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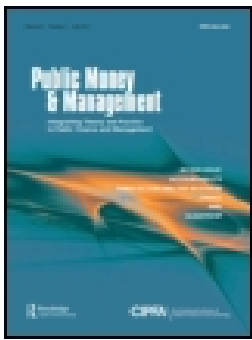
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How top civil servants decide on cutbacks: A qualitative study into the role of values

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ABSTRACT

Confronted with severe budgetary constraints, top civil servants have to implement cutbacks, either by applying proportional or targeted cuts as their cutback management strategy. Drawing on elite interviews, the author describes how the values of top civil servants manifest themselves in cutback decisions. The paper, based on 26 interviews with Dutch top civil servants, shows that the relationship between values and cutback management strategies is much less clear than conceptually understood in the cutback management literature and suggests that values of top civil servants are context-dependent.

IMPACT

Top civil servants play a central role in managing cutbacks, so it is important to understand what motivates their decisions. This paper focuses on their values, as these provide direction to behaviour. The paper shows that the relationship between values and cutback management strategies is less clear than previously understood. The use of proportional cuts is not only motivated by an emphasis on equal treatment or fairness but also by efficiency concerns. However, efficiency concerns can also lead to targeted cuts, because top civil servants focused on organizational resilience and robustness are more inclined to use this strategy. For top civil servants and political actors alike, it is important to realize and clarify what values motivate decision-making in tough times. This paper will help in decision-making about the values that should be prioritized during cutbacks.

KEYWORDS

Cutback management; elite interviews; top civil servants; values

As a result of austerity policies, many top civil servants are having to cut spending (Kickert & Randma-Liiv, 2015). Top civil servants occupy a pivotal position between political superiors and employees, and have an important decision-making role regarding cutbacks (Raudla, Douglas, Randma-Liiv, & Savi, 2015). Despite the important role that top civil servants play in cutback decision-making (Overmans & Noordegraaf, 2014), most academic studies on cutbacks have taken a macro-perspective, for example focusing on fiscal consolidation (Kickert, Randma-Liiv, & Savi, 2015; Randma-Liiv & Kickert, 2016). As a consequence, explanations linked to the attitudes and behaviours of individual top civil servants are lacking. This paper provides a managerial perspective on cutback management by exploring the related decision-making by top civil servants.

This paper investigates the values that dominate top civil servants' cutback decisions. Values provide 'direction to the behaviour of public servants' (Andersen, Jorgensen, Kjeldsen, Pedersen, & Vrangbaek, 2013, p. 293) and thus influence managerial behaviour (Van der Wal & Huberts, 2008). While values cannot be observed directly, they manifest themselves through decision-making (Van Der Wal, De Graaf, & Lasthuizen, 2008). Top civil

servants constantly have to balance different values in their work and are often confronted with value conflicts (De Graaf, Huberts, & Smulders, 2016). Especially in situations where decision-making is concerned with budget allocation, tensions between conflicting values (such as efficiency and equity) can arise (Okun, 1975; Fernandez-Gutiérrez & Van de Walle, 2018). This particularly holds when resources become scarce, as is the case during cutbacks. So how do values manifest themselves in cutback decision-making by top civil servants?

While the growing public sector cutback management literature has discussed the types and effects of cutbacks (Van der Voet & Vermeeren, 2016; Kiefer, Hartley, Conway, & Briner, 2015; Douglas, Raudla, Randma-Liiv, & Savi, 2016), little attention has been paid to how cutback management strategies are selected (Schmidt, Groeneveld, & Van de Walle, 2017). This paper also contributes to our understanding of how values manifest themselves in decision-making in the specific context of cutbacks. Research on values shows that people hold a wide variety of values, yet they only take a subset of these into account when making decisions (Witesman & Walters, 2015). This suggests that values are context-dependent and, indeed, there is increasing attention being paid to the context-dependence of

values (Andersen et al., 2013; Witesman & Walters, 2014). In the context of cutbacks, where resources are scarce, top civil servants will need to make decisions in which they have to balance different values. Studying how values manifest themselves in cutback decision-making may help identify those values that are most relevant in this particular decision-making context (Witesman & Walters, 2015).

The research was based on interviews with top civil servants in the Dutch government. After a general election in September 2012, the incoming conservative-liberal/social democratic coalition government announced cutbacks of 1.1 billion euros in the central administration: ministries (primarily focused on policy-making) and executive agencies (primarily focused on policy execution), to be achieved by 2017. In fact the Dutch government had been cutting back since 2002, so managing cutbacks has been a core task of Dutch top civil servants for some time. The civil servants interviewed had a high degree of autonomy regarding the management of their departments, implying they have a key responsibility for managing cutbacks within their organization.

Theory: How values determine managerial behaviour and decision-making

Bozeman (2007) defined values as ‘the principles on which governments and policies should be based’ (p. 13). Van Der Wal et al. (2008) applied Bozeman’s definition to the decision-making of government élites; they defined values as ‘important qualities and standards that have a certain weight in the choice of action’ (p. 468). Such a conceptualization implies that values have a strong potential to affect behaviour. The relationship between values and behaviour, specifically regarding decision-making, has been researched extensively in social psychology (for example Bardi & Schwartz, 2003; Schwartz, 1992), and more recently has entered public administration research (Van der Wal, Nabatchi, & de Graaf, 2015).

Table 1. Administrative value families (adapted from Hood, 1991).

	Sigma-type values	Theta-type values	Lambda-type values
Focus	Matching resources to the tasks for given goals	Ensuring fairness and the proper discharge of duties	Ensuring the organization’s resilience and endurance
Goals	Improved efficiency, cost reductions	Adequate and fair governmental processes	Maintain government resilience, survive crises
Avoiding	Waste (inefficiency, slack)	Malpractice (unfairness, bias)	Breakdown (organizational catastrophe)
Values	Efficiency, frugality	Rectitude, legitimacy, honesty, accountability	Reliability, robustness, adaptability, security

Public administration research into values and decision-making initially concentrated on *what* values are important to public managers and to other administrative and political actors. This led to various attempts to build classifications, networks, or constellations of values, to develop a universal public value hierarchy (Bozeman, 2007; Jorgensen & Bozeman, 2007; Rutgers, 2008). Witesman and Walters (2015) observed a fundamental problem in establishing such as hierarchy: that values are sensitive to context. The context-dependence of value hierarchies boils down to a simple principle—in a specific decision-context, value *a* can be preferred to value *b* but, in another scenario, value *b* will take precedence over value *a*. Values, in this sense, can be seen as rationalizations or justifications of context-specific actions. Government élites regularly need to make choices between conflicting values and such tensions are greater in times of cutbacks when it comes to the allocation and redistribution of budgets (Fernandez-Gutiérrez & Van de Walle, 2018).

The administrative values framework

The administrative values family developed by Hood (1991) was used to analyse what values underlie managerial decisions related to cutbacks, differentiating between sigma-, theta-, and lambda-type values. The typology reflects clusters of core public administration values that underlie the value dilemmas that public organizations face. Hood’s (1991) classification is helpful because it not only differentiates between different values but also describes what is regarded as success and failure within an organization, as determined by the emphasis on a particular type of values. In so doing, Hood (1991) shows how emphasizing different administrative values may impact day-to-day work and the design of public organizations. While all the values in the framework are relevant and important in public sector organizations, they can compete for attention and, in some cases, be seen as incompatible. Most research in this regard has addressed the efficiency versus equity debate (Fernandez-Gutiérrez & Van de Walle, 2018; Okun, 1975), despite such value conflicts potentially existing not only *between* different administrative value families but also *within* one administrative value family. Efficiency and effectiveness, for example, can both be grouped under sigma-type values, but are not necessarily perfectly aligned. A very effective organization in terms of policy-making can still be inefficient when it comes to the costs of such programmes. It is up to top civil servants to balance conflicting values. Top civil servants justify their decision for a specific cutback management strategy by appealing to specific types of values. Table 1, adapted from Hood (1991), shows the focus within the

different value clusters, definitions of failure and success, and examples of values that can be grouped under each type of value.

The different value families in [Table 1](#) include traditional bureaucratic values, such as honesty, fairness, and equality, as well as such values as productivity and efficiency that are emphasized in the New Public Management (NPM) rhetoric. Hood's (1991) framework is not without critique. Rutgers (2008), for example, argued that it is difficult to assess the validity of Hood's framework and especially the framework's distinctive categories. While Hood (1991) argues that the framework corresponds roughly to the works of Strange (1988) and Harmon and Mayer (1986), these studies do not provide additional arguments for the validity of the distinction (Rutgers, 2008). Critiques have also noted the overlap of some values, despite Hood (1991) already stating that the clusters of values within his framework could be seen as a Venn diagram with intersecting circles, rather than as separate clusters. Furthermore, it has been argued that some values are connected. For example, Chan and Gao (2013) argue that efficiency and fairness are related, as dishonesty may lead to inefficiency. While some managerial actions may be targeted at achieving different values, Hood (1991) notes that it is difficult (if not impossible) to satisfy all three sets of values simultaneously. Despite the critique, it is hard to miss Hood's contribution to public administration as both the framework and the values within the framework have been widely cited used in many different empirical (for example: Toonen, 1998; Chan & Gao, 2013) and conceptual studies (for example: Van der Wal et al., 2015; Jorgensen & Bozeman, 2007).

Hood's (1991) framework can be seen reflecting organizational-level values that top civil servants need to balance. Psychological research initially, and later public administration studies, suggest that individuals have complex and rich personal value systems that play a role in their decision-making (Bardi & Schwartz, 2003; Schwartz, 1992). These value systems stem from three different sources: personal, organizational, and societal values (Raadschelders & Whetsell, 2018). It appears that multiple values become particularly salient when faced with making decisions (Witesman & Walters, 2015), suggesting that people identify what values are most relevant in any particular decision context. Values in this sense serve as justifications for action, leading to an expectation of a hierarchy of values that guides managerial actions when determining cutbacks (Witesman & Walters, 2014).

Administrative values and cutback management strategies

Cutbacks are usually linked to sigma-type values such as efficiency. Many governments in recent years have

had to do 'more with less' (Pollitt, 2010). While efficiency gains can be a useful way of making savings, other values could (and probably should) be taken into account when managing cutbacks. The values that top civil servants feel they must consider will be the most explicitly reflected in their choice of cutback management strategies.

The most fundamental distinction within cutback management strategies is between 'proportional cuts' and 'targeted cuts' (Raudla et al., 2015). Proportional cuts affect all departments in equal amounts or percentages, while targeted cuts involve different cuts for different departments. The first tactic has been called 'cheese-slicing' or 'decrementalism' (Levine, 1978), while the latter is sometimes labelled 'strategic prioritization' but also the less flattering 'random cuts' (Levine, 1978). Conceptually, it has been argued that different values manifest themselves in coming to these different cutback management strategies. The cheese-slicing approach includes elements of equality since it avoids specifying victims, hence the term 'equal misery approach' (Hood & Wright, 1981). Letting everyone contribute to organizational wellbeing might minimize conflict (Levine, Rubin, & Wolohojian, 1981) and appeal to 'common sense ideals of justice' (Levine, 1978, p. 320). Cheese-slicing also has the advantage that no expensive analysis is needed to define where cuts should be made, reducing decision-making costs and speeding the process (Dunsire & Hood, 1989). However, cheese-slicing might not reflect public needs and preferences. As such, the legitimacy (a theta value) of the decision made regarding cutbacks can be questioned. A further risk of proportional cuts is that they may penalize efficient parts of the organization (Raudla et al., 2015). If top civil servants want to justify their cutback management strategy by appealing to values such as efficiency, proportional cuts might not seem appropriate.

The downsides of cheese-slicing mirror the advantages of targeted cuts. Using targeted cuts may help to spare the efficient parts of the organization (Raudla et al., 2015). Values such as cost-effectiveness or productivity may justify targeted cuts. In this sense, targeted cuts link to the sigma-type values to which efficiency belongs. Furthermore, targeted cuts may reflect the general public's preferences (Levine, 1985) and exclude popular organizational units from having to implement cutbacks. This way, targeted cuts link to values such as accountability and legitimacy, which fit the theta-type values. In contrast to values such as impartiality and equality, a leaning towards theta-type values may lead top civil servants to prefer targeted cuts over proportional cutbacks.

Within the lambda-type group of values, resilience is seen as the measure of success and can be achieved by

focusing on the robustness and reliability of public services. As such, top civil servants who attach importance to lambda-type values may view proportionally cutting some of their programmes or services as inconsistent with being resilient. Cutting specific programmes or departments could interfere with government procedures, therefore targeted cuts might be disliked by top civil servants who are focused on reliability and robustness (Levine, 1985). It could be that top civil servants who hold these lambda values will opt to only cut back on those programmes or departments (using targeted cuts) that can be cut without excessively influencing the primary processes, rather than implementing across-the-board cutbacks. Further, proportional cuts might be a risky strategy if top civil servants want to avoid a decline in performance or service from their organization since it is difficult to know when cheese-slicing will have an unforeseen impact on performance (Raudla et al., 2015). Given that the standard of failure within the lambda-type values family is a breakdown or collapse of the organization, targeted cuts might be used by top civil servants to prevent unforeseen problems since this approach usually involves an initial analysis. Therefore, holding lambda-type values, such as robustness, may lead to a preference for targeted cuts.

Overall, trying to relate values to cutback management strategies does not result in a clear picture: different values can be linked to the same cutback management strategy. Nevertheless, this theoretical framework shows possible links between the different concepts applied in this study. The literature on cutback management strategies remains rather conceptual, making this empirical study among the first to uncover how values are manifested in the choice of cutback management strategies.

Methodology

A qualitative research design was used to study the values in play in cutback decisions. Twenty-six top civil servants working within 11 Dutch ministries were interviewed. Top civil servants working for executive agencies were excluded to minimize the possible confounding effects of organizational context.

'Top civil servants' were defined as individuals who held the position of secretary-general, director-

general or director—the three highest administrative positions within the Dutch central government. Respondents were selected on theoretical grounds: they had to be a top civil servant within a Dutch ministry and had been confronted with severe budget cuts in recent years. Information about potential respondents was gathered using the the Dutch senior civil service's online database. See Table 2 for a description of the interviewees.

Interviewing élites, such as top civil servants, has several challenges. One challenge is to prevent the interviewee from dominating, controlling or spinning the interview. As Van Der Wal (2013) elegantly put it:

It would be naïve to act overly trusting towards individuals that are very well equipped to 'spin' facts and events, 'play' interviewers, and dominate and take over conversations entirely. In fact, they would never have become government élites had they not developed such skills (p. 6).

Researchers need to be aware of these risks and, with thorough preparation, to try to avoid these potential pitfalls. In this study, not sending the interview questions before the interview, properly investigating the background of the respondents and their organizations, and preparing an interview guide helped to ensure that the necessary areas of interest were covered during the interviews. Furthermore, taping the interviews allowed the researcher to concentrate on the interview without having to write every interesting quotation down. A more practical problem of interviewing élites can be their accessibility and availability (Berry, 2002). Accessibility was not a problem in this study, as almost half of the top civil servants invited to participate in this study, were interviewed. The fact that top civil servants were being interviewed about past cutback management processes and were first asked about *how* they dealt with cutbacks (thus asking for a largely chronological and factual overview), before going into questions about the values that were important during these processes, should reduce the likelihood of socially desirable answers (Harvey, 2011) and might have contributed to respondents' willingness to participate.

This study used indepth interviews for the data collection. The interviews started with questions about the respondent's position, followed by questions about the budget cuts that they had had to make in recent years. Respondents were asked to describe how they implemented cutbacks, why they had chosen a particular cutback management strategy, and what values were important to them. The interviews were recorded and transcribed and athen analysed in multiple rounds of coding using NVivo. An open coding process was used in which

Table 2. Overview of the respondents.

	<i>Respondents</i>
(Deputy) Secretary-general	5
(Deputy) Director-general	7
(Deputy) Director	14

Note: The ministries and gender of the respondents are not reported to safeguard their anonymity.

fragments of the interviews were inductively given codes. This process builds on a careful reading of the interview data and categorization of the data into a broad range of codes. That is, in this part of the analytical process, values were not coded as any of the administrative value families but instead coded as the value itself. For example, when respondents discussed the importance of cost-efficiency, the fragment was coded as 'efficiency', rather than directly being coded as a sigma-type value. An axial coding procedure was applied in the second round of coding. In this step, all the fragments that were coded under a single heading were reviewed. Overlaps between codes were resolved by merging fragments on similar themes. This reduces the number of codes and helps to identify the dominant themes. Also, within this round, the values identified in the first round of coding were also placed into one of the administrative value families. The third round of coding involved a matrix coding procedure. With coded fragments relating to both cutback management strategies and values, it was possible to how values were being reflected in final decisions.

Table 3 shows an example of the coding procedure. The first column represents values as identified in the first, open coding, round. The second column shows the value-family to which these values were assigned in the second, axial coding, round. The third part of the Table 3 shows the matrix that was used to distinguish different interview fragments that included both a coded value (for example sigma, theta, or lambda) and a coded strategy (for example proportional or targeted cuts).

The coding matrix was not used to determine the strength of the link between the concepts (values and cutback management strategies) of this study but was a way of systematically organizing and analysing data to identify relevant patterns. The coding matrix was thus used to find relevant interview fragments and to analyse *how* values manifested themselves in the decisions top civil servants made for the different cutback management strategies.

Table 3. Non-exhaustive coding scheme (matrix coding based on a NVivo code).

Open coding	Axial coding	Matrix coding		
		Values	Proportional cuts	Targeted cuts
Efficiency; soberness	Sigma-type Values	Sigma-type values	<i>Interview fragments</i>	<i>Interview fragments</i>
Righteousness; legitimacy	Theta-type Values	Theta-type values	<i>Interview fragments</i>	<i>Interview fragments</i>
Robustness; reliability	Lambda-type values	Sigma-type values	<i>Interview fragments</i>	<i>Interview fragments</i>

Results

For many interviewees, managing cutbacks was not a new task. On the contrary, a director argued that:

It [implementing cutbacks] has become an automatic process ... [A] new coalition means new cutbacks.

The inevitability of having to implement cutbacks was further underlined by another director who argued:

If cutbacks have to be made, then the government cannot avoid looking at its own apparatus.

Such statements are in line with large-N studies involving government élites in The Netherlands and elsewhere, where it has often argued that cutbacks have been unavoidable (Kickert & Randma-Liiv, 2015). While the Dutch Ministry of Finance became more powerful during the last economic crisis (as was the case in many countries) (Kickert & Randma-Liiv, 2015), the top civil servants that were interviewed for this study argued that they still had considerable autonomy in deciding how and what to cut back on operational expenditure, so long as the required sum of cutbacks was being realized.

When asked in more general terms about what values are important in times of cutbacks, many top civil servants responded with statements about being responsible for taxpayers' money:

I think that one has to be thrifty within the public sector. You have to be because every euro you spend in the back office cannot be invested in a directly useful purpose for society (director).

The government spends a lot of money. That is money from all of us. This is not money that belongs to the government as some think—that it is our money (secretary-general).

Even in good times, when there are no cutbacks, you have to ask yourself: can I do the same job with fewer employees? (director).

These quotations represent two dominant patterns in the data. The first pattern is that top civil servants were thrifty with spending money on the administrative apparatus in times of cutbacks, as spending on government itself is not seen as directly affecting citizens' lives. The second pattern is that one should always be thrifty when spending taxpayers' money, regardless of whether there is a financial crisis and regardless of what the money is spent on.

When digging deeper into specific experiences with the types of cutback management strategies that were used, different values became apparent. Various interviewees described why they decided to use proportional cuts in implementing cutbacks. One value that was often apparent in interviewees opting for this strategy was efficiency—one of the sigma

values. Efficiency manifested itself in two ways. First, as a goal in using proportional cuts:

You could use cheese-slicing as a strategy to put a little pressure on the organization, which could help to make some efficiency gains (director).

The underlying mechanism is that proportional cuts force departments to do the same work with fewer resources, so they will become more efficient. Second, respondents argued that using proportional cuts was less time-consuming, thereby making the process of implementation and decision-making much more efficient:

If you use targeted cuts, you have to make a plan for a reorganization ... You have to struggle through all kinds of red tape, discuss with the personnel council, the labor unions ... it is not easy (director-general).

While efficiency was clearly apparent in many of the decisions made for proportional cutbacks, some respondents argued that efficiency could be at odds with effectiveness. Some respondents questioned to the extent to which proportional cuts helped when large cutbacks were needed:

If you cut everything, apart from the little efficiency gains, it will not be effective (director).

The argument here is that while proportional cutbacks could indeed lead to some efficiency gains, they do not amount to making 'real choices'. From the interviews, it seems that the extent of required cutbacks plays an important role:

You cannot cut back 40% by using cheese-slicing. Then your organizations will stop functioning on all fronts. The level of cutbacks forces you to make strategic choices (director-general).

This shows how different values manifest themselves in the work of top civil servants. On the one hand, it is important to consider efficiency but, on the other hand, excessively cutting back on all aspects might harm the organization. Some respondents articulated that the primary processes can be harmed if proportional cuts are applied across the organization:

The process should continue in a good way. So, you must look at what you can and cannot [cut] because, otherwise, the primary processes of the organization are hurt (director).

Some managers argued that, since the primary processes should continue to be fulfilled, cheese-slicing ran the risk of damaging the most important tasks within their organizations. Therefore, they were more inclined to make targeted cuts. This can be seen as an expression of lambda-type values, such as resilience or robustness. In this way, they legitimized

targeted cuts because top civil servants with lambda-type values want, above all, to avoid is an organizational catastrophe. Although managers arguing for the importance of lambda-type values did not deny that cutbacks were necessary, they would emphasize the risks attached to applying proportional cuts. In other words, they justify targeted points by addressing the importance of organizational resilience. Further, efficiency was also apparent as a value in opting for targeted cuts:

We are starting the same process of looking where we can be a little bit more efficient and can work with fewer people. Where is work pressure already very high? Moreover, where can't we make things any more efficient? Where will we cut less? We try to look where we can cut back and how to do this in a good way (director-general).

From this quotation, we can see that some top civil servants specifically look for which parts of the organization can still work more efficiently. Here, efficiency is used to determine where to cut within the organization, hence using targeted cuts. It is important to note that the same value is, therefore, being used to justify different cutback management strategies. At the same time, some respondents explained that it is hard to differentiate between organizational units, and that proportional cutbacks can then be an option since it delivers 'equal misery'. They see sharing the pain of cutbacks among all departments as having elements of impartiality and equity:

You are just sharing the pain among everyone. We cut everything a little bit, and we are done. That is the easy way (director-general).

It has to do with the fact that it is extremely hard to say: we can cut more in department A than we can cut at department B (director-general).

Many top civil servants argued that it was virtually impossible to set good criteria or indicators for what to cut back and in which department, and therefore they favoured proportional cutbacks. As such, theta values, such as impartiality and equity, may be involved in opting for proportional cutbacks alongside sigma-type values. We thus see that values from different administrative value families can be at play in reaching the same cutback management strategy.

Finally, many respondents argued that targeted cuts and proportional cuts could be complementary. Comments on the use of a mix of both types of cut seemed to draw on considerations from different value sets. Some respondents argued that only using proportional cuts would not achieve real budget cuts, especially when slack had already been cut earlier in the cutback management process.

Discussion

The first aim of this study was to contribute to academic thinking on values by showing how values manifest themselves in decision-making in the specific context of cutbacks. Many different values were found to be manifested when top civil servants make cutback decisions. First, and not unexpected, sigma-type values played an important role. This study underlines that cost-effectiveness, or efficiency, is an important criterion in cutback decisions (Bozeman & Pandey, 2011). Other sigma-type values commonly found in the interviews relate to frugality. The interviews showed that the NPM doctrine of being thrifty with public money was internalized in the daily routines of top civil servants and was an important motivator in their managerial actions. The civil servants who preferred proportional cutbacks could simply have been caught up in the 'doing more with less' rhetoric. The emphasis on the fact that top civil servants are dealing with taxpayers' money is also reflected in the types of expenditure, such as flying business class, that some had abolished during the crisis. While Schwartz and Sulitzeanu-Kenan (2004) argued that NPM mainly promotes sigma-type values, such as efficiency and frugality, the contribution of this study lies in the observation that theta- and lambda-type values are also manifested in cutback decisions. Top civil servants are aware of the importance of values such as robustness and resilience (lambda-type values) and use these values to opt for targeted cuts. The underlying logic here was that proportional cuts might harm organizational performance and service delivery and that it is unclear with cheese-slicing when the tipping point will be reached and cuts start to affect performance (Levine, 1985; Raudla, Savi, & Randma-Liiv, 2015). Overall, top civil servants were found to balance different values when choosing a cutback management strategy.

Related to this, the study demonstrated that the relationship between cutback management strategies and values is not as clear-cut as earlier (conceptual) studies have suggested. For instance, several authors (for example Levine, 1985; Raudla et al., 2015) have linked efficiency to the adoption of targeted cuts, arguing that this strategy would help safeguard already efficient organizational units. However, this study found that efficiency-related values were also present when opting for proportional cuts. The premise here is that cutting back all parts of the organization would force the organizational units to find ways to be more efficient. This result is a contribution to the cutback management literature and shows that further studies are needed on *why* particular cutback management strategies are being adopted.

While relating values to cutback management strategies is a novel approach to explaining the adoption of certain cutback management strategies,

public administration research has touched on other aspects that might explain the choice of either proportional or targeted cuts. Most notable is the Administrative Response Model developed by Levine et al. (1981;1982). The principle behind this model is that, when fiscal stress first appears, proportional cuts are more likely since these are easier to implement and reduce the likelihood of conflict within the organization. However, as fiscal stress continues, top civil servants are forced to adopt targeted cuts to achieve necessary budget reductions. As such, the respondents who argued that they first used proportional cuts to cut slack, and then used targeted cuts if further cutbacks are demanded, are acting in line with how scholars mapped a sequence of responses to the crisis (Levine et al., 1981; Dougherty & Klase, 2009). Building on this idea, it could be the case that the values considered to be most important also differ depending on the scale of the cutbacks top civil servants are confronted with. This means that different values may be more salient in different cutback situations, and this may lead to the application of different cutback management strategies. Scholars of value hierarchies may want to take this into account when studying the values that are manifested in cutback decision-making.

Conclusions and further research

The relationship between values and specific cutback management strategies is not as clear-cut as sometimes suggested by academics. The most important finding in this regard was that the same value can be used to justify different cutback management strategies. The most interesting example from this study was the role of efficiency, which was used to argue for both proportional and targeted cuts.

A second important finding from the study was that it is not only sigma-type values, such as efficiency, that are called on in justifying cutback management strategies—values such as equity (a theta-type value) and resilience (a lambda-type value) were also used in decisions to adopt specific strategies. Top civil servants often explained their choice for proportional cutbacks by arguing that it is hard to differentiate between departments, thus showing that values such as fairness have a role in their choice for proportional cutback management strategies. Furthermore, attaching value to robustness tends to lead to a preference for targeted cuts, as this can help prevent the breakdown of some organizational processes.

This paper contributes to the literature by demonstrating the need to refine our understanding of how top civil servants decide on cutback management strategies. Previously, decision-making over cutback management strategies has only been conceptually addressed, and this study constituted a

first attempt to empirically assess how cutback management strategies are determined on the managerial level by focusing on the underlying value structures. In doing so, this paper contributes to our understanding of cutback management within public organizations. Furthermore, the results show how different values manifest themselves in the specific context of cutback management, and how top civil servants act on these values. Having taken an exploratory stance, this research can pave the way for new research on cutback management. To encourage this, some limitations of the study as well as recommendations for further research are outlined.

First, using large-*N* designs may help to assess whether we can generalize the results of this study towards other groups of top civil servants (in The Netherlands or abroad). Extending this research to organizations with executive tasks, such as agencies, can be fruitful since it has been argued that in such organizations different values may be found important (Lyons, Duxbury, & Higgins, 2006). This is especially important in the context of cutbacks, where the boundary between operational and policy expenditures is less clear in executive agencies. Further, both the values and the positions of top civil servants may differ with cultural and political-administrative context (Van der Wal, 2014). Therefore, extending the research to other countries could increase the external validity of the current findings and lead to a better understanding of the possible context-dependency of these results. Based on previous research on cutback management strategies, we can also offer some organizational characteristics that might be expected to influence cutback management strategies and thus should be taken into account. These include the type of task (Glassberg, 1978), politicization (McTighe, 1979) decentralization (Levine, Rubin, & Wolohojian, 1982), and the strategic capabilities (especially with regard to financial forecasting) of the organization (Levine et al., 1981; Douglas et al., 2016). The current study can be seen as providing initial insights into the role of values in decision-making during cutbacks that can be used in follow-up research. For practitioners, this study may foster debate on what values should be prioritized during cutbacks.

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