The Organization of the Bureaucracy

Inquire: How are Government Employees Hired in the 21st Century?

Overview

Today’s bureaucracy is far beyond anything Washington or any of the founding fathers could have foreseen with 15 Cabinet level departments, government corporations, independent agencies, and regulatory agencies. The bureaucracy of the modern U.S. government is a massive, complex machine.

Big Question: How is the modern bureaucracy organized?

Watch: When I Grow Up I Want to Be…

When you ask children what they want to be when they grow up, you often hear things like fireman, policeman, or astronaut. You never hear, “I want to work in the giant government bureaucracy of the United States!”

The reality is there is a lot of misunderstanding of what it means to work for the government. Most people think of “government work” as sitting in a giant, windowless office building doing meaningless work that is repetitive, boring, and mind-numbing.

In truth, there are very good reasons to work for the government. One of the significant advantages of the enormous modern U.S. bureaucracy is that many citizens find employment there to be an important source of income and meaning in their lives. Job opportunities exist in a number of different fields, from foreign service with the State Department to information and record clerking at all levels. Each position requires specific background, education, experience, and skills.

The Central Intelligence Agency (CIA) is the intelligence gathering agency of the United States. The Federal Bureau of Investigation (FBI) is the chief investigative agency for the federal government. The Secret Service is responsible for protecting the president, the vice president, and other federal officials. Beyond these well-known agencies, there are numerous positions in science, law, oceanographic research, accounting, and much more almost anywhere in the world.

There are three general categories of work in the federal government: competitive service, excepted service, and senior executive service. Competitive service positions are closely regulated by Congress through the Office of Personnel Management to ensure the best applicant gets the job. Qualifications for these jobs include work history, education, and grades on civil service exams. Excepted service jobs are exempt from these hiring restrictions. Either these jobs require a far more rigorous hiring process, such as
is the case at the CIA, or they call for very specific skills, such as in the Nuclear Regulatory Commission. Employers can set their own pay rates and requirements. Senior executive service positions are filled by individuals who can demonstrate executive experience. There are certain executive core qualifications (ECQs) including leading change, being results-driven, demonstrating business acumen, and building better coalitions.

If everyone understood all the employment available through the federal government, when asked what they want to be when they grow up, children probably would say, "I want to work for the federal bureaucracy!"

Read: From Patronage to Civil Service to Merit

Overview
The United States began moving away from a bureaucracy based on patronage to one based on merit with the passage of the Pendleton Act in 1883. It seems obvious to us today that the country is better served by a bureaucracy staffed with the most competent and capable people instead of individuals who are somehow connected to the president. And, while it was the right move for the United States in 1883, America was a little slow to make this change. Empress Wu Zetian of China made this change during her rule in the middle 600s CE.*

The development of the civil service in the United States has had important functional consequences. Today, the United States civil service carefully regulates hiring practices and pay to create an environment in which, it is hoped, the best people to fulfill each civil service responsibility are the ones hired.

The Pendleton Act of 1883 was not merely an important piece of reform legislation; it also established the foundations for the merit-based system that emerged in the decades that followed. The act made this system possible by way of a number of important changes, although three elements stand out as especially significant. First, the law attempted to reduce the impact of politics on the civil service sector by making it illegal to fire or otherwise punish government workers for strictly political reasons. Second, the law raised the qualifications for employment in civil service positions by requiring applicants to pass exams designed to test their competence in a number of important skill and knowledge areas. Third, it allowed for the creation of the United States Civil Service Commission (CSC), which was charged with enforcing the elements of the law.

Following the Great Depression and reforms put in place by President Roosevelt, the size of the federal government and its bureaucracy grew. Many people became increasingly concerned that the Pendleton Act prohibitions on political activities by civil servants were no longer strong enough. As a result of these mounting concerns, Congress passed the Hatch Act of 1939 — or the Political Activities Act. The main provision of this legislation prohibited bureaucrats from actively engaging in political campaigns and from using their federal authority via bureaucratic rank to influence the outcomes of nominations and elections.

In spite of the Political Activities Act, citizens’ concerns about the bureaucracy reached a fever pitch in the late 1970s as the Vietnam War and Watergate led people to be skeptical about government itself. Congress and the president responded with the Civil Service Reform Act of 1978, which abolished the Civil Service Commission. In its place, the law created two new federal agencies: the Office of Personnel Management (OPM) and the Merit Systems Protection Board (MSPB). The OPM is responsible for recruiting, interviewing, and testing potential government employees in order to choose those who should be hired. The MSPB is responsible for investigating charges of agency wrongdoing and hearing appeals
when corrective actions are ordered. Together, these new federal agencies were intended to correct perceived and real problems with the merit system, protect employees from managerial abuse, and generally make the bureaucracy more efficient.

**Merit-Based Selection**

The general trend from the 1880s to today has been toward a civil service system that is increasingly based on merit. In this system, the large majority of jobs in individual bureaucracies are tied to the needs of the organization rather than to the political needs of the party bosses or political leaders. This purpose is reflected in the way civil service positions are advertised. A general civil service position announcement will describe the government agency or office seeking an employee, what the agency or office does, what the position requires, and include a list of the knowledge, skills, and abilities, commonly referred to as KSAs, deemed especially important for fulfilling the role. The review of the KSAs has taken the place of the civil service exam.

A budget analyst position, for example, would include KSAs such as experience with automated financial systems, knowledge of budgetary regulations and policies, the ability to communicate orally, and demonstrated skills in budget administration, planning, and formulation. The merit system requires that a person be evaluated based on his or her ability to demonstrate KSAs that match those described or better. The individual who is hired should have better KSAs than the other applicants.

Among the first group, those hired based on merit, a small percentage still require that applicants take one of the several civil service exams. These are sometimes positions that require applicants to demonstrate broad critical thinking skills, such as foreign service jobs. More often, these exams are required for positions demanding specific or technical knowledge, such as customs officials, air traffic controllers, and federal law enforcement officers. Additionally, new online tests are increasingly being used to screen the ever-growing pool of applicants.

Civil servants receive pay based on the U.S. Federal General Schedule. A **pay schedule** is a chart that shows salary ranges for different levels (grades) of positions vertically and for different ranks (steps) of seniority horizontally. The Pendleton Act of 1883 allowed for this type of pay schedule, but the modern version of the schedule emerged in the 1940s and was refined in the 1990s. The modern General Schedule includes 15 grades, each with ten steps. The grades reflect the different required competencies, education standards, skills, and experience for the various civil service positions. Grades GS-1 and GS-2 require very little education, experience, and skills and pay little. Grades GS-3 through GS-7 and GS-8 through GS-12 require ascending levels of education and pay increasingly more. Grades GS-13 through GS-15 require specific, specialized experience and education, and these job levels pay the most. When hired into a position at a specific grade, employees are typically paid at the first step of that grade, the lowest allowable pay. Over time, assuming they receive satisfactory assessment ratings, they will progress through the various levels. Many careers allow for the civil servants to ascend through the grades of the specific career as well.

The intention behind these hiring practices and structured pay systems is to create an environment in which those most likely to succeed are in fact those who are ultimately appointed. The systems almost naturally result in organizations composed of experts who dedicate their lives to their work and their agency. Equally important, however, are the drawbacks. Permanent employees can become too independent of the elected leaders. While a degree of separation is intentional and desired, too much can result in bureaucracies that are insufficiently responsive to political change. Another downside is that the accepted expertise of individual bureaucrats can sometimes hide their **chauvinistic** impulses. The merit system encourages bureaucrats to turn to each other and their bureaucracies for support and stability.
Severing the political ties common in the spoils system creates the potential for bureaucrats to steer actions toward their own preferences even if these contradict the designs of elected leaders.


Reflect: It's Your Choice!

Poll

If you could have any of the following jobs with the federal government, what would you choose?

- Special Agent in the FBI
- Overseas agent with the CIA
- Deputy in the U.S. Marshal's Service
- Agent in the Secret Service

Expand: The Organized Bureaucracy

Discover

Even the experts can't agree on the total number of federal government agencies, commissions, and departments. Most estimates suggest there are probably more than 2,000 of these. They each have an area of specialization — some much broader than others — but their duties often overlap, making administration more difficult. To complicate things even more, many agencies have counterparts at the state and local levels. The size, complexity, and overlapping responsibilities of the federal bureaucracy leave it open to constant attempts to reorganize and streamline.

Congress has the power to create, organize, and disband all federal agencies. Most of them are under the control of the president, although few of them actually have direct contact with the White House. So, the bureaucracy has two masters — Congress and the president. The bureaucracy generally falls into four broad types: Presidential Cabinet departments, government corporations, independent agencies, and regulatory commissions.

The Cabinet Departments

The 15 Cabinet departments are each headed by a secretary who sits on the President's Cabinet. The exception is the Justice Department, which is headed by the Attorney General, who is also a member of the President's Cabinet. The secretaries are responsible for directing the department's policy and for overseeing its operation. Cabinet secretaries are usually torn between their responsibilities as presidential advisers and heads of their departments.

Each secretary has a special area of policy, although their responsibilities are still very broad. The organization of each is quite complex, but they have some things in common. All secretaries have a deputy or under secretary, as well as a host of assistant secretaries, who all direct major programs within the department.

Most departments are divided into bureaus, divisions, and sections. For example, the Federal Bureau of Investigation lies within the domain of the Justice Department. The Secret Service used to be within the Treasury Department, but was moved to be under the auspices of the Department of Homeland Security.
Government Corporations

Government corporations do not belong to any department. They stand on their own. Probably the best-known government corporations are the United States Postal Service and Amtrak. They are different from other agencies in that they are businesses created by Congress, and they charge fees for their services. Like other businesses, government corporations have private competition — such as Federal Express and United Parcel Service — and sometimes state competition — such as the New Jersey Transit Authority.

Independent Agencies

Independent agencies closely resemble Cabinet departments, but they are smaller and less complex. Generally, they have narrower areas of responsibility than do Cabinet departments. Most of these agencies are not free from presidential control and are independent only in the sense that they are not part of a department.

Congress creates them as separate agencies for many reasons, practical as well as symbolic. For example, when the National Aeronautics and Space Administration (NASA) was established, many members of Congress assumed that it would be a part of the Department of Defense. However, it is an independent agency because the space program has many other purposes than the defense of the nation.

Regulatory Agencies and Commissions

A regulatory agency or commission is a “government agency responsible for exercising autonomous authority over some area of human activity in a regulatory or supervisory capacity.” Because regulatory commissions are “watchdogs” that by their very nature need to operate independently, they are not part of a department, and the president does not directly control most of them. Each commission has from 5 to 11 members appointed by the president, but the president cannot remove them for the length of their terms in office.

Examples include: the U.S. Securities and Exchange Commission, which regulates the stock market, brokers, and investment practices; the Federal Reserve Board that governs the nation's monetary policy; the Environmental Protection Agency, which serves as a guardian over the nation's environment, making and enforcing standards for the industrial and commercial sectors; the Equal Opportunity Commission, which enforces civil rights laws against workplace discrimination; and the Federal Communications Commission that regulates interstate communications by radio, television, wire, satellite, and cable.

With over 2,000 different agencies, the federal bureaucracy is almost certain to run into problems with organization, overlapping responsibilities, and efficiency. Almost every recent president has come into office determined to refashion and trim the bureaucracy. However, none have been able to make more than minor adjustments. Well-established agencies have lives of their own and are difficult to change. Besides, the country has large, complex needs requiring special attention. A large bureaucracy is a part of the government's attempt to meet those needs.

Lesson Toolbox

Additional Resources and Readings

Bureaucracy Basics: Crash Course Government and Politics #15
Lesson Glossary

**patronage**: the support, encouragement, privilege, or financial aid that an organization or individual bestows to another
**civil service**: the permanent professional branches of a government's administration, excluding military and judicial branches and elected politicians
**pay schedule**: a chart that shows salary ranges for different levels of positions vertically and for different ranks of seniority horizontally
**chauvinistic**: feeling or displaying aggressive or exaggerated patriotism
**spoils system**: the practice of a successful political party giving public office to its supporters

Check Your Knowledge

1. The best-known government corporations are the United States Postal Service and Amtrak.
   A. True
   B. False

2. From the 1880s to today, the general trend of the civil service system has been increasingly based on merit and not “spoils.”
   A. True
   B. False

3. The U.S. Federal General Schedule was allowed by the Pendleton Act of 1883 and has not been changed since.
   A. True
   B. False

Answer Key:

Citations

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