
The Perils of Privatization: Bringing the Business Model into Human Services

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During the last three decades in both the United States and Europe, neoliberal policies, especially privatization, have restructured services in ways that dramatically affect the capacity of human services workers and agencies to serve all clients. *Privatization* means not only transforming public programs such as Social Security, but also *managerialism*—the incorporation of business principles, methods, and goals into public and nonprofit human services organizations. Few researchers have looked at the impact of market-based managerialism (focused on productivity, accountability, efficiency, and standardization) on social work's mission and the effectiveness of human services workers and organizations. Using an anonymous survey of 3,000 New York City human services workers, authors examined the impact of managerialist practices including performance measures, quantifiable short-term outcomes, and routinized practices on frontline workers and service provision. A troubling trend emerged. Workers in agencies with a high commitment to managerialism found it considerably more difficult to adhere to social work's mission and fundamental values. This conflict between the "logic of the market" and the "logic of social work" subsided dramatically in agencies with a low commitment to managerialism, indicating that even in today's competitive environment, agencies can protect the social work mission.

KEY WORDS: *human services; managerialism; practice; privatization; social work workforce*

Human services workers and agencies are the "first responders" for people and communities in need. However, during the last three decades, in both the United States and Europe, social and economic policies have restructured services in ways that dramatically affect the capacity of both human services workers and agencies to effectively serve clients in need. This change, known as managerialism, typically draws on business principles and practices that create tensions between the logic of the market and the logic of social work, the issue addressed in this article. The purpose of this article is (a) to explore, describe, and analyze the understudied phenomenon of managerialism; (b) to understand its processes and impact from the perspective of frontline public and nonprofit sector human services workers; (c) to increase awareness among educators, providers, practitioners and national social work leaders of what appears to be a troubling trend; and (d) to inspire corrective action.

THE RISE OF MANAGERIALISM

The rise of managerialism in the United States was neither sudden nor accidental. Rather, it is associ-

ated with the now well-established U-turn in U.S. social welfare policy that, over several decades, gradually replaced the New Deal or the Keynesian social welfare model with what is increasingly known as the neoliberal or market-driven model (Harvey, 2005). Adding to the social work literature, we apply the social structures of accumulation (SSA) theory (Kotz, McDonough, & Reich, 1994) to the history of the welfare state. Better known among economists than social workers, the SSA theory explains that such paradigm shifts occur every 40 to 50 years once the prevailing institutional arrangements established in the prior SSA no longer support economic stability and profitable growth. The major economic crisis that results disrupts the social, political, and economic status quo and, after a protracted political struggle, yields a paradigm shift.

Two such crises occurred during the 20th century. The first crisis—The Great Depression—surfaced in the late 1920s, when the laissez-faire institutional arrangements, policies, and ideological paradigms assembled to address the economic crisis of the 1880s no longer fueled profits, eco-

conomic growth, and stability. The collapse of the economy in the 1930s led “the people,” the labor movement, and the leaders in business and government to demand that the federal government step in. The resulting New Deal programs replaced the laissez-faire paradigm with the Keynesian approach that called for redistributing income downward and expanding the role of the state, including the welfare state. The New Deal/Keynesian policies included higher taxes, more government spending, federalization (shifting responsibility for social welfare from the states to the federal government), deprivatization of social programs (shifting responsibility for social welfare from the private/charity to the public sector), and support for social movements (Abramovitz, 2018). In the end, everyone seemed to agree that to “save capitalism from itself” the United States needed a more active state (Abramovitz, 2004; Kotz, 2015).

From the late 1930s to the mid-1970s the state—including the welfare state—expanded, pressed by the labor, civil rights, and women’s movements as well as the begrudging support of forward-looking business leaders (Weinstein, 1971). Over time, an array of New Deal and Great Society programs helped to generate both profitable economic growth for business and a higher standard of living for many, but not all, U.S. households. Despite many policies resting on discrimination and institutional racism and sexism, many call this period the “golden era” of capitalism.

By the 1970s, the forces of deindustrialization, economic globalization, and international competition began to undermine the New Deal’s institutional arrangements, leading to the second major economic crisis of the 20th century marked by falling U.S. profits, reduced U.S. international influence, and revolutions in developing countries, including Vietnam. This time, many in the national elite blamed the demise of the golden era on “big government,” social movement victories, and the behavior of the “undeserving” poor. With this, the newly elected conservative leadership sought to replace the Keynesian model with neoliberalism, that is with programs, policies, and ideological arrangements that emphasize individualism, free markets, small government, and fiscal austerity. Seeking to undo the New Deal, what was first known as Reaganomics redistributed income upward and downsized the state (Abramovitz, 2018). These neoliberal policies—the polar opposite of the New Deal—

included tax cuts, budget cuts, privatization (that is, shifting social welfare responsibility from the federal government to the private sector), devolution (that is, shifting social welfare responsibility from the federal government to the states), and weakening the power of social movements. At the same time, the political Right called for a singular version of “family values” and a color-blind social order (Abramovitz, 2014). Launched by President Reagan in the 1980s, neoliberal policies have been followed by every U.S. administration since then. Only hindsight will tell if Trumpism extended or replaced neoliberalism.

THREE PHASES OF PRIVATIZATION IN THE HUMAN SERVICES

Neoliberal policies, especially privatization, have transformed the structure, operation, and impact of the U.S. welfare state. Scholars from various disciplines have studied how neoliberalism affected the scale and scope of social welfare programs, the hollowing out of the welfare state (Ehrenreich, 2016), and the slowdown of the economy (Rogowski, 2019). Others have examined how privatization affected the well-being of different population groups, especially the poor, low-wage workers, and service users (Soss, Fording, & Schram, 2011). Yet too few researchers have looked at how this market-based paradigm altered the capacity of human services organizations and workers to effectively serve people in need (Baines, 2006). We know very little about the impact of neoliberal privatization—the focus of this research—on service provision, working conditions, and the well-being of human services workers.

Neoliberal privatization is most often understood as shifting the responsibility for welfare state programs from the public to the private sector, as in privatizing Social Security or Medicare. However, privatization evolved through three different, overlapping stages rarely analyzed as a single trend in the United States. Stage 1, or marketization, beginning in the 1930s, moved consumers and service providers into the market through cash assistance programs. Beginning in the 1960s, the government outsourced public programs to non-profit and then to for-profit agencies (Abramovitz & Zelnick, 2016; Lubove, 1968). The second stage of privatization, managerialism, gained traction with the rise of neoliberalism in the 1980s. If mar-

ketization moved human services clients and providers into the market, managerialism imported the business model (that is, market philosophy and business principles) into human services organizations (Nightingale & Pindus, 1997; Salamon, 1999). Stage 3, financialization (importing investment principles into the financing and growth of human services), completes the operationalization of privatization by turning human services into an investment opportunity for private finance firms such as Goldman Sachs and Bain Capital (Cohen, 2014), or profit opportunities for private corporations such as Maximus and Lockheed Martin (Nightingale & Pindus, 1997), among others (Abramovitz & Zelnick, 2015).

Managerialism, the second stage of privatization, has evoked considerable debate. Supporters argue that resources are best allocated through the market and that market-driven services ensure consumer choice; lower program costs; and more productive, efficient, and accountable services than government (Allen, 1989). They also praise managerialism's increased reliance on evidence, standards, quantifiable outcomes, and value-based payments (value-based payment, currently used most often in health care but recently also in behavioral health, shifts from volume-based or fee-for-service payments to outcome-related payments based on pay-for-performance metrics or other measures [see <https://revcycleintelligence.com/features/what-is-value-based-care-what-it-means-for-providers>]) with producing more effective, less costly (Moore, Rapp, & Roberts, 2000), and more accountable services (Goodvin, 2018), as well as for leading to innovative breakthroughs that better address historically intractable social problems (Traube, Begun, Okpych, & Choy-Brown, 2017). Critics counter that managerialism problematically relies on market forces to serve public purposes, favors running human services agencies like a business, and follows the "lean and mean" management practices and "total quality management" production methods developed by the Japanese and German automobile companies (Landsbergis, Cahill, & Schnall, 1999). They argue that managerialism's calls for a faster work pace, increased focus on measurement, and an emphasis on the quantification of program outcomes (Tsui & Cheung, 2004) yield the routinization, standardization, and fragmentation of services. Critics also fear that managerialist practices create incentives for agencies to respond to

organizational targets rather than client needs, promote cookie-cutter services (Baines, 2006), limit advocacy, and otherwise "strip the care out of social work" (Baines, 2004, p. 268). Dustin (2012) referred to the resulting standardization of services as a "McDonaldization" of social work that risks undermining professional services, sound working conditions, and high-quality care (Gallina, 2010). In this view, managerialism encourages workers to internalize the business-driven "logic of the market" over the mission-driven "logic of social work" while downplaying the ideals of equality, common good, and social justice (Healy, 2002).

While the debate intensifies, few have asked those tasked with translating policy into practice about their experience with managerialism. To correct for this, we turned to human services workers to find out what features of managerialism, if any, were operative in their workplaces and to learn, if present, how managerialism has affected work on the frontlines. Through the eyes of New York City human services workers, we sought to learn how dedicated practitioners assess and manage the impact of managerialism on service provision, working conditions, worker well-being, and the capacity of agencies to serve those most in need.

STUDY DESIGN AND METHOD

Six community partners reflecting diverse settings, program foci, and personnel helped to design and distribute a survey to the human services workforce (that is, the National Association of Social Workers New York City chapter, the New York City Human Services Council, United Neighborhood Houses, the Coalition of Behavioral Health Agencies, the Social Service Employees Union Local 371, and the *New York Nonprofit Press*). Based on an extensive review of managerialism literature and discussions with our community partners, we identified 45 indicators of managerialism frequently present in human services organizations (Abramovitz & Zelnick, 2016). To capture the experiences of varied workers, the survey targeted frontline workers, supervisors, program managers, and agency directors employed in different human services settings. To represent all viewpoints, we asked respondents if indicators of managerialism were a major problem, a minor problem, not a problem at all, or were not present at their agency ("doesn't happen here"). The survey also included one open-ended question allowing participants to provide reflections.

To target the wide variety of human services workers in the greater New York metropolitan area, we purposively selected six community partners identified to reach diverse segments of the human services community. Each agency distributed the survey to its constituents electronically through its membership lists, Web sites, internal e-mails, and event registration lists. Given the absence of an available sampling frame, using a purposive non-probability sampling approach allowed us to reach a designated population while recognizing the inability to use certain statistical tests, to evaluate sampling bias, and to generalize the findings broadly (Rubin & Babbie, 2011).

The anonymous electronic survey, also publicized in the *New York Nonprofit Press*, was distributed in waves between January 2014 and June 2015. After reading a short description of the survey, participants opted in by clicking a link to the survey (Mercer, Lau, & Kennedy, 2018). Questions were posed broadly to be applicable to a wide variety of situations and contextualized using the words “considering your current workplace.” Data were collected using Qualtrics and analyzed using SPSS version 25 (IBM Corp., 2017). For analytic purposes we combined the major and minor problem categories into a single category termed “problematic.” Responses to the open-ended questions were used to illustrate the results of our analysis in our discussion. The study was approved by the institutional review boards of Touro College and University System and Hunter College, City University of New York.

RESULTS

A total of 3,027 people completed the survey. Of these respondents, 2,772 met the study’s eligibility criteria: employment in a New York City metropolitan area human services agency. Our analysis includes 2,326 participants with complete data. Participants mirrored the programmatic and demographic diversity of the U.S. human services workforce (see Table 1) [The 2015 CSWE *Profile of the Social Work Workforce* depicts the U.S. social workforce as female (83 percent), white (68.8 percent), black (21.8 percent), Latino (11 percent), Asian (3.6 percent), multiracial (2.4 percent), and other (2.4 percent); <https://www.cswe.org/Centers-Initiatives/Initiatives/National-Workforce-Initiative/SW-Workforce-Book-FINAL-11-08-2017.aspx>]. They identified as women (81.9 percent),

men (17.3 percent), white (54.5 percent), and people of color (45.5 percent). Nearly one-third of participants were employed in human services for less than 10 years (33.1 percent), slightly less than one-third for 10 to 19 years (28.9 percent), and 38 percent for more than 20 years. In terms of education, 22.9 percent held a bachelor’s degree or below and 87.1 percent held a master’s degree or above. Of the latter, 56 percent held an MSW.

Survey participants represented a wide range of job titles, social service sectors, and settings. They included frontline staff and supervisors (58.6 percent) and program managers and directors (41.4 percent). Employed in 19 different program settings, they clustered in mental health (20.1 percent), health (11.6 percent), housing/homelessness (8.6 percent), child welfare (8.3 percent), education (7.1 percent), senior/older adult services (6.8 percent), family services (6.3 percent), youth services (5.8 percent), substance abuse (5.1 percent), and public assistance/food assistance (4.1 percent). Most worked in a nonprofit agency (69.7 percent), and nearly one-third belonged to a union, mostly in the public sector.

WORKERS ASSESS MANAGERIALISM

To understand workers’ response to managerialism, we asked respondents to assess the impact of managerialism on service provision, working conditions, social work practice, and worker well-being by characterizing each of 45 indicators of managerialism as a major problem, a minor problem, not a problem, or not present. Fifty percent or more of the respondents described 30 of the 45 indicators as problematic (for example, a major or a minor problem). These 30 indicators fell into four conceptual clusters that compose key features of managerialism (developed through a 2015 systemic literature review [see Abramovitz & Zelnick, 2016]): productivity, accountability, efficiency, and standardization (see Table 2).

The productivity cluster (that is, five issues related to the pace of work) was considered problematic by 80 percent or more of the respondents. The five issues are “too much work,” “not enough staff,” “not enough time,” “too fast a pace,” and the perennial “too much paperwork.”

The accountability cluster (that is, eight issues related to measurement) was considered problematic by 66 percent to 79 percent of respondents.

Table 1: Demographic and Workplace Characteristics (N = 2,326)

Characteristic	n (%)
Gender	
Female	1,787 (81.9)
Male	378 (17.3)
Transgender	6 (0.3)
Other	12 (0.5)
Race	
White	1,181 (54.5)
People of color	986 (45.5)
Education	
≤ Bachelors	498 (22.9)
≥ Masters	1,680 (87.1)
MSW	1,303 (56.0)
Current position	
Frontline workers	1,363 (58.6)
Program directors and managers	963 (41.4)
Union member	
Yes	676 (31.1)
No	1,497 (68.9)
Years in human services	
0–9	755 (33.1)
10–19	658 (28.9)
20+	865 (38.0)
Program focus ^a	
Mental health	467 (20.1)
Health care	270 (11.6)
Housing/homeless	199 (8.6)
Child welfare	192 (8.3)
Education	164 (7.1)
Older adults	158 (6.8)
Family services	146 (6.3)
Youth services	134 (5.8)
Substance abuse	118 (5.1)
Public and food assistance	95 (4.1)
Sector	
Public	584 (25.1)
Private nonprofit	1,619 (69.7)
Private for-profit	111 (4.8)

Note: Each category may not total 2,326.

^aN > 94 shown; N < 94 includes domestic violence, criminal justice, child care, military, employment/training, disability, immigrant services, legal, advocacy.

The issues included “too much time on documentation,” that “measures used did not capture what staff think is important,” and that “too much time is spent on tracking and reporting.” Around two-thirds found “the emphasis on program results or outcomes” and “reliance on quantifiable performance measures” to be problematic.

The efficiency cluster included six items related to cost savings. Over 77 percent of respondents reported their program as inadequately funded; 76 percent indicated that they had to increase the number of people seen; 75.7 percent said they lacked the capacity to meet the needs of people served; and 70.3 percent stated that the focus on “bottom line” undercuts quality. Nearly 60 percent considered the practice of replacing of higher-paid with lower-paid staff to do the same work as problematic.

The standardization cluster included 11 items related to the impact of managerialism on relationship building, often considered to be the foundation of social work practice and a predictor of positive client outcomes (Norcross & Wampold, 2011). Yet 68.2 percent found the increased routinization of practice problematic; 68.2 percent said that managerial context did not leave them with enough time to serve people in need, to assess needs (56.8 percent), or to build trust (54 percent). Some 50 percent reported that the computer came between workers and clients. Others noted that clients have to meet too many program requirements (55.7 percent), and 55.6 percent were upset by the use of preset screening tools.

Commitment to Managerialism: Logic of Social Work and Logic of the Market

To deepen the understanding of the link between an agency’s overall commitment to managerialism and the experience of agency workers, we constructed a score that measured the worker’s perception of their agency’s “commitment to managerialism” as high, medium, or low. Based on the earlier-noted 30 indicators of managerialism, the score ranged from 30 to 90. Low managerialism settings had a score ≤ 49; medium a score of 50–64, and high ≤ 65. We then analyzed commitment to managerialism in relation to two overarching concepts: the logic of social work (the fundamental social work principles and values) and the logic of the market (basic business principles and values). This comparison revealed a troubling trend. Workers employed in agencies with a high commitment to managerialism score were more likely than workers employed in agencies with a low commitment to managerialism score to report service and practice issues as problematic.

Logic of Social Work

The *logic of social work* refers to features of service provision and professional practice that align with

Table 2: Indicators of Managerialism Related to Productivity, Accountability, Efficiency, and Standardization (N = 2,326)

Managerialism Indicators by Cluster	Problematic n (%)	Not a Problem n (%)	N ^a
Productivity			
Having too much work to do	2,062 (89.4)	245 (10.6)	2,307
Focus on getting more done with same number of staff	1,989 (88.1)	269 (11.9)	2,258
Focus on getting more work done in same amount of time	1,907 (85.2)	332 (14.8)	2,239
Amount of time spent on paperwork	1,913 (83.5)	377 (16.5)	2,290
Having to work too fast	1,857 (81.3)	427 (18.7)	2,284
Accountability			
Time documenting takes time from work with clients	1,794 (79.4)	465 (20.6)	2,259
Measurement does not capture what staff thinks is important	1,688 (77.7)	484 (22.3)	2,172
Too much focus on reporting	1,742 (76.8)	527 (23.2)	2,269
Number of new policies that staff have to carry out	1,658 (76.1)	520 (23.9)	2,178
Staff and funders have different definitions of success	1,556 (73.6)	550 (26.7)	2,115
Too much time spent tracking outcomes	1,547 (70.3)	655 (29.7)	2,202
Too much emphasis on program results	1,425 (66.3)	725 (33.7)	2,150
Too much reliance on quantifiable performance measures	1,398 (65.6)	734 (34.4)	2,132
Efficiency			
Program is inadequately funded	1,640 (77.6)	473 (22.4)	2,113
Need to increase the number of people seen	1,619 (76.0)	510 (24.0)	2,129
Not enough program capacity to meet need	1,645 (75.7)	529 (24.3)	2,174
Focus on bottom line interferes with quality of service	1,428 (70.3)	602 (29.7)	2,030
Replace higher-paid with lower-paid staff to do same work	1,080 (58.5)	765 (41.5)	1,845
Too many agency resources used to keep agency funded	1,015 (53.5)	882 (46.5)	1,897
Standardization			
Extent to which work has become routinized	1,466 (68.2)	683 (31.8)	2,149
Not enough time to see the people we serve	1,469 (68.2)	685 (31.8)	2,154
Need to open cases more frequently	1,282 (64.6)	702 (35.4)	1,984
Wait time for services too long	1,108 (60.6)	720 (39.4)	1,828
Emphasis on short-term service goals	1,257 (59.5)	855 (40.2)	2,112
Not enough time to assess needs	1,230 (56.8)	936 (43.2)	2,166
People have to meet too many requirements	1,080 (55.7)	858 (44.3)	1,938
Increased use of preset/screening question	1,075 (55.6)	860 (44.4)	1,935
No time to build trust with clients	1,160 (54.0)	989 (46.0)	2,149
Use of electronic records to monitor how I use time	1,608 (51.6)	778 (48.4)	1,608
Computers come between staff and clients	1,008 (50.1)	1004 (49.9)	2,012

^aN less than 2,326 indicates that participants chose “doesn’t happen here” (answer category not shown).

and reflect fundamental social work values (see [Table 3](#)), including professional autonomy, commitment to vulnerable people, social reform, agency mission, and diversity. More workers in agencies with a high commitment to managerialism score identified variables related to basic social work values as problematic, whereas fewer workers in low-managerial settings identified these problems. For example, in agencies with a high commitment to

managerialism score, a higher percentage of workers reported that commitment to agency mission was not a priority (54 percent) at their agency than workers employed in low-managerial settings (22.7 percent). Likewise, for the commitment to vulnerable people, in agencies with a high commitment to managerialism, workers were more likely to report that their agency “selected clients on their ability to succeed” (56.2 percent) than

Table 3: Indicators of the Logic of Social Work and the Logic of the Market by Percentage Finding Them Problematic or a Priority in High, Medium, and Low Managerialism Settings (N = 2,326)

Indicator	Commitment to Managerialism Score ^a			N ^b	df	χ^2 ***
	High n (%)	Medium n (%)	Low n (%)			
Logic of social work indicators						
Professional autonomy (less professional autonomy)						
Problematic	614 (47.3)	282 (35.6)	221 (17)			
Not a problem	124 (13.9)	462 (31.6)	486 (54.5)	2,189	2	407.2
Commitment to vulnerable people (select clients based on potential to succeed)						
Problematic	223 (56.2)	122 (30.7)	52 (13.1)			
Not a problem	248 (29.9)	271 (32.7)	311 (37.5)	1,227	2	102.6
Commitment to social reform (not enough resources devoted to changing government policies)						
Problematic	630 (44.1)	475 (33.2)	324 (22.7)			
Not a problem	69 (14.6)	166 (35.0)	239 (50.4)	1,903	2	177.5
Commitment to agency mission						
Low priority	287 (54)	150 (28.2)	94 (17.7)			
High priority	470 (26.3)	620 (34.6)	700 (39.1)	2,321	2	156.9
Commitment to diversity (not enough staff diversity)						
Problematic	371 (42.4)	288 (33)	215 (24.6)			
Not a problem	319 (28.3)	397 (35.3)	410 (36.4)	2,000	2	51.2
Logic of the market indicators						
Emphasis on short-term goals						
Problematic	631 (50.2)	418 (33.3)	208 (16.5)			
Not a problem	105 (12.3)	305 (35.7)	455 (52)	2,112	2	418.2
Evaluation of job performance based on client outcomes						
Problematic	433 (57.7)	228 (30.4)	90 (12)			
Not a problem	210 (21.4)	361 (36.8)	410 (41.8)	1,732	2	286.7
Too much emphasis on program results						
Problematic	685 (48.1)	513 (36)	227 (15.9)			
Not a problem	57 (7.9)	227 (31.3)	441 (60.8)	2,150	2	539.9
Emphasis on quantitative performance measures						
Problematic	679 (48.6)	516 (36.9)	203 (14.5)			
Not a problem	63 (8.6)	220 (30)	451 (61.4)	2,132	2	573.3
Focus on the bottom line interferes with service quality						
Problematic	683 (47.8)	513 (35.9)	232 (16.2)			
Not a problem	50 (8.3)	199 (33.1)	353 (58.6)	2,030	2	448.3

^aLow: ≤ 49 ; medium: 50–64; high: ≥ 65 .

^bN < 2,326 indicates that participants chose "doesn't happen here" (answer category not shown).

***p < .001.

those working in low-managerial settings (17 percent). Overall, a lower commitment to managerialism seemed to protect the logic of social work.

Logic of the Market

The *logic of the market* refers to business principles and practices that align with managerialism. Vari-

bles representing the logic of the market include the use of performance measures, program cuts and closures, evaluation of job performance based on management targets, evaluation of job performance based on success of people served, commitment to the bottom line, and the pay-for-performance reimbursement method (see Table 3).

If low-managerial settings supported the logic of the social work, the logic of the market prevailed in high-managerial settings. For example, in agencies with a high commitment to managerialism score, more workers reported the agency's evaluation of their job performance based on client success as problematic (57.7 percent) than their counterparts in low-managerial settings (12 percent). Emphasis on short-term goals was more problematic for those working in high- compared with low-managerial settings (50.2 percent versus 16.5 percent). The same pattern persisted for emphasis on program results and quantitative performance measures. Finally, focus on the bottom line that interfered with service quality was problematic in nearly 50 percent of high-managerial settings. Overall, the logic of the market was far more prevalent in workplaces with a high commitment to managerialism.

IMPACT ON HUMAN SERVICES

We found that agencies with a low commitment to managerialism score were more likely to subscribe to the logic of social work, and those with a high commitment to managerialism score were more likely to adhere to logic of the market. This discrepancy has major implications for the well-being of the human services workforce (see [Table 4](#)). Job stress is more problematic in high-managerial (53.3 percent) than in low-managerial (13.3 percent) agencies. Indeed, 62.2 percent of the workers in a low-managerial setting said that their job is rarely too stressful. Burnout is also more problematic in high-managerial (38.41 percent) than in low-managerial (24.6 percent) agencies. More than 75 percent of the workers in low-managerial settings do not report burnout as problematic. The same pattern emerged for ethical dilemmas: 45.9 percent found it problematic in high commitment to managerial settings, while 48.9 percent thought it was not a problem in low-managerial settings. Finally, workers in high-managerial agencies are more likely to "bend the rules" than those in low-managerial settings. They more frequently inflated statistics (48.5 percent versus 20.4 percent) and changed reports to meet measurement demands (44.0 percent versus 23.9 percent).

It is not surprising that fewer workers experience job satisfaction in high-managerial (24.5 percent) than in low-managerial (41.6 percent) agencies. In fact, only 16.5 percent of workers in

low-managerial agencies reported job dissatisfaction, compared with 52.6 percent of workers in high-managerial settings. Despite these distressing findings, large numbers of social workers remain optimistic, though far less so in high-managerial agencies. The overwhelming majority reported that their work makes an important contribution to society (91.9 percent), that they think their work is important (88.3 percent), and that they believe in their program (88.0 percent). By way of illustration, a longtime New York City social worker wrote in the space the survey provided for comments:

I am very lucky to work for an agency with an unwavering mission of social justice, compassion, and commitment. I have been allowed to be creative in my position. Nearing the end of my career, I believe that my training and work have mattered. A social worker couldn't ask for more.

THE WIDER CONTEXT: AUSTERITY AND ENTREPRENEURIAL ENVIRONMENTS

Austerity Environment

Managerialism gained ground during a perfect storm: rising poverty and inequality, increased client needs, and depleted agency resources due to deep government budget cuts ([Hasenfeld & Garrow, 2007](#)). Eighty percent of respondents reported that their clients "were more stressed," and 90 percent said that their clients presented with "more complex needs." Budget cuts forced agencies and workers to do "more with less." Many respondents reported program and staff cuts (55 percent) and believed that their agency devoted too many resources to keep the organization afloat (54 percent).

Entrepreneurial Environment

The incorporation of the business model in human services has changed who agencies hire and the language used to describe their work. It is widely reported anecdotally in the literature ([Leasure, 2016](#)) that agencies increasingly fill top leadership positions with individuals who have MBAs instead of MSWs or MPAs, label executive directors as CEOs, describe clients as "customers" or "consumers" ([McLaughlin, 2008](#)), brand services as "products," develop a "market niche," regard social work as "an enterprise," and favor a performance environment within their organization ([Martin, 2005](#)). In this

Table 4: Indicators of Well-Being and Coping Practices by Percent Finding Them Frequent, Problematic, or Satisfactory in High, Medium, and Low Managerialism Settings (N = 2,326)

Indicator	Commitment to Managerialism Score ^a			N ^b	df	χ^2 ***
	High n (%)	Medium n (%)	Low n (%)			
Job too stressful						
Often/very often/sometimes	438 (53.4)	273 (33.3)	109 (13.3)			
Almost never/never	70 (11.6)	158 (26.2)	375 (62.2)	1,423	2	420.14
Burnout						
Problematic	733 (38.4)	707 (37.0)	469 (24.6)			
Not problematic	21 (6.1)	63 (18.2)	263 (75.8)	2,256	2	360.03
Ethical conflicts						
Problematic	578 (45.9)	429 (34.1)	252 (20.0)			
Not problematic	167 (18.0)	306 (33.1)	453 (48.9)	2,185	2	259.92
Job satisfaction						
Unsatisfied	338 (52.6)	198 (30.8)	106 (16.6)			
Satisfied	390 (24.5)	542 (34.0)	663 (41.6)	2,237	2	196.80
Changed reports to meet performance goals						
Often/sometimes	402 (44.0)	293 (32.1)	218 (23.9)			
Never	300 (23.9)	430 (34.3)	523 (41.7)	2,166	2	115.80
Inflated statistics						
Often/sometimes	312 (48.5)	200 (33.1)	131 (20.4)			
Never	390 (25.5)	526 (34.4)	611 (40.0)	2,170	2	126.43

^aLow: <49; medium: 50–64; high ≥65.^bN < 2,326 indicates that participants chose “doesn’t happen here” (answer category not shown).

***p < .001.

study, 5.7 percent of the respondents worked in agencies that referred to service users as “consumers” and 36 percent worked in agencies whose director had a business or legal background.

Performance Environment

In the performance environment, private and public funders that previously paid providers to deliver services based on need, now prefer to reimburse agencies on a value-based or pay-for-performance basis (Boris, de Leon, Roeger, & Nikolova, 2010). They tie payments to the successful achievement of preset, quantifiable outcomes (Krauskopf, 2008) and require more data collection, and evidence of measurable results (Azemati, 2018). Our survey respondents confirmed these observations: They reported more documentation requirements (77 percent), greater emphasis on measurement-based evaluation (66 percent), the use of performance-based measures (66 percent), and more evidence-based models (60 percent) at their agency.

DISCUSSION

Managerialism in New York City gained ground in the 1970s and 1980s, in the context of austerity policies that simultaneously increased client demand for services and reduced agency resources. Pressed by funders, the adoption of this business model encouraged greater attention to productivity, accountability, efficiency, and standardization in human services in hopes of achieving better outcomes while doing more with less. However, regardless of job title, educational attainment, or agency settings, the majority of respondents found the intensified focus on these classic managerial goals to be problematic. More than 80 percent reported the high focus on productivity to be problematic as it reduced time for working with clients. A worker in a multiservice agency noted, “We can’t help our participants if we are constantly stressing about productivity.” From 66 percent to 79 percent were concerned about accountability based on measurement, documentation, and standardization. When measurement is used in support of pro-

fessional values and goals, most human services workers believe that it can improve service quality, enhance employee motivation, support agency mission, and promote positive client outcomes (Chen & Krauskopf, 2009). However, the current process is troublesome to the extent that it excludes social workers from decisions about what to measure; supplants the less easily quantified aspects of client progress; and ignores accountability based on professional ethics, social justice, and community needs (Banks, 2004). A substance abuse counselor added the following: “True accountability to clients is placed on the back burner as the focus is more on the short-term outcomes and pleasing funders.” Although all agencies need to be cost-conscious, the intensified push for efficiency or getting the “biggest bang for the buck” troubled from 60 percent to 70 percent of the respondents, who found that having to do more with less impaired the quality of services they provided. A mental health agency case manager reflected on this dilemma: “Often cases are done incorrectly just to get the ‘numbers’ up, we are told there is no ‘quota,’ yet we are evaluated by numbers and not the quality of work.” Similarly, the interest in standardized services—a cornerstone of managerialism—bothered 50 percent to 60 percent of the respondents for its potential to undermine relationship building. A foster care worker wrote, “I remember when it was possible to sit with my clients and develop a relationship without having to type in the middle of an interview.”

The comparison of work in high- and low-managerial settings further exposed a serious tension between the logic of the market and the logic of social work. The impact of the current pressures for productivity, efficiency, accountability, and standardization on the quality of human services and the well-being of the human services workforce was consistently and considerably more problematic in high- than in low-managerial settings. A preventive services worker summed it up thus: “Social work values are given lip service, while programmatic, funding, and personnel decisions are based on corporate practices and the bottom line.”

Although our nonprobability design limits the generalizability of our findings, this survey of nearly 2,500 New York City human services workers reveals several troubling trends. In the final analysis high-managerial settings appear to pose a risk to social work’s mission and values, whereas low-managerial settings appear to protect the profes-

sion’s goals and mandates. It behooves the social work profession to recognize, assess, and act to resolve the tensions between the logic of social work and the logic of the market so that logic of social work prevails. To ignore the tension is to risk losing our way. The resilience and continued optimism of the human services workforce provides a solid foundation for moving forward.

IMPLICATIONS FOR THE SOCIAL WORK PROFESSION

Despite the widespread critical challenges created by managerialism, particularly in settings where the commitment to the business model is high, there are many things that social work practitioners and their allies can do as individuals, and together. First and foremost, social workers need to act on what we know. These data can and should be a wake-up call that can be used to inform agency practitioners, program directors and executives, social work deans, faculty and students, agency funders, policymakers, and elected officials about the impact of managerialism on direct practice, service provision, worker well-being, and the future of the profession.

We also need to build the evidence base around the impacts of managerialism as a policy direction that has profound effects on human services. Social work research is needed to document managerialism’s impacts on clients and services over time and to explore how policy might mitigate these impacts. For example, laws that protect safe staffing levels for nursing have been implemented in several states to protect working conditions and patient care from cost-cutting policies in health care (Shin, Park, & Bae, 2018). Could social workers explore similar directions? The workforce issues raised in this article, including burnout, stress, and low morale, indicate the need for more evidence of and attention to the toll that the social work profession takes on health and well-being—a serious issue for individual social workers and their families, as well as the sustainability of quality services.

Social work practitioners can address the elements of managerialism—such as increased standardization of social work services, less time to build trust with clients, and contract-defined outcomes that poorly reflect the pathways of social work clients—highlighted in this article by advocating within their agencies. Those with leadership roles can look to program managers, supervisors,

and frontline direct practitioners to provide feedback about how policies and funding demands affect services. Modest changes, such as more agency input into how performance is defined, might mitigate the impacts of managerialism.

Following the social reform tradition within social work, social work practitioners can challenge the business model. The assumption that the private sector delivers more quality and accountability at a better price underlies the shift toward managerialism in many human services sectors. However, there is ample evidence from social services, education, and health care that this assumption is often flawed or just plain wrong (Wilby, 2008). Social workers can use this evidence and their anecdotal experiences to challenge privatization in human services delivery.

Perhaps most important, social workers can help to mobilize the profession to renew commitment to the social work mission. Grounded in the logic of social work rather than the logic of the market, we can strengthen our capacity to be productive, accountable, efficient, and empirical in ways that promote quality care, social justice, and social change. **SW**

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