

The findings of Chapter 6 concerning the social exchange/bargaining capacity of BOS programs suggest a number of policy implications. These
implications relate to the role of states in the narrowest senses as well as in the broadest. I will first summarize the findings set out in Chapter 6. Then I will discuss the nature of some of these implications.

SUMMARY OF SPECIFIC FINDINGS

The specific variables most closely associated with BOS policy impact are: 1) changes in Title I funding; 2) dominance of manpower specific goals; 3) commonality of goals; and 4) administrative separation of titles. On the basis of these variables and dependent variable measures, Connecticut has high policy impact, Ohio has medium policy impact, and Arkansas has low policy impact.

When levels of policy impact were viewed in terms of goal achievement levels, only one state (Connecticut) was seen as having a successful social exchange/bargaining capacity. BOS Arkansas has some goal achievement, although it has a low level of policy impact. Therefore, it is characterized by "misplaced exchange." BOS Ohio has an unsuccessful social exchange/bargaining capacity, because of its low goal achievement and only moderate policy impact.

IMPLICATIONS FOR BOS POLICY IMPACT

The analysis in Chapter 6 showed that the nature of environmental group constraints does not contribute to BOS policy impact. As an illustration, both Connecticut and Arkansas had a high and a low number and organization of groups, respectively. Yet, Connecticut had a high level of impact, and Arkansas had a low level of impact.

There are several implications for the BOS role because of this. First, by the third year of CETA it appears that many states may have
been able to overcome the most formidable of their environmental constraints: the local boards and community based organizations with a longer history in CETA than the state staff. Second, both dramatic increases in the use of state agencies as well as decreases in the reliance on work experience programs in Connecticut and Ohio suggest that states are able to develop a program with a state, rather than a local, identity. Given these implications, the states are beginning to be equipped for some impact in the administration of the rural Title I program.

IMPLICATIONS FOR BOS GOAL ACHIEVEMENT

Likewise, Connecticut, and to a lesser degree Arkansas, were able to articulate manpower specific goals and achieve many of these goals. Many of the fears of early BOS observers have thereby not been realized. An important component of goal achievement, however, has been its link with dominant goals that are manpower specific and goal commonality among the state staff. Ohio had neither of these; the goals that were achieved were mostly characterized by a lack of direction. In contrast, the focus of Connecticut's program was straightforward and openly articulated. Arkansas is in between the two extremes. On the one hand, the dominant manpower specific goals might well have set the stage for moderate goal achievement. On the other hand, the lack of goal commonality neutralized somewhat the positive effect of manpower specific goals.

Speculating on the place of goals and goal achievement in the BOS program, it seems that some distinct time ordering is needed. That is, to maximize goal achievement, there should first be explicit articulation
of the goals to be achieved. This would at least ensure some consistency in the direction of the program.

It is important that the articulated goals also be quite explicit. For example, the Arkansas state staff spent considerable time developing two broad goals. However, the goals were so broad as to be useless for planning and operational purposes.

There are two ways for a BOS to focus attention on goals and goal achievement. The first is for the staff to develop goals so explicit that quantitative measures can directly assess achievement. For example, if reducing classroom training costs were a goal, one assessment of goal achievement would be to calculate the cost per classroom training participant. A second way to focus on goals is to accept as given those that are suggested by the Department of Labor. Although I found that the state staff paid little attention to the three original national goals of CETA, more recent DOL goals have become more specific and thereby more amenable to state and local adoption. These goals include: greater use of the Employment Service; more job placement of participants; and more emphasis on youth. Casual observation suggests that some of these goals are already being used by BOS programs. A more rigorous analysis would have to determine how the recent national goals are being internalized and achieved by BOS programs.

IMPLICATIONS FOR BOS EFFECTIVENESS

In Chapter 2, I made a distinction between the concept of state impact and that of state effectiveness under CETA. The major purpose of this dissertation was to identify the conditions associated with policy impact, using a social exchange/bargaining framework. Here,
I will briefly discuss some preliminary findings concerning BOS effectiveness.

Table 20 presents some performance indicators that have been identified by the Department of Labor and others as measures of program "success" or effectiveness. Two broad modes of analysis can be used in interpreting these data.

Comparisons Among the Three BOS Programs

If one accepts the premise that these quantitative indicators are reasonably good measures of program performance, one readily sees that successful social exchange/bargaining may not necessarily guarantee that the state will be an effective program manager. BOS Connecticut, which exemplifies high policy impact and goal achievement, ranks the best of the three states on only one indicator; it has the lowest cost per CETA enrollee under Title I. On four of the performance indicators, Connecticut ranks a poor third. In contrast Arkansas, the least likely candidate for program effectiveness, ranks the highest on five of the indicators and second on the remaining two indicators. Ohio's performance is usually in between.

The apparent conclusion, as suggested above, is that program impact and effectiveness are not related. However, I choose not to accept entirely this conclusion for several reasons. First, the data in Table 20 are only preliminary. They measure the cross section, rather than the degree of change over time. Second and relatedly, the lack of correspondence could be due to the roughness of the indicators used to measure impact and effectiveness. For example, many prime sponsor
<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>What it Measures</th>
<th>Ohio</th>
<th>Connecticut</th>
<th>Arkansas</th>
<th>Average, 13 &quot;good&quot; FSs in the Ripley, et al. national study</th>
<th>Median, 13 &quot;good&quot; FSs in the Ripley, et al. national study</th>
<th>Average of All CETA FS's</th>
</tr>
</thead>
<tbody>
<tr>
<td>Placement Rate</td>
<td>% enrollees who got a job after CETA services</td>
<td>16%</td>
<td>13%</td>
<td>22%</td>
<td>19%</td>
<td>15%</td>
<td>13%</td>
</tr>
<tr>
<td>Entered Employment Rate</td>
<td>% of those leaving the program with a job</td>
<td>24%</td>
<td>31%</td>
<td>44%</td>
<td>41%</td>
<td>44%</td>
<td>30%</td>
</tr>
<tr>
<td>Indirect Placement Rate</td>
<td>% placements who also received CETA services</td>
<td>79%</td>
<td>39%</td>
<td>77%</td>
<td>56%</td>
<td>61%</td>
<td>52%</td>
</tr>
<tr>
<td>Non-Positive Termination Rate</td>
<td>% participants who left program due to &quot;negative&quot; reasons</td>
<td>26%</td>
<td>42%</td>
<td>19%</td>
<td>34%</td>
<td>36%</td>
<td>32%</td>
</tr>
<tr>
<td>Cost/Positive Termination</td>
<td>How much it costs for each person who &quot;positively&quot; leaves program</td>
<td>$5039</td>
<td>$4644</td>
<td>$3673</td>
<td>$4147</td>
<td>$2973</td>
<td>$4387</td>
</tr>
<tr>
<td>Cost/Enrollee</td>
<td>How much it costs to serve each enrollee</td>
<td>$1077</td>
<td>$829</td>
<td>$1003</td>
<td>$1091</td>
<td>$1104</td>
<td>$964</td>
</tr>
<tr>
<td>Cost/Indirect Placement</td>
<td>How much it costs for each indirect placement</td>
<td>$6836</td>
<td>$7306</td>
<td>$5076</td>
<td>$8136</td>
<td>$7918</td>
<td>$7279</td>
</tr>
</tbody>
</table>

a Data on these prime sponsors were taken from a study funded by the U.S. Department of Labor and supported by the OSU Merckman Center. This project looked at management decisions and programmatic goals. For further information on this study, see Ripley, et al. (1977).

b Includes all of the NOS programs as well.

c These data are for 6/76.
staffers have complained that the performance indicators do not take into account many of the qualitative aspects of program success.

Third, perhaps success on the performance indicators varies according to the size and scope of the program. In other words, it would be easier for Arkansas to attain a level of performance simply because it is a much smaller program to handle and control.

A fourth reason to question the apparent conclusion concerns a normative question: is it better to have poorer program performance and be aware of problem areas and why they exist, or is it better to have better program performance and be ignorant of why it is better? Connecticut seems to characterize the first dilemma, and Arkansas exemplifies the second. Connecticut has a well developed management information system that is a useful tool in the identification of problems. The capacities of Arkansas' new computerized information system still seems to be a mystery to most of its state staffers. Arkansas cannot identify its management problems. Perhaps Connecticut's dilemma, therefore, is the lesser of two evils.

The lack of correspondence between state policy impact and effectiveness may be real or not. One thing nevertheless becomes clear: more work is needed on the relationship between these two aspects of the BOS program.

Comparisons of BOS Programs with Other Programs

Table 20 also sheds some light on BOS effectiveness versus substate prime sponsor effectiveness.
Regarding the first four placement indicators, in all but one instance does the performance of the three BOS programs compare favorably with the national average (i.e., the average of all prime sponsors, including the fifty states). Furthermore, on the first four indicators at least one of the three states (usually two states) ranks the same or better than the average and median of thirteen substate prime sponsors that have the reputation of being "successful" and that were part of a study by Ripley, et al. (1977).

With respect to the three cost indicators, it is more likely that only one of the three BOS programs performs better than the national average. A similar situation exists when the three states are compared with the thirteen successful prime sponsors on the cost per positive termination and the cost per CETA enrollee indicators. However, BOS programs fare better in terms of cost per indirect placement. Finally, all of the three states had lower costs than the average or median of the thirteen successful prime sponsors.

These findings suggest more questions than they answer. One tentative conclusion is that BOS programs are slightly more effective than substate prime sponsors in placement indicators than they are in cost indicators. This makes intuitive sense, especially since rural CETA participants (who would be in a BOS program) are usually not as hard-core disadvantaged as the urban poor. This makes it easier for the staff and service deliverers to place the participant into unsubsidized jobs. Likewise, costs may be higher (per positive termination and enrollee) due to the usually larger geographical areas that must be
served. Further analyses that would include all of the BOS programs are needed to get the most accurate picture of state performance.

Given the data that were presented, however, a tentative conclusion is that there is no reason to suspect that BOS programs are less effective program managers of CETA than local programs. Overall, they are at least as good as the substate prime sponsors, and, in some aspects of program management, they may even be better.

IMPLICATIONS FOR BOS LEADERSHIP

The question of leadership has been of interest to a number of scholars who have grappled with problems in a social exchange/bargaining framework. Leadership may well be the logical extension of successful social exchange/bargaining. It is certainly a situation that states might want to strive for.

The extent of leadership in the BOS program therefore becomes the next focal point of discussion. Here, leadership means success in terms of policy impact, goal achievement, and program effectiveness.

A necessary condition for BOS leadership is a successful level of social exchange/bargaining. Only Connecticut’s program approaches the needed levels of policy impact and goal achievement. Yet, data from Table 20 suggest that the state has not been able to translate its social exchange success into quantitative evidence of program effectiveness. For this reason, the program is not the best model of state leadership.

The staffs of the BOS programs are not entirely at fault in failing to exhibit leadership as of FY 77. When CETA first began, state staffs
had to overcome a number of serious obstacles. That Connecticut was able to achieve successful social exchange/bargaining attests to the potential of the states.

There is reason to believe, therefore, that if the basic structure of CETA remains the same, the future will see the development of leadership in the state BOS program.

POLICY IMPLICATIONS--ROLE AS MANPOWER COORDINATOR

INTRODUCTION

Just as the findings concerning the BOS program have certain policy implications on a variety of levels, so too do the findings concerning the statewide program. Therefore, I will first summarize the findings of Chapter 6, and then I will discuss some of these implications.

SUMMARY OF SPECIFIC FINDINGS

The specific variables most closely associated with impact in the role as statewide manpower coordinator are: 1) number of environmental groups; 2) organization of environmental groups; 3) dominance of manpower specific goals; 4) commonality of goals; and 5) information sharing strategies. On the basis of these variables and dependent variable measures, Arkansas has a medium level of policy impact, and Ohio and Connecticut both have low levels of impact.

In linking the levels of policy impact with goal achievement, it was found that no state programs were considered to have a successful level of social exchange/bargaining. One state, Ohio, is characterized
by misplaced exchange, i.e., there is moderate goal achievement in the face of low policy impact. The statewide programs of Arkansas and Connecticut are characterized by unsuccessful social exchange/bargaining.

IMPLICATIONS FOR POLICY IMPACT

As stated in Chapter 6, the nature of environmental groups is a very important factor in policy impact. Favorable environmental group conditions, together with any commitment to the development of goals or strategies contributes to a higher level of policy impact. Conversely, even the strongest internal commitment is neutralized if group constraints are formidable.

The statewide program, therefore, is affected by environmental constraints to a greater degree than the BOS program. Since impact in the statewide program is controlled somewhat by nonmanipulable factors, the program is at an initial disadvantage in states with a large number of substate prime sponsors.

As a consequence, it becomes imperative that state staffs carefully articulate their goals and develop information sharing strategies to help counteract the influence of group constraints. Unfortunately, this prospect appears unlikely for several reasons. First, such internal consistency will not develop as long as states put most of their efforts into the larger BOS program. Second, the guidelines concerning the role of states in both state programs are vague. In comparing the two programs with each other, however, the legislation and regulations governing the BOS program are clearer than for the statewide
program. Vagueness of purpose and administration in the latter helps militate against the development of consistent internal conditions. Third, by the third year of CETA, the BOS program is able to deal with local environmental groups that are now subordinate. (This comports with the finding that group constraints were not associated with the level of policy impact.) However, the states have not been able to come to terms with the fact that other prime sponsors are the "subordinates" in the statewide program.

In sum, internal commitment on the part of the state staff would help counteract the effects of environmental conditions in the development of state impact. However, certain observations concerning the statewide role make internal commitment difficult.

IMPLICATIONS FOR GOAL ACHIEVEMENT IN THE STATEWIDE PROGRAM

Only one state's program, Ohio, had any level of goal-oriented behavior conducive to the achievement of goals. Even so, Ohio's overall level of policy impact was low. Together, its statewide program is characterized by "misplaced exchange" or low policy impact with some goal achievement.

The interrelationship of policy impact and goal achievement provides a peculiar dilemma. On the one hand, the nature of environmental groups is very important to policy impact; hence, Arkansas has more policy impact than either Ohio or Connecticut. On the other hand, some kind of internal commitment on the part of the state staff is associated with some level of goal achievement, irrespective of policy impact. The dilemma in the statewide program, therefore, is: Is it better to have
some policy impact and low goal achievement (unsuccessful exchange) or
low policy impact and some goal achievement (misplaced exchange)?

Effectiveness in the Statewide Program

The problem is muddled further because policy impact in the
statewide program is very closely associated with notions of effectiveness. In the BOS program, impact could be an issue apart from effectiveness. The former concept involved greater decision-making and control at the state level. The latter concept took into account objective indicators of cost-effectiveness. In the statewide program, impact might well be equated with effectiveness. That is, to have impact as I have defined it means basically to utilize state agencies as well as to allocate the 4% fund in an innovative way. Effectiveness under the statewide mandate is not cast in cost-effectiveness terms, because the mandate does not only mean administration of specific manpower programs, but also something much broader. Therefore, involving state agencies and spending Special Grant monies innovatively might be useful indicators of statewide effectiveness as well.

If one accepts the premise that impact/effectiveness is just as important, if not more important, than goal achievement, the Arkansas program with low environmental groups seems to be in a better overall position than Ohio, which has high group constraints.

Other studies in an implicit way have confronted this dilemma. The Manpower Development Council's (MDC; 1977) report on Special Grants suggests that internal state positions can be strengthened by separating the Special Grant staff from the BOS staff. It is implied that such
separation would increase staff commitment to goals and strategies, thereby safeguarding the integrity of the statewide program from environmental groups as well as from the larger BOS concerns.

Reanalysis of some data used in the MDC report, however, helps strengthen my position that group constraints are important to statewide impact/effectiveness, regardless of the nature and size of the Special Grant staff. Table 21 presents data on the number of prime sponsorships in the nine MDC states as well as my own three states. This is compared with the MDC's and my data on the monetary commitment to state agencies as 4% deliverers for FY 76.

While the results are not statistically significant, there is nevertheless a moderate correlation between the number of prime sponsorships within a state and the percent state agency use. In fact, the three states in this dissertation represent the most deviant cases; taking them out of the calculation yields an even stronger association. At any rate, there is at least some support for the notion that the level of group constraints affects the statewide program.

Separation of the Special Grant staff from the BOS staff, therefore, may do little for impact/effectiveness in the statewide function, although other studies besides the MDC report have advocated this position (see, for example, Goss; 1975). However, it may be that such separation is closely related to the achievement of statewide goals. In other words, although state effectiveness as a program manager is due in large part to environmental conditions, staff separation may help in goal achievement by setting a positive stage for the development of dominant manpower goals, goal commonality, and information sharing.
TABLE 21: CORRESPONDENCE BETWEEN NUMBER OF PRIME SPONSORS AND USE OF STATE AGENCIES

<table>
<thead>
<tr>
<th>State</th>
<th>Number of PSs (including BOSs)</th>
<th>Ranking on the Percent of 4% Funds With State Agencies, FY 76</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Virginia</td>
<td>1</td>
<td>West Virginia 100%</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>2</td>
<td>Georgia 89</td>
</tr>
<tr>
<td>Arkansas</td>
<td>3</td>
<td>New Jersey 82</td>
</tr>
<tr>
<td>Kansas</td>
<td>5</td>
<td>Kansas 75</td>
</tr>
<tr>
<td>Connecticut</td>
<td>6</td>
<td>Washington 75</td>
</tr>
<tr>
<td>Washington</td>
<td>8</td>
<td>Illinois 65</td>
</tr>
<tr>
<td>Georgia</td>
<td>10</td>
<td>Connecticut 62</td>
</tr>
<tr>
<td>Ohio</td>
<td>17</td>
<td>Arkansas 57</td>
</tr>
<tr>
<td>Illinois</td>
<td>21</td>
<td>Ohio 49</td>
</tr>
<tr>
<td>Texas</td>
<td>22</td>
<td>Texas 47</td>
</tr>
<tr>
<td>New Jersey</td>
<td>23</td>
<td>Rhode Island 20</td>
</tr>
<tr>
<td>California</td>
<td>37</td>
<td>California 18</td>
</tr>
</tbody>
</table>

a These data show a Pearson r of -.40
strategies. As an example, Ohio, which had at least some level of goal achievement, also had the most clearly separated Special Grant unit. The fact that the Special Grant was the major concern for these staffers could have contributed to clearer articulation of manpower goals and moderate goal achievement. Therefore, while such organization is not important in directly affecting impact/effectiveness, it may be very important in an indirect way. Further studies should try to get at the relationship between staff organization and subsequent goal achievement.

IMPLICATIONS FOR STATEWIDE LEADERSHIP

A conclusion that must be reached when interrelating state impact, goal achievement, and effectiveness is that the statewide program is very much influenced by the scope and nature of environmental group constraints. I reiterate that it becomes imperative that internal workings are set in order. Separation of the Special Grant staff may help in this regard.

Yet, I believe that of any states, only the states with the fewest prime sponsorships within their borders will approach any kind of leadership that was intended by the legislation and regulations. States are not very much closer to being able to deal with environmental groups than they were at the beginning of CETA. The more rural states do not have this problem to a large extent. As long as environmental group problems cannot be addressed by states, only those without these problems can hope to realize their mandate under the law.

For these reasons, it is up to the Department of Labor to specify more clearly the responsibilities of states as manpower coordinators.
At the same time, more sanctioning power must be given to the states to be able to deal effectively with other prime sponsorships. Encouraging consistent internal goal-oriented behavior, even if it were something that could reasonably be accomplished in the short run, is simply not enough.

There does not seem to be any signs that the Department of Labor is willing to help states increase their potential for leadership in the statewide program. The states are getting little guidance on the proper stance that should be taken vis-a-vis local prime sponsors.

Somewhat ironically, the states are now getting a larger role in a mode similar to that of the statewide program. Expanded manpower programs for youths are the most recent addition to the CETA program. Title III will be greatly expanded and a new Title VIII will involve youth programs.

One Title III program, called Youth Employment and Training Programs, involves some discretionary money to governors. The program itself has not yet started, but one can nevertheless speculate that the problems in utilizing the fund will be similar to that encountered in the present Special Grant.

In sum, leadership in the statewide program is a long way off. The states in the BOS program have some hope of achieving leadership. In their other role the states have little prospect of leadership without the necessary conditions of: 1) greater internal consistency; and 2) more direction from the national level. Even then, there may be little realistic hope that these conditions are sufficient to produce leadership under CETA.
Chapter 1 alluded to a situation whereby CETA was a composite of disparate local, state, and national programs, each with its separate identity. This caused some initial ambiguity in assessing what kind of a role the state would make for itself.

By the third year of CETA, the assessment of the states within the broad manpower context is still taking place. Only now are such questions beginning to be addressed by the Department of Labor (National Governors' Conference; 1977).

A number of research studies have already been looking at the various functions that the states must perform. Table 22 presents a brief summary of state performance on some of the activities that these studies have identified.

**BOS**

As long as there are parts of the state that are not served by a substate prime sponsor, balances of state will continue to be a fact of life in the CETA program. It is fortunate for these rural areas, therefore, that BOSs are generally able to fulfill CETA's broad state mandates. Even without any changes in the law, performance on five of the six functions is either high or medium high.

The BOS programs are not usually very innovative. Perhaps this is why BOSs fare less well with regard to encouraging model demonstration, and specially targeted programs. On the other hand, the programs offered under Titles I, II, and VI are not meant to be "special." Rather, in the BOS programs it is probably more important to ensure that all areas in the prime sponsorship are served.
### TABLE 22: STATE PERFORMANCE IN SEVERAL BROAD FUNCTIONAL AREAS

<table>
<thead>
<tr>
<th>Function</th>
<th>Best Potential Performance</th>
<th>Actual Performance</th>
<th>Future Performance (no change in formal powers)</th>
<th>Future Performance (change in formal powers)</th>
<th>Best Potential Performance</th>
<th>Actual Performance</th>
<th>Future Performance (no change in formal powers)</th>
<th>Future Performance (change in formal powers)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Serving all geographical areas</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>2) Reviewing, monitoring, assessing</td>
<td>High</td>
<td>Medium</td>
<td>High</td>
<td>High</td>
<td>Medium</td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>3) Eliminating duplication of services</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>4) Encouraging use of and coordinating with state agencies</td>
<td>High</td>
<td>Medium</td>
<td>High</td>
<td>High</td>
<td>Medium</td>
<td>Medium</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>5) Technical assistance, information sharing, labor market data</td>
<td>High</td>
<td>Medium</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>6) Model, demonstration, specially targeted programs</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
<td>Medium</td>
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</tr>
</tbody>
</table>

*Performance ranges from High to Low*
STATEWIDE COORDINATOR

The potential and actual performance of the state in its role as manpower coordinator is much more problematic. In only two of the functions can the states hope for a high performance in even the hypothetical sense. Moreover, with regard to reviewing, monitoring, and assessment and eliminating duplication of services the best potential performance that can be achieved by the state is medium low.

It may be useless, therefore, to push for changes in the law for state functions that have no realistic hope of being achieved. Yet, there are some functions in which a change in formal powers would enhance the role of the states.

The functions that have the best hope for reasonably high performance in the statewide role are those that do not deal with "policing" substate PSs. Stated differently, the functions that deal with expansion of services statewide, technical assistance, and the encouragement of innovative programs have the best chance of being adequately performed by the states. Therefore, perhaps there should be a closer focus on the functions with a greater political payoff, rather than a general focus on all of the functions, including those with less payoff.

STATES' ROLE IN THE FEDERAL SYSTEM

The findings, their implications, and speculations are consistent with the current intergovernmental relations literature suggesting that states are becoming increasingly important in the federal system. For good or ill, the states are being asked to be important managers
of revenue sharing programs. In CETA's statewide role, the states are being asked to be important initiators and coordinators of policy as well.

A question that can be asked, therefore, is: Are the states simply a useless level of government in the CETA program, or are they really useful, adding important dimensions to the major goals of CETA?

That there should be a role for states has already been discussed. There have been mixed results, however, in determining whether the states have actually fulfilled this role. In the BOS program it appears that states have the capacity to fill an important void in CETA. To wit, in terms of program performance—the hard indicators of effectiveness—the states perform at least as well, and in some cases better, than their substate counterparts.

Success in the statewide role, a role specifically designed for the states, is much more difficult to ascertain. More support is needed from the federal government for the states to realize their broad and vague mandates, at least for some functions, as statewide coordinators of the manpower effort. Yet, to do so means, in large part, to place more restrictions on local prime sponsors to do the bidding of the states. In turn, more restrictions on local prime sponsors might mean a chipping away of one of the major tenets of CETA—to decentralize decision-making. Furthermore, Reagan (1972) has predicted "hardening of the categories" for block grants and revenue sharing programs, whereby the federal government places more and more restrictions on originally open-ended programs.
I believe, however, that a good balance can be struck between greater federal restrictions on behalf of the states, where they have realistic expectations, and a maintaining of the integrity of local prime sponsors. As long as the original meaning of CETA is kept by the federal government, increasing the authority of the states through judicious changes in the regulations can only serve to enhance the goal of decentralization, rather than detract from it. The states only need to be given a chance to act responsibly in the specific areas where they show some promise.
APPENDIX A:

RANKING METHODOLOGY IN DETERMINING LEVELS OF POLICY IMPACT

Data were collected from the sources and according to the measurements set out in Tables 7 and 8.

Indicators 1, 2, and 5 in the BOS role and indicators 1, 2, 3, and 4 in the statewide role measure the amount of change over time. All of those are recorded in percentages.

Changes not in the expected direction or less than or equal to a 10% change from the first percentage level in a pairwise comparison were recorded as "low impact." Pairwise comparisons that showed greater than a 10% change and up to and including a 20% change in the expected direction were recorded as "medium impact." Changes in the expected direction that were greater than 20% were considered to be "high impact."

Where there was disagreement between FY 75-76 changes and FY 76-77 changes in assessing impact, the latter comparison was used.

Indicator 4 in the BOS role measures changes in local decisions that were made during the FY 77 planning cycle (spring and summer of 1976). Local planning boards in all three states were asked to make recommendations for the Title I plan. The extent to which local decisions were incorporated into the final plan (either changed or unchanged) determined the level of impact for the state. None or few
changes meant "low impact." Some changes meant "medium impact," and substantial changes meant "high impact."

Indicator 3 in the BOS role and indicator 5 in the statewide role deal with changes in a qualitative way. In the former, the greater the changes and restrictions put on the work experience program, the greater the impact of the state. In the latter, decisions favoring the state rather than local areas determines the level of impact.

"Perceptions of impact" has both quantitative aspects (from closed-ended questionnaire responses) and qualitative ones (from open-ended interviews and observation). Together, the aspects suggest a level of impact.

SCORING

To obtain an overall level of policy impact for each state role, 1 point is given to each indicator with a low rank, 2 points to each indicator with a medium rank, and 3 points to each indicator with a high rank. Scoring is as follows:

6-10 points = low overall impact
11-14 points = medium overall impact
15-18 points = high overall impact
APPENDIX B: BOS REGIONS OF THE THREE STATES

FIGURE 7: BOS REGIONS OF OHIO
FIGURE 8: BOS REGIONS OF CONNECTICUT
FIGURE 9: BOS REGIONS OF ARKANSAS
APPENDIX C: ORGANIZATIONAL CHARTS OF THE THREE STATE STAFFS

FIGURE 10: ORGANIZATIONAL CHART OF OHIO STATE STAFF

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FIGURE 11: ORGANIZATIONAL CHART OF CONNECTICUT STATE STAFF
FIGURE 12: ORGANIZATIONAL CHART OF ARKANSAS STATE STAFF
FOOTNOTES

1 In the spring of 1976 the Manpower Administration of the Department of Labor (DOL) became the Employment and Training Administration. It also asked that references to "employment and training" be substituted for "manpower" to avoid any sexist connotations associated with such programs and policies. However, because of ease of recognition of "manpower," especially for those not involved in this system, the term "manpower" will be retained in lieu of "employment and training" throughout this dissertation.

2 Categorical grants-in-aid here refer to a number of manpower programs that predated CETA and that provided for funds for specific and narrowly defined purposes.

3 Nathan, et. al., for example, provide some preliminary data on spending patterns, fiscal effects, and political effects of general revenue sharing.

4 In addition to 10% being taken off of the top for state use, 10% is kept with the Department of Labor for its use in special programs. Thus, each PS receives, in essence, 80% of its Title I allocation.

5 This approach was suggested to me by Randall B. Ripley

6 Our CETA Implementation Study of the Ohio PSs demonstrated this.

7 Fenno's work focuses primarily on individuals within Congressional committees. Blau and other social exchange theorists talk about individual goals and benefits. And it is certainly true in my case that the state "staff" is a collection of individuals, each with his own goals and strategies to achieve the goals. In other words, I do not subscribe to the notion that there is a dynamic within the state staff over and above that which can be attributed to the individuals which comprise the staff. However, for simplification purposes, I will refer to "staff" as if it were an entity in and of itself.

A second point that I should make here is that in some states there are two completely separate state staffs, one to deal with the BOS function and the other to deal with the statewide function. In other states no such distinction is made. Therefore, unless I state
otherwise, when I refer to the state staff, the broader interpretation will hold, i.e., the staff or staffs encompassing both state functions.

8 In some of the non-BOS PSs, the professional staff has chosen not to subcontract to separate agencies for some services. Instead, the staff operates the services itself. Because of the geographical dispersion in a BOS prime sponsorship however, virtually all programs and services to CETA participants are contracted out.

9 A "plan narrative" is simply a written document that explains, among other things, how the CETA money will be spent as well as the rationale for spending the money in this manner.

10 Maintenance of effort is a violation of the law and refers to the substitution of CETA funds for local or state government revenues. State political officials unsuccessfully tried to rehire laid off workers in the Department of Natural Resources as CETA participants, first as PSE participants, then as Title I work experience workers.

11 Quoted from the FY 75 Special Grant plan narrative and mentioned several times elsewhere.

12 Although there are more work experience deliverers in Ohio, fourteen in Connecticut is quite high, considering that the state is small in land area, ranking 48 among the 50 states.

13 Taken from the Regional Department of Labor, FY 75 Performance Rating, May 6, 1975.

14 In one particular region a black-oriented service deliverer faced a serious budget cut for FY 76. Because the deliverer's performance was adequate enough, the most often cited reason for the cut by the local board included notions of racism. The state staff subsequently moved in and continued the funding of the deliverer to the end of FY 76.

15 I wish to thank Mary K. Marvel for providing me with these data.

16 Quoted from the FY 77 Title I Plan.

17 One might even go so far to say that there is too much interdependence at the state level, so that one state agency is constrained in making decisions because of the ramifications it might have on another state agency. This charge has especially been raised against the state staff's overeagerness in trying to please and pacify the Employment Service.

18 Oftentimes these "vested interests" are even in the form of the state agencies, such as the Employment Service.
As is the case with any kind of research in a policy setting, there are a number of data problems associated with the measurement of the dependent variables. Rather than provide a full list of the specific problems, I wish to set out the general caveat that data collection, manipulation and analyses have pitfalls that must be taken into account during subsequent interpretation. Nevertheless, I do believe that data problems should not deter one from attempting to draw conclusions about complex policy issues, such as those inherent in CETA.

I recognize that state agencies sometimes have the capacity to achieve their own goals, irrespective of the wishes of the state staff. One shortcoming of the approach that I am using in this dissertation is that these situations are difficult to separate out, except in an intuitive way. Nevertheless, it is more likely that the state staff prefers the services of state agencies over nonstate agencies, if for no other reason than that the former is organizationally closer to the state staff. With this in mind, state agency "independence" should not be a serious methodological concern.

Because much of my data is qualitative, I cannot specifically determine cause and effect relationships. However, certain associations can be presented, and tentative explanations can be suggested.

There is a third reason for congruence: the interactive effects of the dependent variable measures. However, for purposes of this dissertation I have already assumed that the indicators measuring state policy impact are of equal importance. Too, since social exchange/bargaining aspects are more evident in the independent variables, interactive effects are more consequential there than in the measures of policy impact.

The scoring is similar to that set out in Appendix A.

The case study chapters suggested that in some instances there were no major goals. This observation has to be kept in mind throughout the forthcoming analysis. However, where no major goals came to light, there were usually still a number of lesser or nonmanpower specific goals. In the cases where no major goals were articulated, minor or other goals were used.

Note that I am using a percent of a percent. For example, a "large change" (meaning high impact) from a level of 40% would be less than 32% or greater than 48%.

I wish to thank Grace A. Franklin for providing me with these data.

See, for example, ACIR (1977); Goss (1975); Rawlins (1975); National Governors' Conference (1977); and Manpower Development Corporation (1977).
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