
This article examines the George W. Bush administration’s efforts to apply New Public Management reforms to the Department of Homeland Security. The primary focus is the administration’s attempt to implement the law. The managerial strategy that Department of Homeland Security and Office of Personnel Management executives used to carry out the law in the massive new department receives attention, with a special focus on the approach used in dealing with the federal courts. The article suggests five general lessons concerning civil service deregulation at the federal level. The case reaffirms the notion that successful administrative reform requires a keen appreciation for the politics that shape it.

Homeland security is viewed as a test to see how the principles of performance-based management work when put into practice on a large scale … If the new department does indeed move away from the General Schedule and some of the statutory Civil Service provisions of Title 5, its success or failure in doing so will be a lesson for other departments and agencies.

—Representative Jo Ann Davis, October 29, 2003

The quest to reinvent government emerged as a dominant reform initiative in the United States during the 1990s. Reinvention made its way onto the agenda of many governments through the work of such authors as David Osborne and Ted Gaebler (1992) and especially through such initiatives as the Bill Clinton administration’s National Performance Review (NPR). The ideas that made up reinvention were not, per se, new. But in packaging and popularizing them, reinvention proponents did much to shape thinking about how to structure “good” public administration. While use of the term “reinvention” faded with the onset of the new century, the basic maxims of this initiative continue to dominate discussions of administrative reform and underpin what we now call the New Public Management (NPM). The continued emphasis on certain reinvention principles can be found in the administration of President George W. Bush, in numerous states, and in many of the 87,000 units of local government that dot the American political landscape.

The internal deregulation of civil service systems has been a major theme of reinvention and the NPM (see, e.g., Ingraham 2006; Kettl 2005; NPR 1993; Thompson 2001b). While considerable research has examined the implications of federal personnel reform for accountability, merit, and effective public management (see Ingraham 2006; Kettl 2005; Thompson 2006), few studies have examined the processes or politics that facilitate or impede attempts to deregulate civil service systems. In this regard, both the politics of policy adoption and of implementation deserve attention. This article uses one important case, the Bush administration’s effort to recast personnel management in the Department of Homeland Security (DHS), to suggest some propositions concerning these processes.

The article begins with a brief overview of the civil service reform initiatives of the Bush administration. It then examines the politics leading to the passage of the Homeland Security Act, which created the DHS. Under the guise of heightened national security interests, the Bush administration took steps to create greater management flexibility and to link pay to performance in the DHS. The article then turns to its primary focus, the troubled attempt to implement the law. The managerial strategy that DHS and Office of Personnel Management (OPM) executives used to carry out the law in the massive new department receives attention, with a special focus on the approach they used in dealing with the federal courts. The article then suggests five general lessons concerning civil service deregulation at the federal level. The case reaffirms the notion that successful administrative reform requires a keen appreciation for the politics that shape it (Rosenbloom 1993).

The Bush Administration and Civil Service Reform

Developments during the Clinton administration set the stage for the deregulation initiatives of George