Unpacking the Effects of Competing Mandates on Agency Performance

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Abstract
Public administration scholars and practitioners uniformly agree that saddling agencies with multiple mandates breeds dysfunction and impedes performance. Still, less is known about the mechanisms by which combining purposes has these effects. This study of a broad set of U.S. federal agencies finds support for the conventional wisdom by showing that agencies balancing greater numbers of programs perform worse. The analysis further suggests that such organizations struggle largely because they are more likely to be forced to simultaneously adopt conflicting stances toward program targets. Further, when programs force agencies into conflicts in which they are asked to support and restrain the same target, the uncertainty among personnel regarding agency priorities that results helps explain why operations are negatively impacted. Thus, it is not simply that accumulating missions impedes agency performance, but rather, how those competing mandates interact that can define whether the associated agency will struggle to achieve its objectives.

Practitioner Points

• Structural arrangements whereby agencies are asked to balance multiple programs are detrimental to organizational performance partly because they increase the probability agency personnel will be forced to concurrently support and restrain at least one of the targets of those programs.

• Personnel in agencies that manage conflicting relationships are generally more uncertain about how their work connects to the organization’s goals and priorities which helps explain why these agencies are less likely to achieve their goals.

• Classic remedies to manage conflicts, such as prioritizing a subset of the goals or separating the conflicted missions within the organization, can introduce other problems including goal neglect or coordination failures that may undermine performance even if the conflicts are managed through those interventions.

• Because many agencies balance multiple priorities, recognizing that such arrangements are typically most problematic when they foster conflicts with program targets can enable agency leaders and overseers to focus reforms specifically on those cases where the difficulties primarily reside.

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Following the explosion on the *Deepwater Horizon* drilling ship which led to the Gulf oil spill, commentators singled out the agency charged with regulating offshore oil and gas exploration prior to the disaster, the Minerals Management Service (MMS). One theory pinned MMS’s permissive attitude toward oversight on its organization, motivating Secretary of the Interior Ken Salazar to assert MMS “has three distinct and conflicting missions that – for the benefit of effective enforcement, energy development, and revenue collection – must be divided” (Office of the Secretary of the Interior 2010). Less than a year later, the nuclear meltdown at the Fukushima Daiichi power plant in Japan again raised questions about a regulatory agency’s effectiveness, this time the Nuclear and Industrial Safety Agency (NISA). News agencies and policy pundits argued that locating NISA within the Ministry of Economy, Trade and Industry weakened the agency’s capacity to effectively regulate since the Ministry was charged with promoting the use of nuclear power generated by the same plants (Onishi and Belson 2011).

The argument that conflicts undermine performance is hardly confined to contemporary crises. When the Social Security Administration (SSA) was commissioned to evaluate disability claims in the late 1970s, the previously well-functioning agency was nearly torn apart (Derthick 1990). Adding the new goal challenged the agency’s identity, as “its members found themselves in conflict with clients who once had been supportive” (Wilson 1989, 101). Similarly, before it was split up and relocated in the Department of Homeland Security, the U.S. Immigration and Naturalization Service (INS) was asked to balance competing goals including securing the border against illegal immigrants while facilitating entry of foreign farm workers. These conflicts undercut morale among agency staff (Morris 1985).

Each of these cases illustrates the pitfalls in asking an agency to balance multiple roles. Labeled priority goal ambiguity (Chun & Rainey 2005), the belief that overseeing too many
missions can spell trouble for an agency is well established in the public administration literature. It is therefore not surprising that observers blamed competing priorities for the difficulties of MMS, NISA, SSA, and INS. Still, these examples illustrate that focusing solely on the observation that each agency balanced multiple missions misses an important element in explaining their apparent shortcomings. In each case, the agency’s problems were created by the fact that its multiple programs required it to assume conflicting positions toward the targets of those programs. For MMS, its role to regulate offshore exploration placed it at odds with the same companies to which it leased property which allowed oil and gas to be produced in the first place (Carrigan 2017). Similarly, INS’s role to deter illegal immigrants forced it to restrain the same groups it was charged to help supply as temporary labor for agricultural producers.

Implementing a cross-sectional study of a large set of U.S. federal agencies, this article first demonstrates that agencies balancing more programs perform worse in a statistically significant and numerically important way, supporting established wisdom. Still, this effect appears to be largely driven by the fact that these agencies are more likely, because of their multiple priorities, to be forced to adopt conflicting stances toward at least one of the intended targets of those programs. The evidence thereby supports the commentaries linking the difficulties of MMS, NISA, SSA, and INS to the notion that competing priorities forced these agencies into conflicting constituent relationships.

Moreover, these conflicts impede performance partially through the effects they have on the individual employees in their organizations. Relying on variation among agencies in how personnel respond when asked to assess the extent to which they know how their work relates to agency goals and priorities, the analysis suggests that employee confusion about priorities represents a pathway by which agencies facing mandates that require them to adopt conflicting
positions perform worse. The results thus support goal-setting theory which asserts that goal ambiguity’s negative effects operate through its impacts on employees (e.g., Locke and Latham 1990).

The connections between competing priorities, conflict, employee perceptions, and organizational performance are established using a framework for ascertaining whether a variable acts as a mediator (MacKinnon, Fairchild, and Fritz 2007; Zhao, Lynch, and Chen 2010) and a combination of descriptive evidence, simple statistical tests, and regressions where combinations of measures of all four variables are included. The regressions control for key drivers of agency performance including ideology, expertise, size, position relative to political overseers, and the policy environment. Further, they employ two wholly independent data sources to establish the connections, the Program Assessment Rating Tool (PART) and the Federal Human Capital Survey (FHCS).

The article is the first to move beyond individual cases to show that conflicted agencies are generally less apt to achieve their goals than non-conflicted organizations. Further, conflict helps explain when combining purposes undermines performance, and its effect on employees’ perceptions appears to offer an important mechanism to describing why. This research thus reveals linkages between organizational design, agency constituencies, and personnel attitudes as well as between these characteristics and agency goal performance, all while using separate data sources to do so.

Amiguity, Conflict, and Performance

In a 1951 Public Administration Review (PAR) article, former Assistant Secretary of Labor Marshall Dimock wrote, “What are the tests of a sound organization?...[O]ne that has enough singleness of purpose so that those who work within the institution are not constantly drawn one
way and then another, winding up in frustration” (235). Twenty-nine years later, well-known management scholar Peter Drucker asserted in *PAR* that one “strategy guaranteed to produce non-performance is to try to do several things at once” (1980, 103). Eighteen years after Drucker’s article, Donna Shalala, then Secretary of Health and Human Services, warned in *PAR*, “If you try to do everything, you’ll accomplish nothing” (1998, 287).

These quotes spread over more than 45 years reveal how entrenched the view is that balancing multiple priorities can hamper an agency. Labeled priority goal ambiguity (Chun and Rainey 2005), managing many objectives affects performance by obstructing the development of a sense of mission within the organization (Wilson 1989). Moreover, goal-setting theory, derived from evidence culled from numerous experiments, asserts that the design of goals can have specific effects on individual employees (Locke and Latham 1990). Precise goals sharpen individual focus and increase effort (Steers and Porter 1974). In contrast, multiple goals, especially when they conflict, force employees to spend time clarifying what their objective is, which is inefficient and undermines motivation by making it difficult to connect work to outcomes (Wright 2004).

Although the impacts of combining objectives are well understood conceptually, the empirical evidence largely derives from studies of individual agencies like those described and others including the U.S. Forest Service and long-defunct Atomic Energy Commission (Biber 2009). Still, recent research whereby scholars review goals of a large number of agencies to ascertain the degree to which they exhibit ambiguity has broadened the focus (e.g., Chun and Rainey 2005; Jung 2014). Some have used these and similar measures to examine how goal ambiguity impacts views and attitudes of agency personnel (Davis and Stazyk 2015). Using
surveys of state human services agencies, Pandey and Wright (2006), for example, find that managers in organizations with greater goal ambiguity experience role ambiguity as a result.

Goal conflict is intimately connected to priority goal ambiguity (Chun and Rainey 2005). Conflicts faced by public organizations can originate from a variety of sources, including “organizational or subunit culture, values, goals, structures, tasks and function, authority and leadership process, and environmental pressures” (Rainey 2009, 371). As one source, goals can introduce conflicts in at least two ways (Sun and Frese 2013). First, simply having multiple goals with limited resources creates competition for those resources and thus conflict. Second, the existence of multiple objectives also introduces the possibility that achieving one will directly inhibit efforts to achieve the other (Locke and Latham 1990).

These direct conflicts between objectives often position agencies to interface with those immediately impacted by their programs in competing ways. In fact, many of the agencies seen as conflicted – including MMS, NISA, SSA, and INS – exhibit this characteristic. In addition to facing multiple interest groups either hostile or supportive of the agency (Wilson 1989), agencies may be forced to deal with specific interests that are both hostile to some of its programs and supportive of others. The Bureau of Land Management (BLM) and National Park Service (NPS) provide two additional examples (Carpenter 2001; Wilson 1989). In both cases, the associated agency is asked to facilitate access to public lands while protecting those lands from harm by the same groups (Biber 2009). While the target is different (primary minerals extraction companies for BLM and tourists for NPS), the conundrum facing each agency is similar.

Given the difficulties conflicted agencies face, such organizations may choose to emphasize one or a subset of their goals (Gilad 2015). As a remedy proposed by scholars and practitioners (Drucker 1980; Shalala 1998), focusing on a few key goals enables the organization to foster
clarity and a sense of purpose (Wilson 1989). For example, to manage its conflicting missions, the U.S. Forest Service has traditionally emphasized timber production relative to its other roles (Biber 2009; Carpenter 2001). In fact, when facing conflicting goals, neglecting a subset may be the only option. Still, as commentators on the Gulf oil spill and Fukushima nuclear crisis have noted, the consequences of neglecting specific goals can be serious.

Preparing the Database

This study advances the literature analyzing how competing goals impact agencies in two primary ways. First, while existing research provides evidence for how goal conflicts affect individual agencies, this article assesses the extent to which such conflicts impact performance broadly. In doing so, it also extends large sample investigations connecting goal ambiguity to performance (Chun and Rainey 2005; Jung 2014) by linking conflict to both competing priorities and performance. Second, the research builds on scholarship measuring how ambiguous goals impact employee perceptions (e.g., Pandey and Wright 2006) by tying these perceptions to the conflicts created by having multiple goals as well as agency performance. The analysis thus follows the complete path by which scholars studying goal-setting theory hypothesize that competing priorities and conflicts should impede performance, including their effects on the employees themselves.

Figure 1 illustrates graphically the chain of relationships tested. The solid arrows follow the pathways through which priority goal ambiguity is postulated to connect to performance. In contrast, the dotted arrows underscore the point that the intervening or mediating variables may affect the direct relationships between balancing priorities and performance as well as conflict and performance. Triangle A characterizes the connections scholars studying individual agencies like INS and SSA (Derthick 1990; Morris 1985) have made between priorities, conflict, and
performance, indicating that agencies can be undermined by conflicts with program targets created by saddling them with competing missions. Similarly, triangle B depicts the insight from goal-setting theory that conflicted goals can impede performance by undercutting employees’ ability to formulate a clear sense of the organization’s aims (Steers and Porter 1974; Wright 2004).

[Figure 1 here]

To examine these linkages, the analysis employs two databases, PART and FHCS. An initiative of the George W. Bush administration, PART asked Office of Management and Budget (OMB) examiners, operating in conjunction with agency representatives, to assess the performance of close to the universe of federal government programs. Program performance was evaluated along four dimensions: purpose and design, strategic planning, management, and results/accountability (OMB 2003). The first assessments were based on agency performance as of 2002, and OMB updated existing appraisals and initiated new evaluations through the end of 2008. Because it represents one of the few data sources that standardizes measures of agency outcomes such that they are comparable, scholars have used PART to inquire into a diverse set of topics related to government performance.

Of course, PART scores have their limitations. Many of the concerns have been discussed by other authors (e.g., Gilmour and Lewis 2006b) and are, at a basic level, problems connected to measurement error. To partially account for such error, this study utilizes PART results/accountability scores which rated “program performance on goals reviewed in the strategic planning section and through other evaluations” and accounted for 50 percent of a
program’s composite grade (OMB 2003). By analyzing the portion of the scores that appraised achievement of results, indirect influences on performance associated with PART’s other components are removed. Importantly, since this article assesses whether the effects of goal conflicts – working through the connection personnel make to agency goals and priorities – can explain the performance of agencies balancing competing missions, results/accountability scores, which examine whether agencies achieved their goals, are the appropriate measure.

The possibility that systematic differences exist in how programs were evaluated represents a potential source of bias with PART as well. For example, because President Bush’s OMB administered the initiative, one concern is that, despite efforts to develop a nonpartisan instrument, PART was not implemented in an impartial manner such that agencies favored by conservatives would have received higher scores regardless (see, e.g., Dull 2006 and Lavertu and Moynihan 2013 for discussions of this issue). Such bias would affect the results if it were systematically associated with numbers of programs balanced, the presence of conflict, or the degree of clarity among agency personnel. To account for these possibilities, as described below, the regressions control for agency political ideology.

Alternatively, if programs that restrain targets received lower ratings than those that support targets because success on the former is more difficult to assess or achieve, poor performance of agencies forced to adopt conflicting stances would be attributable simply to the presence of restraining programs. Regardless, the data do not support this hypothesis. Those agencies solely asked to restrain program targets actually performed slightly better than those only supporting targets, and the difference is not statistically significant.²

In sum, although PART results/accountability scores are not a perfect measure of agency performance, they do not exhibit obvious biases that would cause variation in them to be
systematically correlated with the key independent variables for reasons unrelated to performance. Moreover, the scores offer the benefit of naturally linking to the second primary data source, FHCS, because they measure performance on goals.

Like PART, FHCS, administered by the Office of Personnel Management (OPM), covers a broad set of federal employees. The 2008 survey, for example, included roughly 97 percent of the executive branch and 54 independent agencies (OPM 2008). Because, at the time, it was conducted every other year, this study employs the 2006 and 2008 waves of FHCS and focuses on responses to the statement, “I know how my work relates to the agency’s goals and priorities” (OPM 2006, 2008). FHCS therefore provides a way to measure the extent to which employees’ clarity about goals and priorities is impacted by whether the agency’s mandate introduces goal conflict and impacts goal performance as a result. Since FHCS was conducted by OPM – not OMB – its administration was not connected to PART. Thus, PART results/accountability scores and the chosen FHCS question are linked since both focus on agency goals while offering the advantage of not being administered by the same entity.

While FHCS offers many attractive features, it has drawbacks as well. The first is simply that the data are generated from self-administered online surveys and subject to the typical caveats associated with such sources. A related concern is that, like PART, using FHCS introduces measurement error. The article’s appendix assesses whether such error might affect the conclusions derived, an examination which confirms that any error, if it exists, has no impact.

A primary goal in preparing the database was to disaggregate the PART data to the extent feasible to allow independent agencies to be compared to agencies within departments instead of the departments themselves. Moreover, this research breaks from others employing PART which almost uniformly use program as the unit of analysis, thereby advancing how PART is used to
examine agency performance. To do so, all 1,062 programs in the database were assigned to the agencies that administered them. OMB sometimes listed the agency in the PART worksheet, but often program ownership was only provided at the departmental level. Searches using program links and agency websites were performed to identify the agency responsible for each program. The associated level of disaggregation of FHCS also played a role in developing the final dataset. Although FHCS designates the agency to which the survey respondent belongs, OPM permits departments to decide how to aggregate the data. As a result, although every department necessarily combines its smaller units in an “other” category, some variation exists in the number of agencies in a department that report their results individually.3 Table 1 provides summary statistics for program count, measuring the number of programs assigned to each agency.

[Table 1 here]

To prepare a PART results/accountability score for each agency, changes to program scores were tracked over time. While it was managing PART, in any given year, OMB performed initial evaluations for some programs and updated evaluations for others it had rated previously. Thus, without ratings for an agency’s full set of programs in any given year, generating a composite score for an agency each year was not feasible, as some program evaluations would be outdated and others would be missing completely. This limitation precluded the possibility of employing a panel design. Instead, a single score for each program was generated as the mean for those years in which OMB maintained a program record, weighting each year’s score by the program’s real funding in that year in millions of 2005 dollars. The agency’s composite score was then computed as the average score received on its programs, where each program’s impact was
weighted by its proportion of agency real funding. Labeled goal performance in table 1, the average agency score on a 0 to 100 point scale was 54.55 and ranged from 2.50 to 93.25.

PART program titles and descriptions were used to identify who the program intended to impact and whether it required the agency to oppose or support them. Web searches were also conducted as needed to collect the necessary data. Program targets were grouped into one of five categories: businesses, individuals and communities, governments, nonprofits, and foreign entities. The goal in identifying program targets was to ascertain the group or groups with which the agency most directly interfaced in implementing the program.4 For example, while the Environmental Protection Agency’s (EPA) acid rain program has as its ultimate objective to “reduce the harmful effects of acid rain,” thereby ensuring cleaner air for communities and individuals, it does so by regulating businesses through “a market-based emissions trading system to minimize costs and maximize compliance” (OMB 2008a). Since EPA most directly interacts with businesses, they, and not individuals and communities, were considered the program target in this case.

Coupled with identifying targets, each program evaluation involved determining whether it required the agency to support or restrain those targets.5 In addition to supporting some and restraining others, a program might simultaneously ask agency personnel to do both for the same target. One example is BLM’s energy and minerals management program, which “is responsible for providing access to and managing the environmentally responsible exploration and development of certain minerals…on bureau-managed public lands” (OMB 2008a). Because BLM is charged with “providing access” while simultaneously “managing the environmentally responsible exploration” – thus revealing its regulatory responsibilities – the program was coded as simultaneously supporting and restraining businesses. In contrast, BLM’s recreation
management “program’s goal is to provide recreation spaces for the public,” where associated “[r]ecreation services range from widely-accessible visitor centers to primitive campsites in remote areas” (OMB 2008a). Given its emphasis on facilitating access to public lands, the program was coded as supporting individuals and community.

A program was considered neither supporting nor restraining when it did not have a direct target. Representing 6.6 percent of the total, these programs were primarily confined to those whose purpose is to engage in basic research or collect data. The Bureau of the Census’ current economic statistics and census of governments program is one example, providing “relevant, accurate, and timely national statistical profiles for every non-farm sector of the U.S. economy” (OMB 2008a). Descriptions of the target and positioning categories and counts associated with them are summarized in table 2.

|Table 2 here|

To collect the target and program positioning data, two coders independently reviewed each program. After initially examining five percent and reconciling any differences, formal instructions were developed to guide coding of all 1,062 programs. In addition to assessing interrater reliability once the data were collected, all discrepancies – both in terms of the targets identified and the agency’s positioning with respect to those targets – were reconciled through extensive reviews of the classification decisions and discussions with the coders to reach agreement on the most accurate categorizations.6

The degree to which agencies face multiple priorities is captured through tabulations of the number of both programs, as described above, and target groups each agency balances. Labeled
program count and target count in table 1, the average agency balances 7.4 programs and 2.6 targets. To measure the existence of conflict, the analysis similarly employs two variables. The first is a dummy variable, labeled conflicted agency in table 1, which receives a one when the agency is required to support a group in at least one of its programs and restrain that same group in at least one.\(^7\) Thus, as described, because it both supports and restrains businesses, BLM represents one example of a conflicted agency. To assess the impact on an agency of balancing more than one conflict, another variable, conflict count, was created to track the number of targets with which an agency has a conflicted relationship, receiving a zero if the agency does not manage a conflict. Table 1 reports summary statistics for these conflict measures as well as mean goal performance for agencies with and without conflicts.

The analysis uses FHCS to measure how competing priorities impact connections employees make between their work and agency goals. To compute unbiased agency-level averages, only 2006 and 2008 responses were used because those waves included weights to account for varying responsiveness among personnel types unlike 2002 and 2004 (Dr. Rosemary Miller, OPM, personal communication). The weights were combined with personnel responses – ranging from “strongly disagree” to “strongly agree” and “do not know” – to the statement, “I know how my work relates to the agency’s goals and priorities.” Removing the last group and numbering “strongly disagree” to “strongly agree” one through five respectively, an agency’s score for each wave is the average score weighted by the proportion that answered in each category. The agency’s 2006 and 2008 scores were averaged to form the final score. Table 1 lists the agency mean level of employees’ work-goals clarity, which translates roughly to “agree,” and separate averages for those with and without conflicts.\(^8\)
To control for other influences on agency performance, the analysis employs a variety of variables which fall into one of two categories: agency internal characteristics and political policy environment. The first group uses three measures to account for scale and capability. Each agency’s total funding is computed as the natural log of the sum of agency program funding in millions of 2005 dollars over the span of the PART database. Moreover, OPM’s FedScope database was used to compile average numbers of total and Senior Executive Service (SES) employees from 2002 through 2008 by agency. Because SES employees are high level managers operating underneath presidential appointees, the SES count, especially controlling for the total employee base, can be viewed as a proxy for an agency’s technical and managerial capability.

Four variables are used to capture an agency’s political environment. Surveys conducted by Joshua Clinton and David Lewis (2008) were adopted to control for aforementioned concerns about political bias in OMB assessments. The surveys asked scholars, journalists, and think tank members to assess the policy views of agencies and were subsequently used by the authors to create an ideology scale. In this dataset, the Navy is the most conservative agency with a score of 2.4, and the Commission on Civil Rights is the most liberal, scoring -2.01. Agency positioning relative to political overseers is measured through both a dummy variable, statutory independence, where one signifies the agency resides outside of an executive department, and Jennifer Selin’s (2015) measure of effective independence, where more positive values mean greater independence. Because Selin assesses independence of decision-makers and policy decisions separately, the two were averaged to form the variable used. Finally, Samuel Workman’s (2015) measure of the breadth of an agency’s policy agenda was employed in additional analysis described in the appendix. Labeled policy concentration, the variable averages Workman’s scores for Republican and Democratic administrations, where larger
numbers signify the agency tackles a less diverse set of issues. Still, because it had no bearing on the results and was not available for several agencies, policy concentration was not incorporated in the key regressions described. Table 1 provides summary statistics and descriptions for all variables.  

**Connecting Competing Priorities to Conflict and Performance**

As described, figure 1 provides a visual representation of the relationships tested. It essentially asks whether conflict and confusion are mediators, explaining why introducing competing priorities weakens performance. The traditional approach to establishing a variable is a mediator begins by asking whether a relationship exists between the dependent and independent variables. If yes – such that there is an effect to be mediated – and the independent variable impacts the mediator, the size of the regression coefficient on the key independent variable before and after the proposed mediator is added is compared to see if it changes (Baron and Kenny 1986). Still, recent research has revealed limitations in this approach, particularly when the effect of the explanatory variable that operates through the mediator takes the opposite sign of that same independent variable’s direct relationship with the dependent variable (Zhao, Lynch, and Chen 2010).

As a result, contemporary mediation analyses focus on the magnitude and significance of what is known as the “indirect” pathway, which is the product of the coefficient on the independent variable when the mediator is regressed on it and the coefficient on the mediator in a regression of the dependent variable on both the mediator and the independent variable. This is the approach adopted in this article. With a single mediator, that product is algebraically equivalent to the difference between the direct effect of the independent variable with and without the mediator included in the regression (MacKinnon and Dwyer 1993).
In this section, the focus is on triangle A in figure 1, which considers whether conflict helps explain why balancing multiple priorities impedes performance. Thus, the tests ask if the pathway from multiple priorities through conflict to performance is statistically significant and numerically meaningful. The descriptive evidence offers support for the claim that it is, and thus, that conflict is a mediator. Figure 2 shows the percentage of agencies that are conflicted based on whether they fall above or below the median value of three variables. The first two bars demonstrate that while 50 percent of agencies balancing more than the median number of programs manage a conflict, only eight percent of those with fewer programs do. Similarly, of those whose goal performance is below the median PART score, roughly 44 percent face a conflict. In contrast, only 18 percent of those with scores above the median are conflicted. Table 1 offers corroborating evidence. Conflicted agencies score on average 11 points lower than non-conflicted agencies, and a difference-of-means test indicates the difference is statistically significant at the one percent level (p-value = 0.0012).

This evidence is bolstered by table 3, which displays the results of four regressions. Three of them, referred to as performance regressions, measure the effects of balancing programs and conflict on goal performance. Whereas performance regression one studies the influence of program count on goal performance directly (i.e. the horizontal dotted arrow in triangle A), the remaining two performance regressions help test whether the presence of conflict can explain why balancing multiple programs impedes performance. The models collectively ask whether conflict is a pathway by which priorities impede agency performance. While performance
regression two utilizes the conflicted agency dummy, specification three substitutes the number of conflicts an agency faces.

[Table 3 here]

Interestingly, table 3 demonstrates that the measures of internal agency characteristics do not generally reach statistical significance. Specifically, neither employee count variable affects agency performance, and total funding is significant at just outside the five percent level only when the conflicted agency dummy is the dependent variable. While existing research is mixed on whether PART performance impacted prospective program budgets (Gilmour and Lewis 2006a; Heinrich 2012), this finding does support some evidence showing no effect of program size on PART scores (Thomas and Fumia 2011). In contrast, the agency’s political and policy environment does impact performance. Effective independence is significant at the five percent level in every performance regression, and the effect is numerically important. A one standard deviation increase in Selin’s measure is associated with roughly a nine percent increase in performance. Although ideology and statutory independence are only weakly significant individually, a Wald test strongly rejects the hypothesis that all three coefficients are jointly zero for every regression.

Turning to the core relationships, performance regression one reveals that program count has a statistically significantly impact on goal performance. Although not necessary to demonstrate conflict is a mediator, this finding does support scholars and practitioners who warn of the pitfalls of balancing multiple priorities. In fact, each additional program an agency balances is associated with over a one percent decline in performance. This translates to close to a 10
percent reduction in an agency’s PART score when the number of programs it balances increases by one standard deviation.

Inserting the conflict dummy as the dependent variable, the probit model in column two reveals that the core independent variable, program count, positively impacts the proposed mediator, agency conflict. In addition to its statistical significance, the magnitude of the apparent effect is large, translating to roughly a 14.5 percentage-point increase in the probability of a conflict for a one standard deviation increase in the number of programs an agency balances (measured at the means of the variables in the regression). While the probit model reveals a connection between the independent variable and the mediator, performance regression two tests whether conflict can help explain variation in the dependent variable, goal performance. As table 3 demonstrates, the conflicted agency dummy is highly significant (p-value = 0.004) in the presence of program count. Further, the coefficient is sizable, indicating that the presence of a conflict correlates to an average PART score that is 18.5 percent lower than the average non-conflicted agency.

Assessing the extent to which conflict is a mediator requires computing the magnitude and significance of the aforementioned indirect path which, here, is the product of the coefficients associated with the number of programs and the conflict dummy. However, because the measurement of the dependent variables requires different model formulations in the two cases (ordinary least squares v. probit), the coefficients must be rescaled such that they are comparable. Doing so based on MacKinnon and Dwyer (1993), the magnitude of the indirect effect is -0.099, which represents a substantial 34.7 percent of the total effect of the number of programs on agency performance. Stated differently, close to 35 percent of the negative impact
of the number of programs an agency balances on its performance appears to be explained by the increased probability such an agency is forced to balance conflict as a result.

Moreover, the effect is statistically significant. Both the bootstrap test of Preacher and Hayes (2004) and the distribution of products test of MacKinnon et al. (2002) and Tofighi and MacKinnon (2011) reveal that a 95 percent confidence interval around the estimate of the indirect effect does not cross zero. Thus, not only is the mediating effect of conflict on the relationship between numbers of programs and performance sizable, it is also significant in a statistical sense. Finally, although the direct effect of the number of programs on performance in performance regression two is much smaller, its coefficient is still weakly significant at the 10 percent level. This suggests that conflict operates as a partial or complementary mediator, such that the number of programs still has a relationship with performance independent of, and in the same direction as, the presence of conflict (Baron and Kenny 1986; Zhao, Lynch, and Chen 2010).

While the appendix provides additional confirmation, performance regression three offers initial evidence demonstrating that the mediating effect of agency conflict is robust to changes in how that variable is measured. Substituting for the dummy, conflict count, as described, is a tally of the number of targets with which the agency balances a conflict. As table 3 demonstrates, like the dummy, conflict count is significant at the one percent level. The associated coefficient reveals that each additional target with which the agency has a conflict correlates to a 6 point or 10.5 percent decline in the average non-conflicted agency’s PART score, suggesting that conflicts become harder to manage when there are more of them. Further, although not shown to conserve space, combining this evidence with a regression of the count on the number of programs suggests that the alternative formulation of conflict continues to operate as a partial
mediator, remaining statistically significant and accounting for close to 30 percent of the total negative effect of numbers of programs on performance. Still, since the analysis is unaffected using this alternative measure of conflict, the conflict dummy was employed throughout to simplify the presentation.

**Employing Clarity to Explain Why Conflicts Impede Performance**

Given the evidence suggesting that conflict is a mediator – helping to explain why saddling an agency with additional programs weakens performance – the discussion now turns to assessing why these conflicts impede performance. Thus, the focus is on triangle B in figure 1. Figure 2 offers descriptive evidence intimating that the presence of conflict impedes the ability of agency personnel to determine how their work relates to agency goals and priorities. Whereas close to 42 percent of agencies scoring below the median level of work-goals clarity are asked to both support and restrain program targets, just half that percentage scoring above the median face a similar conflict (i.e. 20.8 percent). Similarly, table 1 reveals that employee clarity is greater on average in non-conflicted agencies, and a difference-of-means test firmly rejects the null that clarity does not differ for conflicted and non-conflicted agencies (p-value = 0.0004).

Table 4 provides more substantial evidence that the conflicted agency dummy negatively impacts work-goals clarity. Focusing on column three in which clarity is regressed on conflict, the dummy is significant at the five percent level controlling for the effects of other agency and political characteristics. The coefficient size implies that introducing a target conflict reduces employees’ work-goals clarity by about 0.4 standard deviations or 75 percent of the total difference in clarity between conflicted and non-conflicted agencies.

[Table 4 here]
Turning to the three performance regressions, it is noteworthy that the results for the control variables in table 4 largely mirror those in table 3. Agency internal characteristics continue to have no effect, but the agency’s political environment does even in the presence of employees’ work-goals clarity. If anything, the statistical significance of the associations becomes stronger, with ideology and statutory independence, in addition to effective independence, reaching the one or five percent significance levels in most cases. Wald tests confirm this finding, rejecting the hypothesis that the coefficients are jointly zero in each case. The coefficients themselves indicate that the political policy environment’s effect is meaningful. For example, a two standard deviation shift toward more conservative preferences – roughly equivalent to the difference between the Departments of Labor and the Interior – is associated with a 14 or 15 percent increase in performance. While these findings are consistent with previous studies showing agency ideology impacted PART ratings (e.g., Gilmour and Lewis 2006a, 2006b), the size of the conservative bias is large, thereby supporting criticisms of PART on political grounds.

Although the performance regressions in table 4 generally follow the same structure as those in table 3, they include employees’ work-goals clarity as an explanatory variable instead of program count to squarely focus on the second set of mediation relationships. Performance regression one provides strong evidence suggesting clarity positively affects goal performance. Not only is employees’ work-goals clarity significant at the one percent level, a one standard deviation increase in the extent to which agency personnel know how their work relates to organizational goals and priorities is associated with over a nine percent increase in performance. Similarly, consistent with the case literature documenting the difficulties conflicted agencies face, performance regression two reveals that the total effect of conflict on performance is strongly and statistically significantly negative.
Unlike the first two performance regressions which measure the impact of employees’ clarity and agency conflict separately, performance regression three, along with the aforementioned model where work-goals clarity is the dependent variable, examines whether clarity can explain conflicted agency performance. Much like conflict connects program count with performance, the results provide evidence for complementary mediation, in which the mediation and direct relationships work in the same direction. Recognizing conflict has a statistically significant negative effect on performance independent of the mediator, performance regression three also shows that employees’ work-goals clarity appears to act as a conduit by which the relationship partially operates. The magnitude of the indirect pathway, given by the product of the effects of conflict on clarity and clarity on performance, is -1.611, which represents 13 percent of the total effect of conflict on performance. Moreover, like with the analysis of the mediating effect of conflict, the bootstrap and distribution of products tests both demonstrate that the effect is statistically significant, given the 95 percent confidence interval surrounding the product does not cross zero in either case (MacKinnon et al. 2002; Preacher and Hayes 2004).

Still, while the analyses conducted in this section and the last provide important evidence that conflict and work-goals clarity operate as mediators, the foundation for these conclusions is the assumption the variables employed accurately measure the associated concepts. If either the key independent variable or the mediator is imprecisely measured, its effect might be soaked by the other in a regression. If so, the influence of the variable plagued by measurement error could be understated while the other variable’s effect would be overstated.12 For this reason, the appendix presents the analyses with alternative formulations of each key explanatory variable. The results replicate those described, thus providing little reason to think measurement error is a
concern. The alternative models continue to support the claims that conflict operates as a mediator helping to explain why balancing priorities impedes performance and that diminished employee clarity also acts as a mediator in the relationship between conflict and performance.

**Identifying and Managing Agency Conflict**

This article began by asking whether the type of conflict evident at MMS, NISA, SSA, and INS, namely that which forces an agency into incongruous relationships with its program constituencies, could help describe when combining priorities at an agency is likely to undermine performance. The results considering close to 150 federal agencies and over 1,000 programs suggest the answer is yes. Not only does agency program count negatively affect goal performance, that same count variable also helps predict whether the agency will need to support and restrain the same program target, thereby creating conflict. Importantly, when this measure of conflict is entered into a regression of performance on the number of programs the agency balances, that relationship weakens, but conflict continues to have a strong impact.

Much like conflict appears to operate as a partial or complementary mediator, so does employees’ work-goals clarity, acting as a key channel by which conflict hampers agency performance. Agency goal performance improves when employees are clear about how their work connects with the agency’s goals and priorities. Moreover, relative employee clarity seems to help explain why agencies balancing conflicting relationships with program targets exhibit inferior performance. The regressions reveal both that conflict negatively impacts employees’ clarity and that clarity significantly affects performance in the presence of conflict.

Collectively, these results offer senior leaders, agency managers, and political overseers the beginnings of a roadmap for identifying when they should be concerned about an agency balancing multiple priorities. Scholars and practitioners like Peter Drucker, Donna Shalala, and
James Q. Wilson were not wrong in asserting that trying “to do several things at once” is a recipe for “non-performance” (Drucker 1980, 103). Still, the analysis shows that the cases in which this is true may be more limited than commentators seem to suggest. Balancing priorities increases the probability that the agency will need to wrestle with the complications found in classic conflicted agencies, whereby agencies are forced into discordant relationships with their program targets. But it is primarily this subset of agencies which raises the red flags. Given that most, if not all, agencies balance multiple priorities at some level, identifying an especially problematic subtype can empower administrators to target reforms to where they are most needed.

Of course, identifying the agencies in which the problems reside is one challenge, but determining how to remedy those shortcomings is quite another. The article provides guidance here also by identifying what seems to be a key pathway through which conflicts undermine performance. Clarifying objectives for uncertain personnel is largely within the control of capable agency leaders. Recognizing that the mere existence of conflicts makes it less likely personnel will know what they are working toward can place a spotlight on that potential blind spot so the organization’s leaders can remain attentive to fostering certainty in such cases. Further, the analysis in the appendix suggests that focusing efforts on elucidating goals for an agency’s career managers – relative to more junior-level staff – might present the most efficient approach to improving overall agency performance.

Still, these problems may not always have simple remedies. In addition to choosing to prioritize some goals over others as a way of clarifying objectives (e.g., Gilad 2015), agency leaders might also create separation between the conflicted purposes within the organization to focus the employees working on each (e.g., Carrigan 2014). This separation can be achieved through revisions to the formal organizational chart, or by informal means, including delinking
processes and informational technology systems or capitalizing on the divergent professional
norms of the agency’s workforce to create divisions between the conflicted units.\textsuperscript{13}

All of these remedies have costs. Creating a pecking order for the conflicted goals means
those assigned lower priority may be neglected despite having important implications for social
welfare. An ordering becomes particularly troublesome if it is based on which goals are more
easily measured or achieved (Blau 1963). Likewise, creating separation between functions to
mitigate ambiguity can introduce tension and unhealthy competition between the divided groups
(Warwick 1975). Any separation also makes it difficult to manage interdependencies among the
functions and coordinate activities to achieve agency goals (Carrigan 2017). Thus, senior
executives’ efforts to improve employee clarity in the face of goal conflicts can introduce other
problems which negatively affect performance.

Indeed, how agencies balancing conflicting priorities attempt to mitigate the negative effects
may also help explain why the relationship involving employees’ work-goals clarity appears to
be one of only partial or complementary mediation. Considering the unintended consequences, it
is not especially remarkable that conflicted agencies perform worse holding employees’ work-
goals clarity constant. For in creating clarity, other problems including goal neglect and
coordination difficulties may bubble up to the surface, dragging down a conflicted agency’s
performance regardless. Holding constant the level of employees’ clarity, those agencies with
conflicts should then perform worse because of the negative side effects associated with their
efforts to create that clarity.

Yet, the fact that neither conflict nor clarity operates as a complete mediator also suggests
other mechanisms may be at work. For example, in this study, an agency is considered conflicted
when it both supports and restrains the same program target. However, some argue that simply
having multiple goals introduces conflict because limited resources then have to be meted out among them (Sun and Frese 2013). Alternatively, goals may conflict, whereby achieving one undermines the ability to achieve the other, without necessarily forcing agencies into incongruous relationships with program targets. Simply asking the agency to support one constituency while impeding another may be enough to create a conflict. Of course, almost any program can exhibit this form of conflict. Moreover, the appendix provides some disconfirming evidence regarding whether a broader definition of conflict might impact the results in that the number of targets an agency faces only weakly impacts relative goal performance in the presence of the conflict dummy. Still, more broadly defining what constitutes a conflict might mean it acts more as a complete mediator in linking balancing priorities to performance.

Further, research has demonstrated how critical capable managers are to the success of an agency (e.g., Carpenter 2001, Wilson 1989). One possibility for why clarity is perhaps only a partial mediator is that managers in conflicted agencies face more complex decisions, including those related to allocating resources, which detract from performance. If so, conflicts would be associated with poor performance even controlling for employees’ clarity. More explicitly examining the difficulties managers face in conflicted agencies, aside from their confusion, might yield additional insights into the connection between them and weak goal performance.

**Conclusion**

Three findings shed light on the connections between multiple priorities, conflict, employee perceptions, and performance. First, agencies forced to balance more programs are less apt to achieve their goals, supporting scholars and practitioners who warn of the pitfalls of balancing too many priorities. Second, not only are these the types of agencies more likely to have to support and restrain the same program target, but such conflicts also help describe why
combining purposes undermines performance. Thus, conflict appears to be a mechanism by which balancing missions impedes performance. Third, in conflicted agencies, personnel have less clarity about how their work connects to agency goals and priorities, and it is this uncertainty which helps explain the finding that conflicted agencies are less apt to achieve their goals. Collectively, these results substantially bolster the limited empirical evidence supporting the theoretical linkages between priority goal ambiguity, conflict, employee perceptions, and agency performance.

Still, while this analysis covers substantial ground in identifying the mechanisms by which balancing priorities detracts from performance, conflicts and employees’ work-goals clarity appear to operate in complementary or partial – but not complete – mediation relationships. In both cases, the core independent variable remains at least weakly significant in the presence of the mediator. Yet, notwithstanding the analysis in the appendix which supports the core results using alternative formulations of the key variables, whether more precise measures would reveal stronger mediation relationships remains an open question. For example, the empirical evidence reveals how performance changes based on how many conflicts the agency manages, but it does not specifically capture variation in the intensity of the conflict with each target, which could certainly affect the degree to which performance suffers.

Similarly, the appendix provides provisional evidence suggesting that clarifying specifically for managers operating underneath the agency’s leadership may be a fruitful approach to improve performance in the face of conflict. Thus, more specifically focusing the analysis on particular groups within the agency might reveal that work-goals clarity offers a more complete explanation for the connection between agency conflict and performance than what the article’s results suggest. More generally, the evidence for the intricate set of relationships between agency
priorities, conflict, personnel perceptions, and performance is gleaned through cross-sectional analyses of a subset of U.S. agencies. Further tests of the associations in other empirical contexts and through statistical designs positioned to more convincingly establish causal relationships between the variables, such as experimental or panel approaches, are certainly warranted.

Setting aside possible issues with variable measurement and the empirical strategies employed, the evidence has shown that agencies balancing competing priorities perform worse and that associated conflicts with agency targets and confusion among agency personnel seem to help explain why. However, whether the remedies described for dealing with conflicts (including those that would narrow the agency’s focus or introduce organizational divisions) or whether other mechanisms not considered can explain why these variables only operate as partial mediators suggest opportunities for additional exploration. As a result, future research might consider other features of such agencies to help further articulate why they exhibit inferior relative performance. Given the difficulties they face, in so doing, we are likely to also learn more about why conflicted agencies are created in the first place.

Notes

1. FHCS is now called the Federal Employee Viewpoint Survey.

2. The average PART score for agencies that only restrain program targets is 59.16 and 57.44 for those that only support targets. The difference is not statistically significant (p-value = 0.7733).

3. The analysis was also performed removing the departmental and agency observations labeled “other” which had no impact on the results.

4. One exception was made for programs implemented to support or restrain targets by providing other government entities with financial support or direct assistance. In such cases, the government entities and ultimate targets were both considered when classifying programs.

5. Recognizing that programs can differ in terms of the extent to which they support or restrain a target, capturing this variation in the coding process was infeasible given the difficulties in making these relative judgments across the breadth of policy domains represented by the
volume of programs reviewed. As a result, programs were coded simply based on whether they generally supported, restrained, or both supported and restrained each target.

6. Cohen’s kappa measures the degree to which raters’ categorizations agree beyond that expected by chance (Lombard, Snyder-Duch, and Bracken 2002). Weighted kappa for program positioning equals 0.64, where the weights capture the intensity of disagreement between the two raters. Landis and Koch (1977) categorize kappa statistics between 0.61 and 0.80 as indicating “substantial” agreement.

7. By focusing on conflicts with the same target, the dummy avoids miscoding agencies supporting some groups and restraining others as conflicted. Conflicts between constituents are common even at the program level and not what commentators are describing in characterizing agencies like MMS and INS as conflicted. Regardless, the results substituting a dummy capturing those agencies which support at least one target and restrain at least one mirror those described in all important respects.

8. For six agencies that did not appear in both surveys, data from the year where the agency participated were used.

9. The variance inflation factor (VIF) was computed for all independent variables utilized in the regression analyses. Each VIF was under three, which is well below the standard threshold of 10, above which multicollinearity might be considered a problem (Kennedy 2003).

10. Still, the results and conclusions for both sets of mediation analyses do not change when the traditional mediation framework of Baron and Kenny (1986) is employed.

11. These significance tests of the mediated effect more accurately account for the fact that the product of two normally distributed random variables is not typically normally distributed (MacKinnon, Fairchild, and Fritz 2007; Zhao, Lynch, and Chen 2010).

12. In reality, the effects of measurement error are not easy to characterize. Predicting attenuation bias will occur in an errors-in-variables problem assumes the true variable is uncorrelated with the measurement error which may not be the case.

13. A more drastic step is to formally break up the agency, which was the reform chosen for MMS, NISA, and INS. Like creating separation within the agency, doing so can make it more difficult for the overlapping processes that are split up to achieve their ends (Carrigan and Coglianese 2012).

14. When an employee record was missing an indicator for supervisory status but did include pay category, the latter was used to classify the employee where a pay grade of GS-13 or higher was considered management level.

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Lombard, Matthew, Jennifer Snyder-Duch, and Cheryl C. Bracken. 2002. Content Analysis in 


<table>
<thead>
<tr>
<th>Variable</th>
<th>Description</th>
<th>Type</th>
<th>Obs.</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Min.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal Performance (PART Results Score)</td>
<td>Agency's weighted average of OMB PART program results/accountability scores which rate program performance on goals</td>
<td>All Agencies</td>
<td>144</td>
<td>54.55</td>
<td>20.19</td>
<td>2.50</td>
<td>93.25</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non-Conflicted</td>
<td>99</td>
<td>58.06</td>
<td>20.21</td>
<td>8.25</td>
<td>93.25</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Conflicted</td>
<td>45</td>
<td>46.83</td>
<td>18.06</td>
<td>2.50</td>
<td>89.74</td>
</tr>
<tr>
<td>Conflicted Agency Dummy</td>
<td>Conflicted agency (coded as 1) is one which supports and restrains same target (or targets) through its assigned programs</td>
<td>All Agencies</td>
<td>144</td>
<td>0.313</td>
<td>0.465</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Conflict Count</td>
<td>Number of conflicts with targets that agency balances, where zero signifies agency does not balance any conflicts</td>
<td>All Agencies</td>
<td>144</td>
<td>0.444</td>
<td>0.746</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Program Count</td>
<td>Total number of OMB PART programs that agency manages</td>
<td>All Agencies</td>
<td>144</td>
<td>7.403</td>
<td>8.479</td>
<td>1</td>
<td>52</td>
</tr>
<tr>
<td>Target Count</td>
<td>Number of target categories (from among businesses, communities and individuals, governments, non-profits, and foreign entities) that agency balances</td>
<td>All Agencies</td>
<td>144</td>
<td>2.569</td>
<td>1.283</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Employees’ Work-Goals Clarity</td>
<td>Response bias corrected weighted average of agency employees’ responses to statement, “I know how my work relates to the agency’s goals and priorities” where responses range from “strongly disagree” (=1) to “strongly agree” (=5)</td>
<td>All Agencies</td>
<td>144</td>
<td>4.082</td>
<td>0.133</td>
<td>3.744</td>
<td>4.669</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non-Conflicted</td>
<td>99</td>
<td>4.105</td>
<td>0.143</td>
<td>3.770</td>
<td>4.669</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Conflicted</td>
<td>45</td>
<td>4.033</td>
<td>0.089</td>
<td>3.744</td>
<td>4.177</td>
</tr>
<tr>
<td>ln(Total Funding)</td>
<td>Agency funding determined by summing program funding (in $ millions) for each agency and taking natural log</td>
<td>All Agencies</td>
<td>144</td>
<td>7.370</td>
<td>2.184</td>
<td>2.072</td>
<td>13.252</td>
</tr>
<tr>
<td>Average Employee Count</td>
<td>Average number of agency employees (in thousands) from 2002 through 2008 according to OPM’s FedScope database</td>
<td>All Agencies</td>
<td>144</td>
<td>12.819</td>
<td>32.980</td>
<td>0.026</td>
<td>221.655</td>
</tr>
<tr>
<td>Average SES Count</td>
<td>Average number of agency Senior Executive Service (SES) employees from 2002 through 2008 according to OPM’s FedScope database</td>
<td>All Agencies</td>
<td>144</td>
<td>47.73</td>
<td>72.46</td>
<td>0</td>
<td>485.71</td>
</tr>
<tr>
<td>Ideology</td>
<td>Clinton and Lewis (2008) measure of agency ideology using expert surveys where negative numbers represent more liberal agencies and positive numbers more conservative</td>
<td>All Agencies</td>
<td>141</td>
<td>0.054</td>
<td>1.000</td>
<td>-2.010</td>
<td>2.400</td>
</tr>
<tr>
<td>Variable</td>
<td>Description</td>
<td>Type</td>
<td>Obs.</td>
<td>Mean</td>
<td>Std. Dev.</td>
<td>Min.</td>
<td>Max.</td>
</tr>
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<td>-------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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<td>------</td>
<td>-------</td>
<td>-----------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>Effective Independence</td>
<td>Selin (2015) measure of independence where larger values signify greater independence. Variable averages scores on decision maker and political review independence dimensions</td>
<td>All Agencies</td>
<td>141</td>
<td>-0.022</td>
<td>0.765</td>
<td>-0.645</td>
<td>2.761</td>
</tr>
<tr>
<td>Statutory Independence</td>
<td>Coded as 1 when agency is independent agency and 0 when located in executive department</td>
<td>All Agencies</td>
<td>144</td>
<td>0.306</td>
<td>0.462</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Policy Concentration</td>
<td>Workman (2015) measure where larger values signify more concentrated agenda (i.e. agency focuses on less diverse set of issues). Variable averages scores for Republican and Democratic administrations</td>
<td>All Agencies</td>
<td>123</td>
<td>0.458</td>
<td>0.204</td>
<td>0.149</td>
<td>0.990</td>
</tr>
</tbody>
</table>

Note: The data for the primary independent and dependent variables are mainly derived from OMB’s Program Assessment Rating Tool scores from 2002 through 2008 and OPM’s Federal Human Capital Survey responses from 2006 and 2008.
Table 2 – Program Categorizations

<table>
<thead>
<tr>
<th>Variable</th>
<th>Variable Description</th>
<th>Category</th>
<th>Category Description</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Targets</td>
<td>Targets reflect those most directly impacted by the program. The primary consideration in determining whether a group was a target was whether the agency directly interfaces with that group in implementing the program. Targets were grouped into five categories: businesses, communities and individuals, governments, nonprofits, and foreign entities.</td>
<td>Businesses</td>
<td>Industrial groups and small businesses</td>
<td>275</td>
<td>25.89</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Communities and Individuals</td>
<td>Groups of individuals in a particular geographical area or meeting certain criteria</td>
<td>534</td>
<td>50.28</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Governments</td>
<td>Federal, state, local, and tribal governments, departments, and agencies</td>
<td>462</td>
<td>43.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nonprofits</td>
<td>Schools, hospitals, research institutions, volunteer service organizations, and other nonprofits</td>
<td>243</td>
<td>22.88</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Foreign Entities</td>
<td>Foreign governments, businesses, communities, and other entities</td>
<td>90</td>
<td>8.47</td>
</tr>
<tr>
<td>Program Positioning</td>
<td>Program positioning reflects how the agency interfaces with the target through the program in question. Programs were categorized as supporting, restraining, both supporting and restraining, or neither supporting nor restraining</td>
<td>Supporting</td>
<td>Intends for agency to support at least one direct target by providing that target with financial resources, services, etc.</td>
<td>879</td>
<td>82.77</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Restraining</td>
<td>Intends for the agency to restrict the behaviors or activities of at least one target</td>
<td>201</td>
<td>18.93</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Neither</td>
<td>Neither supports nor restrains because does not have a direct target. Examples include basic research and data collection programs</td>
<td>70</td>
<td>6.59</td>
</tr>
</tbody>
</table>

Note: The dataset contains 1,062 programs in total. The count column records the number of programs assigned to that category. The sums of the target percentages and program positioning percentages exceed 100 percent because individual programs can have multiple targets and be positioned to support as well as oppose those targets. Programs were categorized by examining the program titles and descriptions from OMB’s Program Assessment Rating Tool and conducting web searches for program information.
Figure 1 – Pathways by Which Competing Missions Impact Agency Performance

Note: The solid arrows collectively represent the proposed pathway by which performance is impacted when an agency is asked to balance multiple priorities. For the relationships in A, the dotted line between balancing priorities and performance reflects the fact that if agency conflict acts as a mediator, the direct relationship between priorities and performance should diminish in the presence of conflict. Similarly, with respect to the relationships in B, if employee perceptions act as a mediator through which conflict undermines performance, the direct relationship between conflict and performance should weaken when the degree of employee confusion regarding agency goals and priorities is considered.
Figure 2 – Percentage of Conflicted Agencies by Program Count, Clarity, and Performance

Note: For each variable – program count, employees’ work-goals clarity, and agency goal performance – agencies are categorized into two groups: those that fall below the median value of that variable and those that fall above the median. While not applicable to work-goals clarity and goal performance, those agencies that balance precisely the median number of programs were removed from the calculations in creating the first set of bars (although their inclusion does not affect the character of the results). The vertical axis represents the percentage of the agencies in each category that have a target conflict such that they both support and restrain the same target among their programs.
Table 3 – Incorporating Conflict in Regressions of Agency Performance on the Number of Programs Balanced

<table>
<thead>
<tr>
<th>Variable</th>
<th>Performance (1)</th>
<th>Conflicted Agency</th>
<th>Performance (2)</th>
<th>Performance (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Count</td>
<td>-0.6180** (0.2400)</td>
<td>0.0491*** (0.0176)</td>
<td>-0.4311* (0.2417)</td>
<td>-0.4414* (0.2436)</td>
</tr>
<tr>
<td>Conflicted Agency Dummy</td>
<td>---</td>
<td>---</td>
<td>-10.7596*** (3.6460)</td>
<td>---</td>
</tr>
<tr>
<td>Conflict Count</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>-6.0781*** (2.2662)</td>
</tr>
<tr>
<td>ln(Total Funding)</td>
<td>1.0010 (0.9877)</td>
<td>0.1443* (0.0743)</td>
<td>1.4565 (0.9722)</td>
<td>1.2758 (0.9706)</td>
</tr>
<tr>
<td>Average Employee Count</td>
<td>-0.0567 (0.0639)</td>
<td>-0.0023 (0.0050)</td>
<td>-0.0634 (0.0622)</td>
<td>-0.0622 (0.0625)</td>
</tr>
<tr>
<td>Average SES Count</td>
<td>0.0397 (0.2913)</td>
<td>-0.0026 (0.0021)</td>
<td>0.0300 (0.0285)</td>
<td>0.0359 (0.0285)</td>
</tr>
<tr>
<td>Ideology</td>
<td>2.9316 (1.8513)</td>
<td>0.0682 (0.1389)</td>
<td>3.0939* (1.8000)</td>
<td>2.8178 (1.8096)</td>
</tr>
<tr>
<td>Effective Independence</td>
<td>6.3647** (2.9150)</td>
<td>-0.0999 (0.2552)</td>
<td>6.1860** (2.8335)</td>
<td>6.3340** (2.8485)</td>
</tr>
<tr>
<td>Statutory Independence</td>
<td>-9.6615* (5.2291)</td>
<td>0.1273 (0.3790)</td>
<td>-9.4277* (5.0824)</td>
<td>-9.5182* (5.1100)</td>
</tr>
<tr>
<td>Constant</td>
<td>53.5502*** (6.8319)</td>
<td>-1.8568*** (0.5401)</td>
<td>52.7015*** (6.6456)</td>
<td>53.1790*** (6.6774)</td>
</tr>
<tr>
<td>Observations</td>
<td>139</td>
<td>139</td>
<td>139</td>
<td>139</td>
</tr>
<tr>
<td>F-statistic (d1,d2) / LR Chi-square (df)</td>
<td>2.76 (7,131)</td>
<td>23.77 (7)</td>
<td>3.64 (8,130)</td>
<td>3.43 (8,130)</td>
</tr>
<tr>
<td>R² / Pseudo R²</td>
<td>0.1284</td>
<td>0.1358</td>
<td>0.1832</td>
<td>0.1741</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.0819</td>
<td>---</td>
<td>0.1329</td>
<td>0.1233</td>
</tr>
</tbody>
</table>

Note: The dependent variable in column one as well as three and four is agency goal performance. In contrast, the dependent variable in column two is the goal conflict dummy, and so that regression is estimated using a probit model. A dash indicates that the variable is not included. Standard errors are in parentheses. Tests of significance are two-tailed tests of difference from zero. Significance levels: *** implies p < 0.01; ** implies p < 0.05; * implies p < 0.10. The regressions contain 139 observations because ideology and/or effective independence was not available for five agencies.
Table 4 – Incorporating Employees’ Clarity in Regressions of Agency Performance on the Presence of Conflict

<table>
<thead>
<tr>
<th>Variable</th>
<th>Performance (1)</th>
<th>Performance (2)</th>
<th>Clarity</th>
<th>Performance (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conflicted Agency Dummy</td>
<td>---</td>
<td>-12.4635***</td>
<td>-0.0532**</td>
<td>-10.8520***</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3.5479)</td>
<td>(0.0231)</td>
<td>(3.5617)</td>
</tr>
<tr>
<td>Employees’ Work-Goals Clarity</td>
<td>38.2351***</td>
<td>---</td>
<td>---</td>
<td>30.2895**</td>
</tr>
<tr>
<td></td>
<td>(13.3565)</td>
<td></td>
<td></td>
<td>(13.2132)</td>
</tr>
<tr>
<td>ln(Total Funding)</td>
<td>0.3800</td>
<td>0.7603</td>
<td>-0.0107*</td>
<td>1.0833</td>
</tr>
<tr>
<td></td>
<td>(0.8914)</td>
<td>(0.8979)</td>
<td>(0.0058)</td>
<td>(0.8948)</td>
</tr>
<tr>
<td>Average Employee Count</td>
<td>-0.0121</td>
<td>-0.0377</td>
<td>-0.0002</td>
<td>-0.0321</td>
</tr>
<tr>
<td></td>
<td>(0.0615)</td>
<td>(0.0610)</td>
<td>(0.0004)</td>
<td>(0.0600)</td>
</tr>
<tr>
<td>Average SES Count</td>
<td>0.0056</td>
<td>0.0137</td>
<td>0.0003</td>
<td>0.0050</td>
</tr>
<tr>
<td></td>
<td>(0.0279)</td>
<td>(0.0272)</td>
<td>(0.0002)</td>
<td>(0.0270)</td>
</tr>
<tr>
<td>Ideology</td>
<td>4.2066**</td>
<td>3.7845**</td>
<td>-0.0073</td>
<td>4.0059**</td>
</tr>
<tr>
<td></td>
<td>(1.8002)</td>
<td>(1.7725)</td>
<td>(0.0115)</td>
<td>(1.7471)</td>
</tr>
<tr>
<td>Effective Independence</td>
<td>7.6114**</td>
<td>5.8807**</td>
<td>-0.0440**</td>
<td>7.2134**</td>
</tr>
<tr>
<td></td>
<td>(2.9523)</td>
<td>(2.8518)</td>
<td>(0.0186)</td>
<td>(2.8661)</td>
</tr>
<tr>
<td>Statutory Independence</td>
<td>-11.3034**</td>
<td>-8.0545</td>
<td>0.0948***</td>
<td>-10.9261**</td>
</tr>
<tr>
<td></td>
<td>(5.2986)</td>
<td>(5.0654)</td>
<td>(0.0330)</td>
<td>(5.1401)</td>
</tr>
<tr>
<td>Constant</td>
<td>-100.9823*</td>
<td>55.1845***</td>
<td>4.1367***</td>
<td>-70.1155</td>
</tr>
<tr>
<td></td>
<td>(55.7823)</td>
<td>(6.5522)</td>
<td>(0.0426)</td>
<td>(55.0386)</td>
</tr>
<tr>
<td>Observations</td>
<td>139</td>
<td>139</td>
<td>139</td>
<td>139</td>
</tr>
<tr>
<td>F-statistic (d₁,d₂)</td>
<td>3.00</td>
<td>3.65</td>
<td>3.75</td>
<td>3.95</td>
</tr>
<tr>
<td></td>
<td>(7,131)</td>
<td>(7,131)</td>
<td>(7,131)</td>
<td>(8,130)</td>
</tr>
<tr>
<td>R²</td>
<td>0.1382</td>
<td>0.1632</td>
<td>0.1670</td>
<td>0.1957</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.0922</td>
<td>0.1184</td>
<td>0.1225</td>
<td>0.1462</td>
</tr>
</tbody>
</table>

Note: The dependent variable in columns one, two, and four is agency goal performance and employees’ work-goals clarity in column three. A dash indicates that the variable is not included. Standard errors are in parentheses. Tests of significance are two-tailed tests of difference from zero. Significance levels: *** implies p < 0.01; ** implies p < 0.05; * implies p < 0.10. The regressions contain 139 observations because ideology and/or effective independence was not available for five agencies.
Appendix – Testing the Connections between Programs, Conflict, Clarity, and Performance

As described in the text, measurement error in the key independent or mediating variables may impact the interpretation of the core findings revealing an intricate set of relationships between program count, agency conflict, employees’ work-goals clarity, and goal performance. In this appendix, these mediating relationships are tested utilizing alternative formulations of the core independent, mediator, and control variables. In each case, the estimates mirror those in the article, demonstrating that the results are robust to variations in how the measures are constructed.

The first specification in table A presents a test of whether the variable used to measure the extent which the agency balances multiple priorities, program count, is adequate. OMB and the agency itself jointly worked to identify the set of programs that should be evaluated at the agency, thereby ensuring some degree of consistency in how programs were classified among agencies (OMB 2008b). Still, if the definition of what constitutes a program differs between two agencies, one agency may appear to balance additional responsibilities simply because it has a narrower definition of what a program is.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Performance (1)</th>
<th>Performance (2)</th>
<th>Performance (3)</th>
<th>Performance (4)</th>
<th>Performance (5)</th>
<th>Performance (6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Count</td>
<td>-0.2281</td>
<td>-0.3753</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>-0.4355*</td>
</tr>
<tr>
<td></td>
<td>(0.2664)</td>
<td>(0.2460)</td>
<td></td>
<td></td>
<td></td>
<td>(0.2352)</td>
</tr>
<tr>
<td>Target Count</td>
<td>-2.9269*</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>(1.6743)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>(3.7780)</td>
<td>(3.5511)</td>
<td>(3.4183)</td>
<td>(4.2110)</td>
<td>(3.6436)</td>
<td></td>
</tr>
<tr>
<td>Direct/Regulatory Combination Dummy</td>
<td>---</td>
<td>-10.9036***</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3.5793)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table A – Regressions of Goal Performance Using Alternative Measures of Priorities, Conflict, Employees’ Clarity, and the Control Variables
<table>
<thead>
<tr>
<th>Variable</th>
<th>Performance (1)</th>
<th>Performance (2)</th>
<th>Performance (3)</th>
<th>Performance (4)</th>
<th>Performance (5)</th>
<th>Performance (6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees’ Work-Goals Strongly Agree</td>
<td>---</td>
<td>---</td>
<td>0.5356**</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Managers’ Work-Goals Clarity</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>23.6594**</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>ln(Total Funding)</td>
<td>1.6029</td>
<td>1.3483</td>
<td>1.1934</td>
<td>0.9790</td>
<td>-0.0840</td>
<td>1.0248</td>
</tr>
<tr>
<td></td>
<td>(0.9683)</td>
<td>(0.9647)</td>
<td>(0.9105)</td>
<td>(0.9156)</td>
<td>(1.3105)</td>
<td>(0.9660)</td>
</tr>
<tr>
<td>Average Employee Count</td>
<td>-0.0616</td>
<td>-0.0294</td>
<td>-0.0342</td>
<td>-0.0232</td>
<td>-0.0027</td>
<td>-0.0563</td>
</tr>
<tr>
<td></td>
<td>(0.0617)</td>
<td>(0.0626)</td>
<td>(0.0602)</td>
<td>(0.0587)</td>
<td>(0.0729)</td>
<td>(0.0614)</td>
</tr>
<tr>
<td>Average SES Count</td>
<td>0.0322</td>
<td>0.0343</td>
<td>0.0063</td>
<td>-0.0031</td>
<td>0.0103</td>
<td>0.0299</td>
</tr>
<tr>
<td></td>
<td>(0.0283)</td>
<td>(0.0283)</td>
<td>(0.0271)</td>
<td>(0.0264)</td>
<td>(0.0350)</td>
<td>(0.0278)</td>
</tr>
<tr>
<td>Ideology</td>
<td>3.1909*</td>
<td>3.3671*</td>
<td>4.1565**</td>
<td>5.3321***</td>
<td>---</td>
<td>3.4628*</td>
</tr>
<tr>
<td></td>
<td>(1.7868)</td>
<td>(1.8012)</td>
<td>(1.7592)</td>
<td>(1.7801)</td>
<td>---</td>
<td>(1.9563)</td>
</tr>
<tr>
<td>Effective Independence</td>
<td>5.4370*</td>
<td>5.4696*</td>
<td>7.0715**</td>
<td>7.8792**</td>
<td>1.9212</td>
<td>8.2309***</td>
</tr>
<tr>
<td></td>
<td>(2.8438)</td>
<td>(2.8423)</td>
<td>(2.8731)</td>
<td>(3.2330)</td>
<td>(6.2611)</td>
<td>(3.0777)</td>
</tr>
<tr>
<td></td>
<td>(5.0456)</td>
<td>(5.1575)</td>
<td>(5.2747)</td>
<td>(5.1893)</td>
<td>---</td>
<td>(6.8083)</td>
</tr>
<tr>
<td>Policy Concentration</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>0.2318</td>
</tr>
<tr>
<td></td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>(12.8305)</td>
</tr>
<tr>
<td>Constant</td>
<td>56.8428***</td>
<td>54.2777***</td>
<td>36.1393***</td>
<td>-49.3805</td>
<td>49.2555**</td>
<td>56.1601***</td>
</tr>
<tr>
<td></td>
<td>(7.0063)</td>
<td>(6.6301)</td>
<td>(11.1833)</td>
<td>(45.2872)</td>
<td>(20.5121)</td>
<td>(8.6871)</td>
</tr>
<tr>
<td>Department Dummies?</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Observations</td>
<td>139</td>
<td>139</td>
<td>139</td>
<td>128</td>
<td>141</td>
<td>123</td>
</tr>
<tr>
<td>F-statistic (d1,d2)</td>
<td>3.63</td>
<td>3.73</td>
<td>3.82</td>
<td>4.92</td>
<td>1.82</td>
<td>3.82</td>
</tr>
<tr>
<td></td>
<td>(9.129)</td>
<td>(8.130)</td>
<td>(8.130)</td>
<td>(8.119)</td>
<td>(51.89)</td>
<td>(9.113)</td>
</tr>
<tr>
<td>(R^2)</td>
<td>0.2021</td>
<td>0.1865</td>
<td>0.1903</td>
<td>0.2487</td>
<td>0.5100</td>
<td>0.2331</td>
</tr>
<tr>
<td>Adjusted (R^2)</td>
<td>0.1464</td>
<td>0.1364</td>
<td>0.1405</td>
<td>0.1982</td>
<td>0.2292</td>
<td>0.1720</td>
</tr>
</tbody>
</table>

Note: The dependent variable in each specification is agency goal performance. In column five, the coefficients for the departmental dummies are not shown to conserve space. A dash indicates that the variable is not included. Standard errors are in parentheses. Tests of significance are two-tailed tests of difference from zero. Significance levels: *** implies \( p < 0.01 \); ** implies \( p < 0.05 \); * implies \( p < 0.10 \). The first, second, and third regressions contain 139 observations because ideology and/or effective independence was not available for five agencies. The fourth regression contains 128 observations because employee job functions were not available for 11 additional agencies. The fifth regression contains 141 observations because effective independence was not available for three agencies. Finally, the sixth regression contains 123 observations because policy concentration was missing for 16 additional agencies beyond those missing ideology and/or effective independence.
To test this possibility, the first model also includes target count – which measures the number of unique targets the agency faces and is not affected by variation in how a program is defined – as an additional measure capturing the extent to which the agency balances multiple priorities. As the results suggest, inclusion of this additional measure has little impact on the judgment that the conflicted agency dummy operates as a partial mediator. While the size of the conflict coefficient declines somewhat (reflective of the fact the variable is more highly correlated with the number of targets than the number of programs), it remains statistically significant at the 5 percent level. Moreover, as is the case when program count is solely included, target count is only weakly significant at the 10 percent level. Further, program count loses its significance altogether. Collectively, this evidence supports the assertion that the agency conflict dummy remains a mediator even using this more complicated formulation.

Specification two in table A assesses the alternative possibility that the error resides not in the measure of agency priorities but rather in the measure of conflict. To conduct this test, a dummy variable labeled direct/regulatory combination and measuring whether the agency joins a direct federal or regulatory program with another is substituted for the agency conflict dummy. As part of the assessment process, PART programs were categorized as block/formula grant, competitive grant, capital assets and service acquisition, credit, direct federal, research and development, or regulatory-based. Because law enforcement programs were mainly categorized as direct federal, those programs as well as regulatory-based programs were the most likely to have a restraining element to them. Thus, as a rough proxy of the agencies most likely to face a conflict, performance regression two in table A substitutes the direct/regulatory combination dummy for the agency conflict dummy.
As the table suggests, the results are, in all important respects, replicated with this alternative measure. While program count does not quite reach the 10 percent significance level, the magnitudes of the dummy variables are basically equivalent (-10.8 v. -10.9). Moreover, in the presence of program count, the proxy is statistically significant at the 1 percent level, reaching the same significance level as the agency conflict dummy.

Measurement error also has the potential to impact whether the claim that employees’ work-goal clarity operates as a mediator is valid. One might worry, for example, that the phrasing of the FHCS statement is not precise enough to assess the effects that competing priorities and conflicts have on employees. Yet, existing research suggests that priority goal ambiguity and conflict forces employees to inefficiently spend time clarifying objectives (e.g., Wright 2004). Even the survey itself seems to consider this possibility by asking respondents whether their work relates to agency goals and priorities. Since sorting out priorities is exactly the difficulty that arises when agencies are conflicted, the question should capture the effect.

Still, to test the robustness of the measure, performance regression three in table A summarizes the results when the index is reformulated to focus specifically on the percentage of the agency’s employees that strongly agree that they know how their work relates to goals and priorities. Thus, the redefined variable tests whether the results differ when the measure instead captures agencies populated with personnel with extreme relative to more moderate views. In the case where the conflicted agency’s leaders do narrow its focus as scholars and practitioners recommend in such cases (e.g., Drucker 1980; Shalala 1998), a certain subset of the employees will have a very clear vision of what the agency’s objectives are while those whose goals are relatively neglected will be less able to connect. Because the index incorporates the views of all agency employees, it cannot delineate between an agency that has employees with moderate
views from one which has employees with more extreme perspectives given the agency’s
decision to sharpen its focus.

The correlation coefficient between this alternative measure and the one used in the
regressions in table 4 is 0.862, indicating that those agencies where more personnel strongly
agree to understanding how their work relates to agency goals are the same organizations where
the full employee base is more apt to relate to the agency’s goals. Performance regression three
in table A similarly demonstrates that this distinction has little impact. While the independent
negative effect of agency conflict increases somewhat, perhaps because focusing only on a
subset of agency employees reduces the work-goals clarity measure’s precision, both variables
remain statistically significant at exactly the same levels as when the full range of FHCS
responses are incorporated.

A related possible concern with the FHCS measure is that, by incorporating the views of all
career employees, the variable is influenced by those at lower levels in the organization who
might be less able to affect overall agency performance. In fact, in addition to agency managers’
greater capacity to shape the direction of the agency as a whole (e.g., Carpenter 2001), these
individuals may be more impacted by conflict because they often span multiple programs which
is the typical impetus for conflict. Stated differently, the evidence from table 3 suggests that the
greater number of programs an agency manages, the greater the probability it is conflicted.
Relative to junior-level personnel, management employees are more likely to contribute to
multiple programs and so are more apt to be exposed directly to conflict. As a result, using a
more precise measure of work-goals clarity which focuses specifically on this group might reveal
different relationships with agency conflict and performance.
To test this possibility, performance regression four in table A utilizes an index of work-goals clarity reformulated such that it only includes the perceptions of agency managers and executives. Although top-level political appointees were not surveyed, FHCS did incorporate the views of those directly below the agency’s senior leadership, such as non-appointed members of the Senior Executive Service and other managers responsible for at least one supervisor. Considering these employees only, the revised measure is labeled managers’ work-goals clarity in table A.14

As performance regression four demonstrates, the results strengthen slightly when only managers and executives are considered, but they are not substantially different. The sample size is significantly smaller given that personnel roles were not tracked for a number of independent agencies. As a result, the results should be interpreted cautiously. Consistent with performance regression three in table four, work-goals clarity continues to be significant at the five percent level and the direct effect, as measured by the conflict indicator, remains significant at one percent.

To conserve space, the results of a regression of the reformulated mediator on agency conflict are not displayed. However, they mirror the findings when the full employee base is used to measure work-goals clarity, with the coefficient on conflict reaching the same level of statistical significance. The magnitude of the indirect effect, while still significant at the five percent level using the bootstrap and distribution of products tests, increases in size (in absolute value) relative to the full employee base but is not fundamentally different (-1.731 v. -1.611). Whereas 13 percent of the total effect of conflict on performance is explained by the indirect pathway using the full employee base, that number climbs to slightly over 14 percent when only managers and executives are considered. Further, although not shown, separately considering
only those members of the employee base who are not managers or executives reveals that the effect of conflict on work-goals clarity for that group remains statistically significant. However, the impact of clarity on agency performance no longer reaches statistical significance at the five percent level in the presence of conflict, offering some evidence that managers may have more ability to affect performance than junior-level employees. In sum, while the results should be interpreted with caution especially given the relatively smaller sample size, they collectively suggest the impact of agency conflict on performance may operate more intensively through agency managers and executives relative to the rest of the employee base. Still, the magnitudes of the differences are small and certainly do not fundamentally alter the conclusions of the analysis considering the full set of agency personnel surveyed through FHCS.

Instead of the core independent variables, performance regressions five and six focus on the control variables, testing whether those used in the regressions represented in tables 3 and 4 may be omitting important factors, thereby introducing bias. As described, because not all programs were evaluated in each year, it is not possible to use the PART data to implement a traditional fixed effects model. Still, column five shows the results when the regression also incorporates dummy variables for departments and independent agencies to attempt to account for any unobserved (and difficult to measure) influences not considered through the existing set of controls.

Using the dummies, the estimate of the effect of agency conflict is derived from variations among agencies within departments, and not between agencies from different departments or between independent and department level agencies. Moreover, adding dummies precludes including those control variables that do not vary within departments such as statutory independence and agency ideology which are measured at the departmental level. Yet, despite
these limitations as well as the possibility that adding such a large number of dummies might sap the regression’s power to tease out the independent effects of the other variables, performance regression four demonstrates that the conflicted agency dummy still negatively impacts agency goal performance in a statistically significant and numerically important way. While it is not surprising that the associated standard error grows somewhat, the coefficient itself is still significant at the 5 percent level. Moreover, its magnitude changes very little. Introducing a target conflict is still associated with a sizable 17.4 percent decline in the previously non-conflicted agency’s PART results score.

As an alternative approach, instead of inserting departmental dummies, specification six adds Samuel Workman’s policy concentration measure to the regression testing the relationships between program count, conflict, and performance. While reducing the size of the dataset considerably since the variable was not available for several agencies, doing so nevertheless has no impact. Comparing to performance regression two from table 3, the conflicted agency dummy – despite declining slightly (-10.8 v. -9.6) – remains significant at the one percent level, and the program count coefficient mirrors table 3 with respect to both its magnitude and significance.

In sum, table A demonstrates that using alternative measures of program count, agency conflict, and employees’ work-goals clarity as well as manipulating key control variables has little effect on the results. Not only do the alternative models continue to support the assertion that agency conflict acts as a partial mediator explaining why balancing priorities impedes performance, but they also reinforce the finding that diminished employee clarity appears to function as a mediator through which the relationship between conflict and performance operates.