

"Good" Discretion Among Private Sector Street Level Bureaucrats

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Abstract : In April and May 2020, the private banking industry approved over 1.7 million emergency small business loans, totaling over \$650 billion in federal relief funds as part of the Paycheck Protection Program (PPP). Since the program's rollout, the extensive evidence of discriminatory lending and misuse of funds has been revealed by investigative journalism and academic studies. This study is based on 41 interviews with frontline banking industry professionals conducted during the days and weeks of the PPP rollout, presenting a real-time narrative of the program rollout through the eyes of those in the role of a street-level bureaucrat. We present two themes from this data about the conditions under which these frontline workers experienced the PPP: Exigent Timelines and Defaulting to Existing Workplace Norms and Practices. We analyze these themes using literature on street-level organizations, bureaucratic discretion, and the differences between public and private sector logic. The results of this study present new directions for theorizing sector-level differences in street-level bureaucratic discretion in the context of mixed-sector collaboration on public service delivery, particularly under conditions of crisis and urgency.

Keywords : street level bureaucracy, social policy, bureaucratic discretion, public private partnerships

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