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THE INFLUENCE OF BUREAUCRATIC FACTORS ON WELFARE POLICY IMPLEMENTATION

GERARD S. GRYSKI and CHARLES L. USHER
Emory University and University of North Carolina-Charlotte

ABSTRACT

The authors argue that previous welfare policy research has suffered from its neglect of bureaucratic factors, as well as a tendency to exclude policy-making arenas above and below the state level. Using several measures of organizational structure, administrative professionalism, and within-state need, they attempt to relate these variables to within-state variations in welfare policy implementation. While certain socio-economic conditions were found to be significant determinants of this variation, of greater importance are characteristics of state welfare bureaucracies such as the degree of administrative centralization and the level of professionalism of administrative staff. Their research suggests the need for further refinement of conceptualizations of the policy process and its components, and indicates the potential significance of bureaucratic factors in explaining policy implementation.

While significant advances have occurred in welfare policy research (see Broach, 1975; Tompkins, 1975), several important problems stemming from the orientation of that research still persist. One is a "monocentric" orientation of much research which defines the parameters of the welfare policy process in such a way that decisions and activities above and below the state level are excluded (see Gregg, 1974; Rose, 1973). The actual mechanics of the system are far more complex, with significant input contributed by the U.S. Congress which can pass or amend pertinent legislation, HEW which translates legislation into administrative regulations, state legislatures which can determine levels of need and maximum payment levels, state welfare administrators who prepare manuals of regulations to insure consistent local implementation, and local agencies or boards which actually administer the program and award benefits. This all suggests a complex system wherein policy is developed, enacted and implemented by various actors playing various roles in different institutions at all levels of government. Obviously, policy constraints can be set throughout this process which influence grant amounts and the general level of service provided to the recipient. Only by an examination of the interdependence of all these systemic components can an accurate portrayal of the welfare policy process be attained (see Steiner, 1966).

A related problem is neglect of the importance of the implementation process to program performance. Welfare policy analyses typically end once variations in legislative decisions (laws) have been explained, and in so doing have ignored the fact that the manner in which statutes are interpreted and applied has a significant impact on the distribution of program benefits (see Stillman, 1977). While this
bureaucratic policy input is usually conceded to have some significance, rarely have attempts been made to subject it to rigorous empirical measurement.

We have no pretensions that the present study in any major way "solves" the problems just discussed. Rather, we attempt here a modest initiative by way of an empirical investigation of the impact of certain bureaucratic factors on welfare policy implementation.

HYPOTHESES

We take this bureaucratic policy role as a given and seek to identify sources of variation in the implementation of welfare policy by the states under the Aid to Families with Dependent Children (AFDC) program. The state is the appropriate unit of analysis in that state legislatures set eligibility requirements and payment levels under the constraints of Federal policy governing this program.

Agencies wield policy-making power through the administrative process in part by exercising the discretion provided by most statutes. Variations in policy implementation will thus produce different distributional patterns in the delivery of public services. Implementation, then, relates to "the uniformity of policy administration among the eligible population of a politically defined region." (Weed, 1977:113) As statewide eligibility criteria and payment levels for each state's AFDC program are employed by county or district agencies in the administration of the program, variation in policy implementation can be measured in terms of within-state or county-to-county variation in the level and distribution of benefits to potentially eligible persons.

Our two specific measures of administrative equity are: a) within-state variation in the level of average AFDC grants provided in counties of a given state, and; b) within-state variation in the distribution of AFDC benefits to poor persons in the counties of a given state. Similar measures have been employed elsewhere to measure differential policy implementation. (Sharkansky and Hofferbert, 1971:344-345)

One possible source of variation in the implementation of welfare policy is administrative structure. In some states the state welfare department assumes almost complete control over the delivery of welfare services and county or district agencies function as "branches" of the state department. HEW classifies such welfare systems as "state-administered" as opposed to the classification of other state systems as "state-supervised." (HEW, 1976:vi, ix) Local agencies in state-supervised systems are more autonomous and tend to be perceived more as a department of local government.

HEW bases the designation of state welfare systems on a variety of factors. Our analysis of its classifications indicates that the following characteristics are more important to HEW's designation of a system as "state-administered" or "state-supervised": whether state or local governments must bear some of the costs of the AFDC program and its administration, and; whether a state uses counties or multi-county districts as implementing jurisdictions. We shall examine the general HEW classification and each of its components as structural characteristics which may be related to variation in policy implementation.

Among organizational theorists, centralization of decision making is thought to be a factor which influences the distribution of decisional effects. (Stinch-
come, 1965) The rationale is that, in centralized decision-making units, power is concentrated in the hands of a few people who make their decisions in relative isolation from local influences. According to this logic, less within-state variation in policy implementation would exist in state-administered systems. Similarly, we might expect the state-supervised systems to exhibit greater variation.

In his study of welfare policy from 1960 to 1970, Randall (1976) found this, in fact, to be the case. He concluded that, "while the degree of centralization does not guarantee either a tolerant or restrictive welfare policy (these are determined by the character of local pressures), . . . decentralized states are more responsive to local pressures." (Randall, 1976:363) Consistent with his research, we propose the following hypothesis:

H₁: States with more centralized welfare systems will exhibit less within-state variation in the size of AFDC payments and in the distribution of AFDC benefits.

Another possible source of variation in welfare policy implementation is the level of administrative professionalism in state welfare systems. It is reasonable to assume that state welfare administrators will strive to promote uniformity in the interpretation of state guidelines by the counties. Strict adherence to these guidelines can thus serve as a means to policy control. One possible way to achieve this objective is to promote the idea of "professionalism" in the administrative process, with the expectation being that more professional agencies will subscribe more closely to the spirit and letter of the authoritative guidelines promulgated from above. Professionalism can be operationalized in terms of the educational qualifications of staff. The measure used here is the proportion of state and local personnel holding at least a bachelor's degree (data drawn from NEH, 1973a). The weakness of this particular indicator is that it does not differentiate among bureaucracies with, say, significant numbers of people with Masters of Social Work degrees or even non-degree paraprofessionals. Although in a way it is only a least common denominator, other possibly more sophisticated indicators could not be used due to the lack of complete and reliable data for the fifty states. It should also be noted in defense of this particular measure that it is the one NEH itself uses for the purposes of estimating professionalism. Another way states can promote uniformity in policy administration through professionalism is by providing additional training to agency staff. In this manner, state administrators can familiarize local bureaucrats with the intricacies and purposes of state guidelines, as well as instill in them attitudes supportive of the state perspective on welfare policy implementation. This aspect of professionalism is measured by each state's expenditure per AFDC case for staff training and development (data drawn from NEH, 1973b). Accordingly, we propose a second hypothesis:

H₂: More "professionalized" state welfare systems will exhibit less within-state variation in the size of AFDC payments and in the distribution of AFDC benefits.

Our final hypothesis concerns the socioeconomic environments within which state welfare policies are implemented. In one sense it is employed as a check on the other two. We would expect, for example, that allowances would be made for within-state variations in the cost of living in the determination of payment levels. (Joint Economic Committee, 1974:151) This "need-policy linkage" (Sharkansky, 1971) would produce variations in program benefits, and we have operationalized it in
terms of within-state variation in median rental costs. In addition, wealthier counties are likely to contain proportionately fewer potential welfare recipients, and would be capable of supporting those people with higher program benefits. (Sharkansky, 1971) Thus, we have included a variable which measures within-state variation in the proportion of poor families in a state’s counties. Consistent with this "environmental-policy linkage" we propose the following:

H2: Within-state variations in cost of living and wealth will produce variations in the size of AFDC payments and in the distribution of AFDC benefits.

State public policy outputs have been shown to be strongly related to general socioeconomic conditions in the states. (Dye, 1970:276-283) Therefore, we shall include in our analysis several commonly employed measures of socioeconomic development—urbanization, per capita income, and median educational level (data drawn from Bureau of the Census, 1972). Our analysis should inform us as to whether similar linkages exist between environmental conditions and policy implementation.

We are aware of the possibility that some of our independent variables might be inter-related. For example, the level of administrative professionalism in a state welfare system might be influenced by the degree of economic development in that state. The finding of such relationships among bureaucratic and environmental factors and variations in policy implementation would beg questions concerning the "true" effects of certain independent variables. Therefore, our analysis will begin with an examination of the bivariate relationships between the two dependent variables measuring policy implementation and the various independent variables measuring organizational structure, administrative professionalism, and socioeconomic conditions. If warranted, we shall proceed to multivariate analyses of the independent effects of our independent variables.

FINDINGS

Three sets of findings are presented in each of the following tables. The first set, labelled "All States," describes relationships between each independent variable and each dependent variable when the welfare systems of all fifty states were analyzed. The second set, labelled "County States," concerns the thirty-five states in which local agency jurisdictions are individual counties. The final set, "District States," pertains to the group of fifteen states in which the jurisdiction of local agencies can include more than one county. Given that we have measured variation in policy implementation in terms of county-to-county variation, this differentiation seems appropriate.

We find general support for our first hypothesis in the degree and direction of the relationships described by the simple correlation coefficients reported in Table 1.7. Less variation in policy implementation seems to occur in those states which employ centralized welfare systems. This relationship is stronger and more consistent regarding variation in payment levels than in the distribution of benefits. However, among those states in which local agency jurisdictions are districts as opposed to single counties, a strong relationship is observed between the summary measure used by HEW and the distribution of AFDC benefits. Also, it appears that the existence of local boards of welfare in district states is related to within-state variation in the distribution of AFDC benefits.
Table 1

Structural Centralization of State Welfare Systems and Within-State Variation in Policy Implementation

<table>
<thead>
<tr>
<th>Structural Characteristics&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Payment Levels</th>
<th>Distribution of Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All States</td>
<td>County States</td>
</tr>
<tr>
<td>NEW Classification:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State-supervised = 0; State-administered = 1</td>
<td>-.25&lt;sup&gt;b&lt;/sup&gt;</td>
<td>-.44&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have Local Welfare Boards With Policy Responsibilities = 0; No Local Boards = 1</td>
<td>-.05</td>
<td>.01</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Administrators</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appointed by Local Officials = 0; Appointed by State Officials = 1</td>
<td>-.30&lt;sup&gt;b&lt;/sup&gt;</td>
<td>-.53&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Government Pays Some Costs = 0; All Costs Paid by State Government = 1</td>
<td>-.25&lt;sup&gt;b&lt;/sup&gt;</td>
<td>-.44&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsibility for Decisions of Client Eligibility at Local Level = 0; at Regional or State Level = 1</td>
<td>-.12</td>
<td>-.19</td>
</tr>
</tbody>
</table>

<sup>a</sup>Characteristics are coded as dichotomous variables with the higher value indicating centralization.

<sup>b</sup>Pearson correlation coefficient significant at .05 level.
The strong relationships observed between variation in AFDC payment levels and measures dealing with the power to appoint local administrators and the responsibility for funding are consistent with those pertaining to the HEW classification. Our previous analysis, it will be recalled, indicated that the former two characteristics were key components of the summary measure developed by HEW. Thus HEW's designation of state welfare systems as "state-administered" or "state-supervised" seems to incorporate the structural characteristics which are most relevant to variation in welfare policy implementation. However, the nature of the jurisdictions of local agencies influences the relationships observed between such organizational characteristics and the dependent variables.

The second hypothesis states that higher levels of administrative professionalism will lead to greater uniformity in both the level of AFDC payments and the proportion of poor families receiving aid. The data in Table 2 regarding the proportion of welfare personnel holding at least a bachelor's degree are supportive of that statement, but only regarding county states. This suggests that, in the relatively autonomous local agencies in these thirty-five states, professionalism exerts a strong influence on the degree of variation in policy implementation.

<table>
<thead>
<tr>
<th>Table 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Professionalism and Within-State Variation in Policy Implementation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Administrative Professionalism</th>
<th>Payment levels</th>
<th>Distribution of Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All States</td>
<td>County States</td>
</tr>
<tr>
<td>Proportion of Personnel Holding At Least A Bachelor’s Degree</td>
<td>(-.30^a)</td>
<td>(-.46^a)</td>
</tr>
<tr>
<td>Expenditure Per AFDC Case for Staff Training and Development</td>
<td>(.52^a)</td>
<td>(.60^a)</td>
</tr>
</tbody>
</table>

*Pearson correlation coefficient significant at .05 level.
The simple correlation coefficients related to our second measure of administrative professionalism, expenditure per AFDC case for staff training and development, strongly contradict the second hypothesis. These data indicate that higher per-case expenditures for training are made in those systems in which there exists greater variation in policy implementation.

Several possible explanations could be offered for this anomaly. One could be that larger shares of these expenditures are devoted to training which is not directly related to eligibility determination in the local agencies. Perhaps the emphasis is on broader training and education such as that required to develop staff for administrative and specialist positions in a system. A second explanation might be that staff training and development is perceived to be a long-run, perhaps remedial, means of professionalization. States with higher levels of policy variation may spend more on training simply because such staff development has been observed to be necessary for reducing this policy variation. Thus, training might be employed as a strategy for improving organizational control. (see Ouchi, 1977)

A final piece of information should be considered in interpreting these findings. Reportedly a bias exists in federal regulations which tends to encourage non-payment or under-payment rather than over-payment in the delivery of public assistance. (Mendeloff, 1977) If such a bias were reflected in training received by welfare personnel, its impact might be greater in reducing variation in the distribution of benefits than in the level of payments provided to persons already deemed eligible. However, regardless of the accuracy of such speculation, the strong relationships observed here deserve further study.

Our third hypothesis concerns the responsiveness of state welfare systems to within-state variations in need, measured here by county-to-county variation in rental costs and extent of poverty. The findings reported in Table 3 indicate that states tend to respond to internal variation in socioeconomic conditions through variation in the level of AFDC payments provided to welfare recipients. However, this general conclusion must be qualified somewhat. For example, only district states seem to respond to variation in the basic cost of living represented by rental costs. Yet, among all states, variation in degrees of impoverishment among their counties seems to be associated with differential levels of AFDC payments.

Only among district states is within-state variation in socioeconomic conditions related to variation in the distribution of benefits. This, as well as the finding that rental costs seem to influence AFDC payments in these states, suggests that, in establishing systems based on districts, these states facilitated responsiveness to local needs.

Median educational level, per capita income, and urbanization are state-aggregate measures of each state's level of socioeconomic development. Consistent with the research mentioned earlier, some of these factors are related to one measure of policy variation—AFDC payment levels. The findings suggest that greater within-state variation in payment levels occurs in more developed states, regardless of the nature of the jurisdictions of local agencies. One explanation might be that those states which tend to provide more liberal welfare benefits, i.e., those which are more developed (Dye, 1978:270-274), also have the resources to respond to variations in local needs. However, this applies primarily to payment levels rather than the distribution of benefits to the poor.

Our analysis has revealed that certain measures in each of our sets of inde-
Table 3

Socioeconomic Conditions and Within-State Variation in Policy Implementation

<table>
<thead>
<tr>
<th>Socioeconomic Conditions</th>
<th>Within-State Variation in Policy Implementation</th>
<th>Distribution of Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Payment Levels</td>
<td></td>
</tr>
<tr>
<td></td>
<td>All States</td>
<td>County States</td>
</tr>
<tr>
<td>Within-State Variation in Median Rent</td>
<td>.18</td>
<td>-.01</td>
</tr>
<tr>
<td>Within-State Variation in Proportion of County Families Classified as Poor</td>
<td>.29\textsuperscript{a}</td>
<td>.26</td>
</tr>
<tr>
<td>Median Education Level</td>
<td>.47\textsuperscript{a}</td>
<td>.50\textsuperscript{a}</td>
</tr>
<tr>
<td>Per Capita Income</td>
<td>.27\textsuperscript{a}</td>
<td>.27</td>
</tr>
<tr>
<td>Urbanization</td>
<td>.13</td>
<td>.09</td>
</tr>
</tbody>
</table>

\textsuperscript{a} Pearson correlation coefficient significant at .05 level.

Dependent variables are related to within-state variation in policy implementation. We mentioned before that inter-relations could exist among these variables which would obscure the independent effects of any single predictor of policy variation. Therefore, we proceeded to multiple regression analysis in attempting to sort out these effects.

The first step in each case involving a particular dependent variable and a particular group of states was to limit attention to those independent variables which had exhibited significant bivariate relationships with a particular dependent variable. We then employed a step-wise procedure in which the analysis was terminated when no additional independent variable could have been added which would have had a significant F-value. Although less ambitious than path analysis, this approach is consistent with path-analytic techniques (see Tompkins, 1975) and achieves a similar degree of parsimony.

In three cases, no other independent variable exhibited a significant effect.
<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>All States</th>
<th>County States</th>
<th>District States</th>
<th>All States</th>
<th>County States</th>
<th>District States</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organizational Structure:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HEW Classification</td>
<td>-.22</td>
<td>-.31</td>
<td></td>
<td></td>
<td></td>
<td>-.57</td>
</tr>
<tr>
<td><strong>Administrative Professionalism:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training Expenditures</td>
<td>.40</td>
<td>.39</td>
<td></td>
<td></td>
<td>.48</td>
<td></td>
</tr>
<tr>
<td>Proportion of Personnel Holding at Least a Bachelor's Degree</td>
<td>-.25</td>
<td>-.36</td>
<td></td>
<td></td>
<td>-31°</td>
<td>-33°</td>
</tr>
<tr>
<td><strong>Socioeconomic Environment:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within-State Variation in Median Rental Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.50°</td>
<td></td>
</tr>
<tr>
<td>Median Education in State</td>
<td>.33</td>
<td>.25</td>
<td></td>
<td></td>
<td>.69</td>
<td>.47</td>
</tr>
<tr>
<td>R = .70</td>
<td>.81</td>
<td></td>
<td></td>
<td></td>
<td>.69</td>
<td>.47</td>
</tr>
<tr>
<td>R² = .49</td>
<td>.66</td>
<td></td>
<td></td>
<td></td>
<td>.47</td>
<td></td>
</tr>
<tr>
<td>F = 10.92</td>
<td>14.54</td>
<td></td>
<td></td>
<td></td>
<td>5.34</td>
<td></td>
</tr>
</tbody>
</table>

°Pearson correlation coefficient significant at .05 level; other coefficients are standardized regression coefficients unless otherwise indicated.
on a particular measure of policy variation when controlling for a single independent variable. In the case of payment levels in district states, variation in rental costs seems to be the chief source of variation in payment levels. The distribution of AFDC benefits across all states and among county states seems to be most influenced by administrative professionalism, measured by the proportion of personnel holding at least a bachelor's degree. However, it should be remembered that in each case, few if any other independent variables were strongly related to these dependent variables for these sets of states. Therefore, these data essentially summarize our earlier findings.

The other three cases involve sets of states in which the dependent variables were strongly associated with several independent variables. It is in these cases that the benefits of the multi-variate analyses are realized. In the first case, payment levels across all states seem to be influenced by the structure and level of administrative professionalism of state welfare systems as well as the states' levels of socioeconomic development (measured by median educational level).

The regression solution involving variation in AFDC payment levels in the county states is quite similar to that for all states. However, organizational factors do exhibit somewhat stronger effects and median educational level a somewhat diminished effect relative to the findings across all states. This difference might be a result of the linkage of agency jurisdiction to political boundaries in which well-defined sets of local influences (bureaucratic or otherwise) could more easily affect implementation.

The final solution deals with the distribution of AFDC benefits within district states. Here, organizational structure and training expenditures seem to influence this type of variation in policy implementation most strongly. Again, policy variation is unaffected by socioeconomic conditions.

SUMMARY AND CONCLUSIONS

Our description of the welfare policy process indicated that the range of actors involved in that process produced a complex policy-making system which could only be defined as "polycentric." (see Gregg, 1974) Although the Social Security Act provides a vehicle for the enunciation of Federal welfare policy, state governments retain sufficient discretion to alter substantially the impact of that policy. Also, the reliance on local actors and agencies for implementation of state policy tends to complicate the process even more.

In attempting to elucidate the process by which congressional policy is translated into the services received by people, we have focused on characteristics of welfare bureaucracies in the states as they relate to variations in policy implementation. The findings of this study generally supported our basic contention that bureaucratic factors are important determinants of such variation. Specifically, centralized organizational structure and administrative professionalism (measured by the proportion of total personnel holding at least a bachelor's degree) seem to reduce policy variation in certain state welfare systems. Although within-state variation in AFDC payments is influenced by a state's level of socioeconomic development (measured by median educational level), the effects of bureaucratic factors often appear to be greater.

The impact of bureaucratic characteristics on policy implementation was found to vary according to the particular measure of policy variation being examined as
well as the nature of the jurisdictions of local welfare agencies. For example, organizational centralization and administrative professionalism tended to reduce variation in the level of AFDC payments in county states, but not in district states. Yet, these same characteristics of state welfare bureaucracies seemed to minimize variation in the distribution of AFDC benefits in district states, but not in county states. The only factor which seemed to affect variation in AFDC payments in the district states was need (within-state variation in rental costs).

The differences observed between systems which have counties as the jurisdictions of local agencies and those employing multi-county districts tend to support the argument that characteristics of governmental jurisdictions affect the delivery of public services. (see Ostrum, 1972) The findings regarding the impact of other administrative and organizational factors also lend credence to the model of policy implementation developed by Van Meter and Van Horn (1975). While some significant findings have thus emerged, the analysis presented is obviously more exploratory than definitive. What is suggested is a rather complex interactive process among factors such as the type of administrative jurisdiction, characteristics of welfare administrators, degree of organizational control and the parameters established by objective socioeconomic conditions. For the state of research to advance in this area, considerable theoretical attention must be focused on sorting out the connections between and among these factors. This analysis also strongly indicates that further refinements to our ability to measure objectively factors such as administrative centralization and professionalism would facilitate subsequent theoretical discussions.

FOOTNOTES

1These data are drawn from the COUNTY AND CITY DATA BOOK (Bureau of the Census, 1972: Table 2) and are based on state reports to HHS which identify the average AFDC grants made in each county (or similar sub-state jurisdiction) in each state. The mean county payment for each state was computed as well as the standard deviation among those payments. The coefficient of variation indicating within-state variation in AFDC payments for each state was then computed as follows:

\[
\text{standard deviation of county payments in a state} \over \text{mean county payment in a state}
\]

The coefficients thereby computed for each state were employed as our measure of this type of policy variation. The mean of these coefficients was .108. The degree of variation implied by such a figure can be illustrated by examining one state which exhibited approximately this degree of variation. The coefficient of variation for Florida was found to be .103. Average county payments in that state ranged from $61.00 to $104.00 per month.

2The following indicator was used to describe the distribution of AFDC benefits to potentially eligible persons in each county of each state:

\[
\frac{\text{AFDC caseload in county}}{\text{number of poor families in county}} = \text{distribution of AFDC benefits}
\]
The number of AFDC cases in a county can be best compared to the number of poor families because a "case" corresponds to a family. To measure within-state variation, we computed the mean proportion of poor families served among the counties in a state and the standard deviation associated with that mean and computed the coefficient of variation as follows:

\[
\text{standard deviation of county AFDC distribution in a state} \quad \frac{\text{mean county AFDC distribution in a state}}{\text{mean county AFDC distribution in a state}}
\]

The following excerpt from HEW (1976; ix) details the factors used by HEW in designating welfare systems as "state-administered" or "state-supervised":

Location of the appointing authority for local personnel; local participation in the furnishing of funds for assistance payments and in meeting the costs of local administration, location of responsibility for making investigation and maintaining contact with individuals, by counties or multi-county districts; responsibility of the State agency or the local agency for the decision as to eligibility and amount of payments; and any additional powers vested by law in a local government which affect the total administration of the program.

Using standardized descriptions of each state welfare system (HEW, 1976), each characteristic employed by HEW is making its designations as well as the designations themselves were coded according to the scheme described in the Appendix. With the HEW designation as the dependent variable and the other five factors described in the Appendix as independent variables, we attempted to predict the HEW designations using discriminant analysis. A single function comprised of the above-named factors successfully classified 92 percent of the systems (canonical correlation = .824, chl square = 52.84 which was significant at the .001 level). The standardized coefficients for the three factors were -.62, -.37, and -.25 respectively. Inter-relationships among the independent variables are shown in the Appendix.

Data were drawn from the Bureau of the Census (1972) and coefficients of variation computed in the manner described previously using all counties in each state.

As indicated above, HEW receives reports from the states concerning services provided in each county. This occurs in spite of the administrative arrangements in some states by which one or more counties might comprise the jurisdictions of local agencies. Given that data are not readily available on a district-by-district basis, and that HEW does not deem such reports to be necessary, we decided to proceed with the analysis, but to emphasize the problem in units of analysis.

Since we are, in effect, dealing with a population rather than a random sample, the value of significance tests could be questioned. Thus, they are used primarily as rough indicators of the strength of these relationships.
REFERENCES


