

# Civil Service Reform and Organizational Practices: Evidence from the 1883 Pendleton Act\*

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**PRELIMINARY AND INCOMPLETE: DO NOT CIRCULATE**

## Abstract

How do civil service reforms affect the personnel outcomes and performance of government organizations? We study the consequences of the 1883 Pendleton Act on the functioning of the US customhouses. The act required customhouses with 50 or more employees to recruit workers through competitive exams, but exempted the smaller ones. We collect personnel records and information on receipts and expenses to compare the functioning of exempted and non-exempted customhouses, before and after the reform. Employees in reformed customhouses stayed longer in their jobs and had stronger professional backgrounds. However, these improvements did not translate into greater cost-effectiveness at collecting revenue. We explore the interplay between the reformed mid-tier bureaucrats and the non-reformed tiers of the bureaucracy as a potential explanation of why revenue per dollar spent did not increase with the reform.

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