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Paradoxes of Public Sector Customer Service

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The use of customer service ideas in government continues to be wide-spread, although the concept and its implications for public sector service production and delivery remain poorly developed. This paper presents a series of paradoxes related to customer service and its use in government. The central and most troubling paradox is that customer service techniques and tools applied to government may lead to increased political inequality even as some aspects of service are improved. The argument is structured by examination of the following: the predominant structural features of service management in the private sector, the assumption that customer satisfaction is a central objective of service firms, the understanding of customer service that informs current federal reform efforts, and the operational and political challenges of customer service as a public management objective.

INTRODUCTION

Customer service in government has become part of the working vocabulary of researchers and practitioners. At the Federal level, the promise that government should form "a new *customer service contract with the American people*, a new guarantee of effective, efficient, and responsive government" continues to animate reform efforts (Gore, i; emphasis added). Globally, the New Public Management sustains and continues customer service themes that first became popular during government implementation of Total Quality Management nearly two decades ago.

It is indisputable that public servants find the customer service metaphor to be valuable for public management even though they lack a detailed understanding of its meaning and implications. The normative force of the notion that customers should be served resonates strongly with their desire to help the public (Barzelay; Barzelay and Lakoff). However, as Kettl (34) notes, ". . . the concept is poorly developed, and overenthusiastic rhetoric has often substituted for clear thinking. If there is something to customer service, that something needs far more careful development." The widespread use of customer service as a management tool and its resonance with the desire of public managers and officials to serve the public continue to call for examination of the concept.

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One might argue that metaphoric devices should not raise concern. Customer service derives some of its conceptual power from ambiguity of definition. Like other political symbols and rhetoric, it can mean almost anything, may simultaneously mean many different things to many different people, and represents an idea that attracts little or no opposition from the mass public or political elites (Edelman). One might dismiss the term as one more example of management jargon, a contemporary signal used by political elites to signal sophistication. However, some researchers argue that metaphors shape attitudes, cognition, and behavior (Lakoff and Johnson; Giddens 1984; March and Olsen). According to this perspective, terminology constitutes a forceful framing device for thought and action; rhetoric, metaphor and language powerfully affect cognition and action.

This paper follows the second perspective. The growing replacement of the term "citizen" with "customer" and the idea that government agencies should be "customer-focused"—that is, that public managers should view their clients as customers and serve them using management concepts drawn from effective private sector service firms—demand close scrutiny. In this paper I explore several paradoxes of customer service extended to the public sector. The central paradox of public sector use of customer service is troubling and may be intractable. Enhanced customer service is likely to exacerbate political inequalities even as it improves some aspects of service production and delivery. I argue that service models may produce improvements in the operational performance of agencies, but those improvements do not replace political outcomes that render some customers much less powerful than others; indeed, they obscure such outcomes. Without political change, these "market segments"—the poor and the politically weak—will continue to be poorly served.

The discussion that follows does not concern itself with whether clerks should be courteous. Nor do I argue against the importance of efficiency, effectiveness, and responsiveness in government. No reasonable person would mount such an argument. The challenge is to increase efficiency and responsiveness in ways that strengthen democracy, rather than weakening it. This challenge is particularly important in the context of declining civic engagement.

The following section traces private sector service management, its key structural features, and the place of customer service within strategic management. I then analyze the ways in which customer service, as it is described in the National Performance Review, may paradoxically threaten political equality even as it provides a semblance of service delivery responsiveness. The analysis takes up both paradoxes that lie at the operational level and those that are principally political.

PRIVATE SECTOR SERVICE MANAGEMENT

Predominance and Structural Features of Service Organizations

The customer focus is inextricably linked to service management as developed in the United States during the past two decades. The coincidence of decreasing citizen trust in government and growing consensus that government should become more "business-like" merely catalyzed the diffusion of service management thought as an element of the New Public Management. It would be difficult to imagine a diffusion of service enterprise management ideas to public bureaucracies that did not include customer satisfaction as a key element.

Dramatic growth in the service sector has spawned intense interest in the management of service enterprises during the past quarter century. Although scholars described economies in terms of preindustrial (or agricultural), industrial, and postindustrial (or service-based) sectors at least as early as 1940 (Clark), scholarly interest in the social transformation of a society from industrial to service dates roughly from Daniel Bell's study, *The Coming of Post-Industrial Society* (1973). Bell (127–129) characterized service economies as a "game between persons" rather than as a "game against fabricated nature." By the early 1980s, all advanced industrial nations, even those considered to be industrial societies such as Japan, classified more than 65% of nonfarm employment as employment in service-producing jobs. Moreover, most advanced industrial nations classified more than 75% of nonfarm employment as part of the service sector (United Nations, 78–82). Most service industries are labor-intensive (although information technology has modified the landscape), deal directly with the customer, and produce an intangible product (Fuchs; Berry). Notwithstanding their significant differences from private sector organizations, government organizations have always been included on lists of service "businesses," in addition to health, professional services, finance, personal services (such as food and lodging), and communications (Heskett; Albrecht).

While government actors tended to debate the broad policy implications of the transition to a service-based economy, private sector actors exhibited intense interest in the strategic, operational, and financial details of service management. Private sector management demand for such information was met through a rich stream of research, prescription, and description focused in great detail on the management of service businesses (Schneider; Czepiel, Solomon, and Suprenant; Schneider and Bowen; Heskett; Albrecht). Given the extent to which service management ideas swept through the private sector, it is not surprising that they diffused to the service enterprise activities of government.

Why so much attention to customers in service management? It is important to know whether increased focus on customers is merely rhetorical or whether it is attributable to the properties of service operations.

The intellectual and practical connection between service management and vastly increased attention to customers becomes clear in the light of central properties of service production and delivery. Three structural characteristics of service enterprises focus attention on service recipients (Bowen and Schneider).

First, the intangibility of many services in contrast to the tangibility of products renders necessarily subjective perceptions of quality formed by customers vitally important. For example, researchers have demonstrated that customers find it difficult to distinguish clearly between the quality of an intangible service and the process by which the service was rendered. Thus, the importance of the service transaction, encounter, or "moment of truth" forces attention to the subjective perceptions of customers. For this reason, courtesy and friendliness become important not as ends in themselves, but because customers partially conflate delight at courteous and friendly treatment with the actual quality of a service.

The second property is related to the first. Service production, delivery, and consumption often occur simultaneously. Buffers, stockpiles, quality control, and other control processes are structurally absent from the service production process. In their place, service delivery employees function as producers, quality control personnel, delivery agents, and marketing representatives as part of their boundary-spanning role. Their behavior toward customers has far more influence than that of factory workers, analysts, or back office personnel. No quality control loop intercedes between production and delivery.

Third, customers enter into the production and delivery of services as coproducers. They provide essential inputs in real time through the verbal and written information they contribute as well as through their demeanor and visual cues. A customer's ability and willingness to supply needed information clearly, accurately, and at the appropriate time during the service transaction become significant input variables. Similarly, the ability and propensity of service representatives to elicit, understand, and respond appropriately to customer inputs places increased weight on service employee perceptions and behavior. Thus, structural features of service operations force attention to the boundary of the organization where service production, delivery, and consumption occur. For many government organizations, policy is formulated in detail, implemented, and delivered during service transactions (Lipsky).

It follows from the structural features of service production that service recipients, or customers, are the arbiters of quality and that customer satisfaction—the logical objective of customer service—is highly subjective (Heskett). In fact, customer satisfaction is typically defined as the arithmetic difference between the quality of service received and the quality of service expected by the customer. Thus, the expectations of service recipients at a given point in time form a base from which to design service operations and performance measures. However, expectations and

assessments are subjective, based on previous experience, and subject to some manipulation.

Delighting the Customer?

Intense attention to customers and their satisfaction on the part of some service enterprises should not obscure the fact that firms exist to satisfy shareholders, not customers. When present, customer satisfaction efforts are always part of a broader strategy to increase profits or market share or to differentiate service from competitors. Customer service in a competitive environment never constitutes an end; it is a means to strategic goals.

Firms place as much importance on shaping customer expectations and preferences as they do on eliciting satisfaction. For example, management of the signaling process used by firms is known to be partially distinct from the actual quality of the service. Service managers are exhorted to hone the image of their organization: "An exclusive financial advisory service cannot be delivered by poorly dressed advisors from rundown offices far from the financial district, no matter how good the advice actually dispensed" (Heskett, 18).

Management writing on customer service includes significant attention to orchestration of the service transaction and the importance of marketing. It is difficult to imagine service firms without advertising and marketing to shape preferences—or, as some would argue, to create them. Indeed, drawing on one all-too-familiar example, one is reminded exactly how subjective customer satisfaction can be:

> Perceived service quality can be enhanced both through efforts to improve results produced for customers and through efforts to condition their expectations about the nature of the service encounter and the results it might produce. Both are important. . . . The medical profession, for example, has done a masterful job of enhancing the value of service perceptions by conditioning prospective patients to expect to be treated like small children, told little, accept much of what happens to them on faith, and not be disappointed with failures to correct medical problems. (Heskett, Sasser, and Hart, 7)

Notwithstanding the importance of marketing, the private sector provides stunning examples of customer influence on service quality. In one example of the participation of customers in product development, customers helped design the Saturn automobile. Customers may order custommade Levi's blue jeans, an instance of mass customization, providing each individual customer with a completely customized product at nearly mass production prices. Nordstroms and L. L. Bean, among other service businesses, offer unconditional guarantees on their products.

However, the private sector yields at least an equal number of examples of customer impotence. Isuzu jeeps may turn over when making sharp turns. Bank fees for use of automated teller machines have become astronomical, prompting lawsuits by consumers. Customers routinely pay more for service contracts and extended warranties than actual risks

warrant. Customers in many fast food restaurants now bus their own tables, pour their own soft drinks, and gather their own condiments. Retail helpers are almost consistently unable to aid customers because they lack training, knowledge, and motivation. Empirical observation quickly separates service rhetoric from behavior.

The sovereignty of customers depends greatly on the probability that they can and will use exit. Thus, firms supply services to retain satisfaction at just above the level required to prevent exit. The ability of customers to choose in a competitive market gives them great power in the marketplace. When American customers finally began to choose Japanese and European cars in large numbers, they prompted increased quality in American cars—but the effect was lagged. As an executive from Archer Daniels Midland Company is quoted as saying, "Our competitors are our friends and our customers are our enemies" (Goodman, E2). Firms are acutely aware of the choices their customers have in the marketplace and lock in or create barriers to exit when possible.

Constraints on service excellence have been obscured in the management literature. Much research on customer service presents a benign view of manipulation, marketing, barriers to exit, and other central concepts of strategic management. If the useful frameworks of service enterprise management are to be transferred to the public sector, government actors require far greater knowledge of service management than is supplied by superficial treatments of the subject. The New Public Management draws together simplified fragments of service management from the private sector.

HOW CUSTOMER SERVICE THREATENS EQUALITY

Customer Service in the National Performance Review

The rhetoric of customer service is at the center of the most recent large-scale reform effort of the federal government, the National Performance Review (NPR). The first report of the National Performance Review announced that "it is time for a new *customer service contract* with the American people, a new guarantee of effective, efficient, and responsive government" (Gore, i; emphasis added). The four chapters of the report outline the reform program in some detail and focus respectively on deregulation, customer orientation, empowerment of government employees, and modernization of government operations.

The report charges agencies to undertake a four-step approach to become customer focused. First, agencies are to survey their customers to systematically gather their attitudes toward government services, their primary problems with respect to service delivery, and their suggestions for improvement. The next three steps exist to move public bureaucracies closer to the market, suggesting that the chief mechanism of the National Performance Review for improving service is competition. The second

step demands the restructuring of government monopolies in order to force them to compete for business. Where government monopolies cannot be dismantled, the report demands as the third step of the program the creation of business enterprises, to be designed to take advantage of market incentives. Finally, the report proposes to create markets to fulfill some federal functions, such as job training and workplace safety. In sum, customer service is to be achieved in part through identification and measurement of customer preferences, but primarily through a shift in agency structure from monopoly to market competition.

In the weeks after publication of the Gore report, agencies were mandated to identify their customers. They were required to survey customers on a regular basis in order to develop standards and measures of performance. They were further directed to benchmark their performance against "the best in the business," private sector firms with exemplary service records. Finally, they were directed to develop a customer service plan, "including an initial set of customer service standards," in one year (Clinton, 48257).

The chapter of the Gore report devoted to customer service asserts that public agencies must be placed in competitive environments in order to make public employees responsive to customers (Gore). Thus, central to the current federal reform is the assumption that government monopolies will not provide adequate service. The negative correlation assumed between monopoly and service quality ignores fundamental distinctions between the objectives, service recipients, and values of the private and public sectors. Moreover, this assumption ignores substantial empirical evidence of the clear desire of public servants to serve (Fountain, Kaboolian, and Kelman).

The diffusion of customer service ideas from the market to the state raises challenges for government at two levels. At the first level, customer service implies a distinctive set of operational and strategic management activities. For example, as outlined above, the Gore report set a number of operational challenges for agencies. More broadly, the New Public Management and a stream of related writing address the management challenges that stem from transposing private sector strategies to the public sector (Boston; Barzelay; Osborne and Gaebler; Alford; Boston, Martin, Pallot, and Walsh). The second-level challenge for government, the political level, is much more important and vastly more difficult: how to improve service in ways that promote efficiency, effectiveness and responsiveness to the public while, at a minimum, doing no harm to present levels and norms of deliberation, trusteeship and political equality? Let us take up the first challenge and then proceed to the second.

Operational Challenges of Public Sector Customer Service

Two key management challenges make translation of private sector customer service frameworks into governmental terms difficult. First, the identity of "the customer" in the public sector is highly problematic. This

problem is well known, although it is not clearly resolved or resolvable. Second, upper bounds of effective customer service are not definable in any meaningful way in the absence of prices. The second problem has received little scholarly attention, but it is important, in part because it supplies force to arguments for privatization of service delivery.

Who Is the Customer?

The Gore report and directives stemming from the National Performance Review clearly indicate that customers should be defined as direct recipients of public services. However, just as private sector firms actually serve shareholders, agencies ultimately serve the public, and must constrain service to direct clients so that the public is best served.

The National Performance Review and the New Public Management ignore three characteristics of American government that frustrate efforts to reconcile multiple and competing interests of entities to whom agencies are accountable for service excellence (Radin and Coffee). First, shared powers at the federal level mean that agencies serve "customers" with conflicting interests in the executive and legislative branch, and may need to consider the judicial branch as well. Second, the intergovernmental system fragments the service production and delivery chain in several policy domains, making the level of alignment and coherence demanded of sound strategic management impossible. Third, it is not even possible to regard the "taxpayer" or the "voter" as the customer, because these groups hardly represent a coherent set of expectations. The central concern of politics is quasi resolution of conflict among interest groups. Thus, policies and government services are largely the result of political compromise. This process differs inherently from market segmentation. Any segmentation that occurs in the service delivery process must be viewed as a political, rather than simply a managerial, decision. The competition of various client or interest groups for government services focuses on the politics of public sector service rather than its management. Moreover, many agencies must mediate the conflict between highly attentive but narrowly defined interest groups and a much broader but inattentive public. Gains in satisfaction by narrow (if perhaps highly vocal) interests should not obscure losses to diffuse, inattentive, and less vocal interests (McConnell; Wilson; Swiss; Radin and Coffee). Finally, the notion of customer service extended to regulatory and enforcement settings strains the concept, often beyond reasonable use.

Service firms in the private sector target market segments as an initial step in the creation of a strategic service vision (Heskett). Firms analyze market segments by identifying common demographic and psychographic characteristics of potential clients. They then identify their service needs and the extent to which competitors meet those needs, in order to decide whether and how to compete. Service delivery agencies routinely serve a variety of target populations, but differentiation of service levels

according to customer segments places agencies on a slippery slope, leading easily to political inequality. A wealth of empirical research demonstrates the propensity of elected officials, appointees, and agency actors to serve those clients who are easiest to serve. Policy scholars familiar with the terms "skimming," "creaming," and "goal displacement" can readily see the relationship between these problems and the likely results of customer service frameworks.

What Criteria Delimit Appropriate Service Levels?

The second management level problem stems from the inherent difficulties of measuring intangible services. Service measures developed on the basis of large, undifferentiated data collection efforts are unlikely to offer meaningful guidance and are likely to be biased in favor of those most likely to respond to surveys. The NPR merely requires agencies to develop "a customer service plan," and continues government's fascination with measures and indicators at the expense of structural, design, and process improvements to administrative systems.

Service excellence strategies that work for clear, lucrative market segments fail to translate to the situation faced by many government organizations. Many agency and program goals are likely to remain "ambiguous, vague, or conflicting" for political, rather than managerial, reasons (Lipsky, 27–28). In many public agencies that deliver direct services to the public, service orientation is quickly blunted by overwhelming numbers of highly variable clients, inadequate resources, and the uncertainties of method that characterize implementation of many public policies (Lipsky). In fact, legislators may never have intended to promise service excellence when passing legislation to mandate certain services (Radin and Coffee). The theory of street-level bureaucracy traces the relationship between the intractable conditions of work in these settings and problems of service quality. In brief, this theory argues that "common features of the [street-level] work lead to common behavioral outcomes" (Lipsky, xvi). Mass processing of customers and the discretion necessary to carry out service encounters often lead public servants to employ heuristic devices such as favoritism, stereotyping, and routinizing. When barriers of race, ethnicity, nationality, and class separate public servants from their clients, greater discretion offered to empower public servants to provide higher quality service actually may lead to poorer service quality. More importantly, it may lead to de facto restriction of rights and services provided by law.

Lipsky tests this general relationship by exploring the propensity of street-level bureaucrats to ration and restrict services, to control clients and the work situation, and to develop psychological dispositions that reduce the dissonance between worker expectations and actual service outcomes. The need for "discretion in processing large amounts of work with inadequate resources means that [street-level bureaucrats] must develop

shortcuts and simplifications to cope with the press of responsibilities. The coping mechanisms street-level bureaucrats develop . . . often are unsanctioned by managers of their agencies" (Lipsky, 18). The paradox, as Lipsky (19) put it, is that ". . . [l]ower-level participants develop coping mechanisms contrary to an agency's policy but actually basic to its survival." Exhortations to provide superior service levels in many public organizations must be viewed in light of the inevitable dynamic that demand for public services tends to increase to exceed supply. The disjunction between the optimism of the customer service vision and Lipsky's street-level bureaucracy is startling and as yet unresolved in public management theory and research.

Political Challenges of Customer Service

Weakening Political Equality

Service quality in the private sector correlates highly with the socioeconomic status of customers. Many firms target particularly lucrative customers —either those who have a record of spending over a certain dollar amount with the firm or those whose demographic profile shows high potential for spending—with offers of special service. For example, American Express accepts only customers with strong credit histories. The firm then creates a hierarchy of service levels based on the type of credit card a customer holds as well as the pattern of transactions (e.g., late versus on-time payments, disputed bills, dollar amounts charged per unit time). Other financial services firms have followed a similar pattern. Few would dispute the right of firms to offer higher quality service levels to customers who are potentially profitable.

Firms also respond to their vocal customers. Complaint handling, or service recovery, is central to customer service operations. Complaints comprise an important form of data and show firms where service quality falls below the standards of customers. Effective service firms harvest complaints and suggestions by linking complaint handling units with operations and development units. Service recovery entails the management of complaints in such a way that a customer is not lost to the firm. Firms know that it is much more profitable to retain present customers than to find and service new customers. Customers who complain are likely to extract higher service levels from firms than those customers who suffer in silence. Similarly, service guarantees are useful only to those customers who use them. The customer must take the initiative to complain. In many ways, thus, those customers who exercise voice are able to obtain higher service levels.

Variable pricing, a concept meant to customize service levels to various market segments, has the potential to create or widen inequalities. Variable pricing allows customers of private or public services to pay, or to pay a premium, for faster service. One can receive a passport in 24 hours for a fee. Builders can obtain inspection services and licenses faster

if they are willing to pay more. These practices improve service levels for those who can afford them and are willing to pay a premium.

The two foregoing "inequalities" may constitute completely acceptable business practice. However, they are not acceptable government practice. Public service efforts may be biased toward citizens of higher socioeconomic status because those citizens are more likely to know and demand their rights, to exercise voice, and to use voice in ways that are persuasive and effective. Anger expressed at a frontline service provider may allow a client to vent feelings, but it is not necessarily an effective use of voice. Citizens who are not intimidated to ask to speak to supervisors or managers are likely to resolve difficulties more effectively. Citizens who can argue their case effectively verbally or in writing have more power than those who cannot.

It is commonplace in customer-oriented businesses to respond to complaints by elevating service levels to the complainant when feasible. Typically, however, the customer must express dissatisfaction to trigger a service improvement. Retail businesses routinely exchange worn items, such as old shirts with frayed collars, if asked to do so by a customer. Those customers who do not make special requests receive a standard level of service. Is it equitable to promote such practices in political institutions? In other words, should the squeaky wheel get the grease? Does responsiveness to complaints (or complainers) constitute better service to the public? Public servants are not motivated by customer retention strategies. They have an obligation to provide services equitably.

When public servants are encouraged to "listen to the customer," what arrangements will ensure that they listen to those customers less able to exercise voice, who cannot or do not express their preferences well or clearly, and who may receive poorer quality service if greater discretion is given to frontline personnel? To what extent should public bureaucrats probe the implications of disparities of power among their various customers? Do they relate variance in customer behavior to disparities of power? To what extent do service providers attempt to reduce disparities when they work backward to design operations to be more responsive to clients? Are there ways in which a customer service focus ignores—or worse, exacerbates—inequalities among customers? And if a political institution ignores disparities of power among its clients, is it not legitimizing those disparities in its failure to address them? Questions regarding disparities of power are routinely addressed by political philosophers and theorists, but attention to these questions is virtually ignored in much contemporary public management.

The Politics of Preferences

Public servants encounter constituencies whose preferences are ambiguous, dynamic, and shaped significantly by and through their relationship with the public bureaucracy itself. Given the complexity of most

government services, it should not be surprising that the problematic nature of unclear, unstable, and endogenous preferences will pose a difficult problem for public managers. Assumptions regarding citizen preferences in the National Performance Review, like those of the New Public Management, tend to be those of rational choice theory. Specifically, they assume that preferences are clear, stable, and exogenous to the behavior of political institutions. They ignore many sources of bounded rationality as well as the interdependence among institutional norms, values, practices, and the espoused preferences of citizens. In short, customer service ideas applied to complex policy areas oversimplify the task environment of public servants and the role of culture in institutional behavior (Giddens 1984; March and Olsen; DiIulio).

For example, how do clients of the Immigration and Naturalization Service, perhaps newly arrived in the United States, articulate their preferences without knowledge of a complex and dynamic body of U.S. immigration law and rules? Moreover, how do clients find guidance without knowing cultural norms regarding how one interacts with government (particularly enforcement) officials? How do citizens express clear preferences to environmental protection agencies regarding complex environmental policy matters? How do welfare recipients articulate stable preferences concerning the best course for their future without understanding the job market, training and education requirements for a variety of jobs, and tradeoffs among childcare needs, current employment opportunities, and occupational development for the future? In all these cases, I have assumed a stable legislative, economic, political, and social environment. A dynamic environment renders the assumptions of clarity, stability, and independence of preferences even more difficult to imagine in practice.

Intrapersonal tradeoffs among preferences also lead to difficulties in understanding what citizens need or want. Public bureaucrats and their clients must distinguish among several approaches to understanding tradeoffs among intrapersonal preferences, interests, and attitudes. Consider the following quote from Sen (8) on differences in criteria for evaluating tradeoffs:

1. the person gets more satisfaction in state x than in state y (statement about satisfaction or pleasure);

2. the person thinks that he or she is better off with x than y (statement about introspective welfare);

3. the person is better off with x than with y (statement about individual welfare which may or may not be introspective);

4. the person prefers that x rather than y occurs (statement about the mental condition of preference, or desire, regarding states);

5. the person would like to so choose that x rather than y occurs (statement about desired choice);

6. the person believes that it would be right to so choose that *x* rather than *y* occurs (statement about normative judgement [sic] regarding choice);

7. the person believes that it would be better if *x* were to occur rather than *y* (statement about normative judgement regarding states of affairs);

8. the person so chooses that *x* rather than *y* occurs (statement about actual choice).

Sen continues: "The thoroughly methodical person who chooses with impeccable consistency but does not distinguish between different issues (such as those outlined above), has been characterized as the 'rational fool.' . . . In one form or another, the rational fool is invoked a great deal in economic theory" (9). These distinctions among criteria for choice illustrate the gap that lies between choice (or revealed preference) and the achievement of welfare in the practical service situations encountered by public servants. Thus, the simple directive to "find out what customers want" is highly problematic unless one assumes that customers and public servants are rational fools.

Identification and clarification of individual preferences and tradeoffs, difficult in itself, also points to deeper difficulties. Individual preferences must be aggregated if customer expectations are to inform government service design and operations meaningfully. The development of systems to aggregate preferences equitably comprises a rich vein of inquiry in political science and economics (Arrow; Sen; Ordeshook). No comparable richness of inquiry or theory can be found in either New Public Management or private sector research on customer service; in fact, these areas avoid these complex issues completely.

Political bureaucrats have an obligation to do more than satisfy customers. They must identify and aggregate preferences in ways that sustain political legitimacy and minimize political inequality. Practical inquiry invites analysis of the effects on choice of fuzzy variables such as representation, trusteeship, political obligation, sympathy, empathy, and commitment (Pitkin; Sen; Pateman). The customer service framework requires substantial development to encompass the complex set of cognitive processes carried out continuously by responsible bureaucrats. Aggregation of survey data from direct recipients of services provides only a distorted sketch of the highly variegated landscape that encapsulates the joint preferences of citizens.

Probe the intricacies of preferences further. The customer service metaphor applied to public bureaucracies ignores the time dimension of preferences—that is, the ways in which individual and social preferences change over time and develop as citizens interact with and within governmental and social communities. Customer service optimizes across some dimensions of service quality to current customers according to their current interests. The roles of public servants and citizens obligate

them to make choices on behalf of, or representing, future actors as well. These obligations to future citizens are particularly important in environmental and social policy settings.

Political institutions shape preferences, but must do so without resort to forms of manipulation that would constitute guardianship (Dahl 1989; March and Olsen). It has always been the role of political institutions to help citizens develop their preferences. Additionally, the path-dependent nature of many bureaucratic decisions requires that future interests be represented. Consumer models attend to immediate gratification of consumer tastes. Although a consumer logic in public bureaucracy may appear to be more responsive to citizens, it may produce pernicious externalities in the long run. Any adequate or useful notion of public service must retain obligations to development of the polity and to the future citizens who will bear some of the consequences of current decisions (Pitkin; Pateman; Dahl 1989). This obligation is known as trusteeship, a form of representation.

The Role of Trusteeship

Reform efforts that focus on the identification and aggregation of individual customer preferences ignore, and by their omission weaken, the fundamental democratic responsibilities of trusteeship required of public servants and citizens. Customer satisfaction rhetoric assumes that customers know their preferences. With respect to complex policy issues, experts actually may know the course that should be taken better than some parts of the population. Representation—in the limited sense of merely reflecting the views of the represented—leaves no room for "leadership, initiative, or creative action" (Pitkin, 90).

Public managers act for others. As part of their interaction with public institutions, citizens also must act for others. Extraindividual considerations are exogenous to New Public Management notions of customer service. "People do behave differently, reach decisions differently, when they are acting on behalf of others. And we have certain expectations of someone who acts for us that we would not have if he were entirely on his own" (Pitkin, 118). The trusteeship argument gains force to the extent that public servants are viewed as professionals possessing considerable expertise. Physicians, lawyers, and other professionals do not have "customers," and their interactions with clients are not readily comparable to those in more elementary, commercial service settings. Professionals often represent, or act on behalf of, their clients because of their superior experience and expertise.

Social scientists have described in detail the centrality to human interaction and intelligence of heuristics in the form of roles, scripts, schemas, and programs (Schank and Abelson; Simon). Their general point is that much human behavior, whether in the economic, political, or social realm, is largely the result of habit and role expectations rather than

calculation or interest maximization. Note the differences between the role of private sector customers and citizens in service-related inter-actions with the state. Customers of private sector service firms bear no responsibility to those organizations except to transact legally. The cus-tomer relationship is based only on transactions. By contrast, citizens interact with government during all of their adult life in ways that contribute to their identity as citizens. Customers possess no particular loyalty to their commercial service providers in any socially meaningful sense of the term. They are motivated by risk avoidance and price. Citi-zens in most countries are intensely loyal to their government. Customers engage in commercial service transactions in terms of their own interests. Citizens consider obligations to other present and future citizens, often expressing this obligation in terms of "the public interest" or "the com-munity." It would be absurd to ask customers to think in terms of other actors either present or future. Customers are not concerned with the future of their service providers except to the extent that continuity and stability of service is concerned. Customers have no obligation, legal or moral, to understand, to build, or to participate in the institutions that provide goods and services. Until relatively recently, citizens have safeguarded the future and their public institutions as part of civic engagement.

Even if the New Public Management does lead to greater efficiency in some areas of public management, it may lead to fundamental weaken-ing of the role of public servants. Public servants "under contract" to the state become nothing more than employees. The values and norms that constitute significant aspects of the public servant role are missing from highly focused, managerial tools.

The different implications that follow from aggregative versus integra-tive processes, the importance of the quality of interactions between the citizen and the state, and the importance of roles with regard to public servants and the public help to illuminate the distinction between agen-cies as service providers and "political institutions as instruments of democracy" (March and Olsen, 117). As Dahl (1989) reminds us, we care about democracy not simply out of an unthinking loyalty to the form, but because democracy seems best suited to advance other, more proxi-mate concerns. First, the democratic process ensures the protection and advancement of shared interests and goods among the polity (Dahl 1977, 11–12). Second, it promotes freedom in the form of individual and collec-tive self-determination: those who support democracy typically support a range of other freedoms as well. Third, democracy encourages "human development, not least in the capacity for exercising self-determination, moral autonomy, and responsibility for one's choices" (Dahl 1989, 311).

This inquiry into customer service is intended to strengthen popular sovereignty, in part by weakening the false promises of "consumer sover-eignty." Popular sovereignty means that "the will of the people should ultimately prevail" (Pitkin, 56–57). As Dahl (1989, 338) notes, "If the

democratic process is not firmly anchored in the judgments of the demos, then the system will continue to drift toward quasi guardianship [control by political elites]. If the anchor holds, the drift will stop." Even if the practical problems of identification and aggregation of citizen interests could be solved, political equality cannot be achieved through the aggregation of those interests. A key aspect of this attention must focus on the design of political institutions, for—as I have noted—those institutions shape preferences even as they are shaped by preferences and action (Giddens 1976, 1984; March and Olsen; DiMaggio and Powell).

Aggregative processes are well known in political theory and the study of politics. Various forms of aggregation include bargaining, voting, logrolling, and other forms of exchange and numeration. Systems of majority rule and brokering among interest-based coalitions indicate aggregation in the political realm. Integration involves a different set of institutional mechanisms. Deliberation is the primary process through which reasoning individuals develop a shared understanding of social values within which to delineate their general welfare. March and Olsen (118–119) summarize chief differences between aggregative and integrative processes:

> Leadership in an integrative process involves a trusteeship for social traditions and future needs and an educational role. Theories of aggregative processes emphasize the instantaneous response to current interests of the people. Integrative processes assume a slower adaptation of the system and protections against momentary passions and rationalities [sic]. Aggregative theories emphasize the supremacy of majority rule. Integrative theories put majority rule within a framework of rights and institutional norms. *Theories of aggregation see public policies and the allocation of resources as the primary outcome of a political process. Theories of integration see the development of a polity with shared purpose and trust as the primary outcome.* (emphasis added).

Taking the argument further, one may argue that the expression of political obligation is not possible within aggregative settings. It becomes possible only in the context of participatory democracy (Pateman, 1).

Civil servants and the political institutions they enliven play an important role in the development of the polity. Not only do they respond to expressed interests; at their best, they foster dialogue among the polity, educate citizens, and broaden deliberation to include the voices and needs of excluded, poorly represented, and future participants. Public servants lacking deep socialization to their administrative duty are incapable of fulfilling their trusteeship obligations. Private sector employees—agents hired to deliver privatized government services—have no socialization into or incentives to fulfill any obligations of trusteeship.

CONCLUSIONS

I have argued that customer service strategies in the private sector are more highly developed than their contemporary public sector variants. Moreover, in borrowing private sector service management ideas, public

sector actors must confront a host of operational and political implications that are not easily dissociated from the management strategy and tactics. Firms begin with market segmentation in order to identify profitable customers. They partially shape preferences and expectations as an integral part of customer relations, just as they have grown increasingly sophisticated in their ability to harvest information regarding the preferences of customers. Customer service management is one component of a broader strategic focus. I have noted that, although many firms work hard to satisfy customers, others do not. Advertising, marketing, and barriers to exit play an integral role in private sector customer service strategies.

The National Performance Review, the foundation of federal government reform and modernization during the Clinton administration, embraces the rhetoric of customer service but fails to confront a series of difficult operational and political constraints. At the operational level, the identity of the customer for public sector agencies is difficult to specify for a variety of reasons. Moreover, the absence of prices renders decisions regarding appropriate levels of service difficult.

The political challenges form the heart of the paradox that increasing customer service in government may actually lead to poorer government service in the broader sense of the term. The clarity and stability of citizen preferences quickly breaks down under the lens of bounded rationality or of dissection of preference types (such as Sen's, detailed above). Paradoxically, emphasis on the citizen as a consumer of services and focus by agencies on the identification and aggregation of individual preferences may weaken perceptions and understanding of the fundamental obligations of citizens and public servants. The customer satisfaction metaphor ignores and weakens the critical roles of representation and trusteeship intrinsic to both public officials and the public.

The blurring of public and private sectors and their once distinct philosophies and obligations is often noted as an exciting and useful development in contemporary public management. Privatization, market-based competition, and customer orientation reflect some of the concepts that have led to more efficient and, many would argue, more effective government. However, the use of market-based perspectives may be dangerous when these perspectives substantially recast the role of the state and the relationship between the state and its citizens. At the limit, the state becomes a provider of services in exchange for a proportion of taxes. Citizens become customers. Service models may produce improvements at the margins of agencies, but they do not replace—indeed, they obscure—political outcomes that render some customers much less powerful than others. Without political change, these "market segments"—the poor and the politically weak—will continue to be poorly served. Emphasis on service excellence renders inequality exogenous. Thus, the growing incursion of market metaphors into political life may further the already disturbing erosion of civic responsibility and civic engagement.

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