Papers presented at the
World Conference of Local Governments

WASHINGTON, D.C.
JUNE 15–20, 1961
PERSONNEL MANAGEMENT IN LOCAL GOVERNMENT ADMINISTRATION

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PREFACE

Recent trends and developments in Personnel Management was the topic of discussion for one of the four seminars held during the World Conference of Local Governments which took place in Washington, D.C., June 15-20, 1961. In addition to plenary meetings on the main topic, Recent Developments in Local Government Structure and Organization, seminar sessions were also held on Public Relations, Problems of Metropolitan Areas and Mechanization and Automation and two meetings were devoted to the discussion of Town Affiliation.

The able chairman of the four seminar meetings on Personnel Management was Carl McLeod, Assistant City Manager of Saskatoon, Saskatchewan, Canada. Each session was concerned with one aspect of the main topic, such as general background, motivation and morale, compensation, and the work week. In addition to two major papers, each meeting also featured a question and answer and general discussion period. At the conclusion of the session, a general summary of Personnel Management in Local Government Administration was presented by Comte Baudouin de Grunne, Director of the Belgian Union of Municipalities.

In addition to the present book, publications are also available on the proceedings of the seminars on Public Relations and Mechanization and Automation, the discussions on Town Affiliation and the plenary sessions on Recent Developments in Local Government Structure and Organization, which book also contains the papers and discussion on the closely-related topic of Problems of Metropolitan Areas. Moreover, the pre-conference reports, which for this conference were prepared only by American experts, have been published under the title "Local Government in the United States of America" and are publication nr. 57 in the IULA series.

The papers and discussion in the present volume carefully consider the topic of personnel management in local government administration in both its broad and its specific aspects. It offers a clear picture of what the trends are in various countries throughout the world, as well as some of the problems that are being faced and some of the solutions that are being applied. Primarily, it recognizes the vital importance of good personnel management in attaining the goal of an effective and efficient local government administration.

N. ARKEMA
Secretary General of the
International Union of Local Authorities
Chairman Carl T. McLeod presides over seminar sessions. To his left are Dr. J. G. van Putten of IULA and Comte Baudouin de Grunne, Congress reporter for Personnel Management.
GENERAL INTRODUCTION

PERSONNEL MANAGEMENT FOR LOCAL AUTHORITIES

by

R. E. GRIFFITHS

Secretary of the Local Authorities' Conditions of Service Advisory Board
(England and Wales)

Introduction

Have you ever heard a local authority chief executive say: "What is all this special talk about Personnel Management? It has always been part of my normal function as a manager. I know how to get the work done without giving specialized attention to problems of morale". Do you agree with me that such an attitude is out-of-date? Do you accept that in our modern societies there are increasing problems of leadership and manpower output which in the interests of efficiency and economy must be specially studied and solutions to which must be found?

What is it that has caused in industry and commerce and, indeed, in most fields of enterprise, the growing realization that it is the right use of human resources that is of paramount importance even in the age of the machine? First, so far as Great Britain is concerned, I would say that the achievement of full employment and the consequent competition for the available manpower has led many progressive organizations to a deeper appreciation of the importance of adopting imaginative personnel policies. Second, years of experience of the effects of the increasing mechanization of industrial processes have proved that instead of being reduced in importance the human contribution has remained of the greatest significance. Third, with continued full employment the worker in Great Britain has achieved a greater sense of security and independence, so that managements which formerly relied on autocratic control often turn, by the pressure of events, towards wider worker consultation and new forms of leadership based on a shared understanding of the problems to be handled and co-operative efforts to achieve a successful enterprise.

In this general situation it is evident that for local authorities, as for all undertakings, the importance of the personnel policies in developing and maintaining a high standard of morale and enthusiasm can scarcely be overstressed.
Arrangements in Great Britain

What is the nature of the problem in Great Britain? In over 1,500 local authorities we have a very wide divergence of size and importance, ranging from small rural authorities each employing perhaps only twenty or thirty persons, to large urban and county authorities each with thousands on the pay roll. Whatever the variations in size and scope, we consider that the application of progressive personnel policies is important for all local authorities and for all types of workers. By means of national machinery — representative both of employers and employees — energetic efforts have been made to establish standard policies suitable for all authorities, but sufficiently flexible to meet varying local requirements.

For the main groups of workers — the unskilled and semi-skilled; the skilled tradesmen; the clerical and secretarial; and the professional — detailed standard schemes have been adopted after comprehensive joint negotiations with the appropriate trades unions. These negotiations are handled in permanent national joint negotiating bodies appointed by the local authorities and the trades unions. The standard schemes cover all the main elements involved in personnel management; and they are applied individually by each local authority, in consultation, where necessary, with the local representatives of the trades unions.

The National Advisory Board

How is effective co-ordination achieved? The National Associations of Local Authorities in England and Wales have established a Conditions of Service Advisory Board representative of the Associations and of the national negotiating bodies (Employers' Sides). On behalf of all local authorities, the Board is concerned with the pay and conditions of service of over a million workers ranging from the unskilled labourer through all levels of responsibility up to the highest professional groups.

The Advisory Board has a centralized secretariat which carries out research, conducts detailed negotiations, and advises on all pay claims and personnel problems affecting all the local authorities and the national negotiating bodies (Employers' Sides).

The National Joint Negotiating Bodies

You may be interested to have a few details of some of the major negotiating bodies in England and Wales. They are:

The National Joint Council for Local Authorities' Administrative, Professional, Technical and Clerical Services;

The National Joint Council for Local Authorities' Services (Manual Workers);

The Police Council for Great Britain;
The National Joint Council for Local Authorities' Fire Brigades in England and Wales;
The Joint Negotiating Committee for Town Clerks and Chief Officers.

In addition, there are a number of similar bodies dealing with other specialized groups such as probation officers, justices' clerks and their assistants, engineering craftsmen and county roadmen.

A typical constitution is that of the National Joint Council for Local Authorities' Administrative, Professional, Technical and Clerical Services. There are 32 representatives of the employers, 16 of whom are appointed by the National Associations of Local Authorities. The National Council has 16 provincial or district councils covering the whole country, each of which handles local matters affecting the authorities within its area. Every provincial council has an employers' representative on the National Council. On the Staff side of the Council there is similarly an employees' representative from each of the provincial councils, together with 15 representatives appointed by the five national organizations of employees, including the National and Local Government Officers Association. The total membership of the National Joint Council is thus 63.

The functions of the National Council are to secure the largest possible measure of joint action for the consideration of salaries, wages and service conditions. No resolution is regarded as carried unless it has been approved by a majority of the members present on each side of the National Council. In the event of failure to agree, a pay dispute may be referred to arbitration for independent settlement.

The main elements in a personnel policy

What are the main important elements involved in a dynamic personnel policy for local authorities? Here is my list:

- Wise recruitment.
- Adequate post-entry training and education.
- Standardized salary grading structures — ensuring uniformity of pay for comparable work, flexibility to meet varying local requirements, and encouraging staff mobility in order to widen experience.
- Incentive bonus schemes — for work in which improved output can be measured and rewarded.
- Good conditions of service — including security of employment, reasonable hours, care in sickness, and a suitable working environment.
- Proper attention to the human aspects — encouragement to the individual, promotion by merit, the recognition of worth, and the punishment of sloth — the development of morale in all its aspects.
This formidable list raises many interesting problems. In this preliminary survey, however, I have the time only to refer to a few important aspects.

**Thoughtful recruitment**

Gone are the days when there was such an ample supply of good candidates eager for employment that, however haphazard the methods of selection, posts at all levels of responsibility could be filled with little difficulty. Local authorities in common with other employers have found that they must set out to attract the right types of entrant from the various educational levels. The advantages and interests of a career in local government must be demonstrated and every effort must be made to secure candidates who fit the requirements not only intellectually but temperamentally.

Since 1946, the local authorities in England and Wales have been operating a comprehensive grading scheme for professional and administrative staffs designed to secure a fully qualified service. There have been many recruitment difficulties; these have been mainly due to national shortages in most professions. These national shortages have caused continual upward movements in salary levels generally, and the local authorities have had to resist the inflationary pressure involved in this situation. But the objective of a qualified service has assisted in the efforts to achieve the best possible standard within controlled salary limits.

For each local authority it is most important to forecast the long-term staff requirements, and to phase recruitment so as to meet them. Moreover, if the right candidates are to be attracted, the opportunities available for advancement must be clearly stated; and they must be designed to compete on reasonable terms with opportunities offered in comparable employment. There must be a readiness to adapt arrangements to changing circumstances. Within the past year, the National Joint Council for Administrative, Professional, Technical and Clerical Services has launched a new scheme to enable the local authorities to attract more school leavers who have secured passes at advanced level in the national General Certificate of Education, and who are thus likely to be suitable for professional training.

Another interesting experiment has involved the use of new methods of group selection in an effort to make the best possible appointments from the available candidates in open competition. Under this procedure candidates spend several hours together as a group, and they are set group
tasks during which their attitudes, their personalities and their relative abilities are assessed. It is considered that, at the subsequent individual interviews, the final appraisal of each candidate can be more soundly based as a result of the insight gained during the group activity. In Great Britain there is no doubt that much more could be done — wise recruitment policy to meet long-term needs is the basis of every successful organization.

Adequate post-entry training and education

Second only in importance to wise recruitment is the development of post-entry training. Careful appraisal is required of the needs of the organization. On the one hand it is vital to secure sufficient entrants of the appropriate calibre to provide, through training and experience, for vacancies to be filled, as they arise, with competent qualified officers; and, indeed, all employees should be encouraged to realize their full potential by adequate study and training. On the other hand a balanced and planned training policy must avoid securing such a surplus of qualified and trained personnel as to be greatly in excess of establishment requirements. Pre-war experience, at least in Great Britain, may remind many of us that the frustrations inherent in such a situation can be most damaging to morale. The retention of highly qualified staff on dull routine duties well below their capabilities should certainly be avoided.

Training for the professions

Of course, this is not generally the situation at the present time in local authority employment in England and Wales. There is, indeed, an urgent need to secure more professional trainees and thus to increase the supply of qualified officers. We have therefore developed national training schemes under which young officers are given financial assistance and guided study leading to professional qualification; (e.g. solicitor, engineer, accountant, architect, public health inspector). Chief officers are being encouraged to take more pupils and good entrants are being attracted by the offer of worthwhile career prospects from the outset of their service. Grants are given towards tuition and examination fees, and for travelling expenses and text books. Many authorities are making good use of such schemes. And renewed impetus is being given to the whole problem of staff training through the interest of the National Associations of Local Authorities, as well as through the provincial councils under the central guidance of the Local Government Examinations Board in England and Wales.
The Local Government Examinations Board

This Board has also established entrance and promotion examinations for clerical staffs, together with a Diploma in Municipal Administration of university degree standard. Each year, as many as 5,400 local government officers sit the special examinations of the Board. In addition, 3,000 candidates sit the entrance examination. Advancement even to the maximum of the salary scale for the lowest entry division is restricted to assistants who have passed the entrance examination or who have obtained the General Certificate of Education at ordinary level in three subjects.

In providing examinations for clerical and administrative staffs the Board has made a notable contribution to the status of such work. There is no provision for automatic promotion on passing the examinations, although in some instances cash payments are made. Promotion depends on merit and the occurrence of suitable vacancies, but competition for each post is restricted to assistants holding the qualifications prescribed by the national scheme. It may be of interest to note in passing that the Board is a joint national activity in which the local authorities and the staff organization co-operate on equal terms.

Induction training for new entrants

In addition to vocational and professional training it is important to ensure that officers are helped to equip themselves to serve the organization well and to understand its objectives. By this means a proper enthusiasm for the public service can be encouraged. Induction courses for new entrants, "bench" training on the job, and training in supervision, are accordingly arranged on behalf of numbers of local authorities in England and Wales.

The induction courses are usually residential; a group of new entrants spend several days together learning something of the rudiments of the functions and work of the local authority, including its departmental organization, and the importance of mutual co-operation at all levels. By this means young officers begin to understand where they fit into the organization and to feel that they belong to it. For the smaller authorities combined induction courses have been arranged by several provincial councils.

"Bench" training

"Bench" training involves the attachment of every junior officer to a more senior officer for day-to-day guidance, and whose specific duties include the responsibility for ensuring that the junior is fully trained in
his job at "the bench". This training should cover not only the immediate work tasks but should provide a wider understanding of the total activities with which the working group is concerned.

Training in supervision

On many occasions it has been said that in every organization there is no substitute for competent supervision. If supervision is poor, there can be no adequate standards of efficiency, incompetence will be tolerated, and the level of morale will be low. Undoubtedly, the art of supervision has become more difficult to exercise in recent years; and many supervisory officers would benefit if given the time and the opportunity to study its practice. It is therefore valuable to arrange courses at which supervisors, released from the burden of their day-to-day work, may discuss their mutual problems and may find out, under guidance, how to improve their standards of supervision. There is scope for much more such training for the staffs of local authorities in Great Britain, although some progress has been made.

Apprenticeships for craft work

For craft work there is a need for apprenticeship training schemes to ensure adequate numbers of tradesmen to meet the requirements of the local authority services. In addition to existing schemes for engineering and building tradesmen, we have recently inaugurated apprenticeship training for gardening and horticulture, for motor repairs, and for road maintenance and repairs.

The scheme for gardener apprentices is one interesting example of the efforts being made in Great Britain to secure and train adequate numbers of assistants for important public services. Apprentices are indentured for a period of three to five years according to age; and at the age of 21 years, on passing the prescribed practical and written examinations, they become certificated gardeners with guaranteed rates of pay. The local authorities hope to meet most of their future requirements for skilled gardeners and propagators by means of the new scheme.

Standardized pay structures

Pay levels are settled nationally in free negotiations by the national joint negotiating bodies comprising representatives elected by the local authorities and the interested trades unions. Voluntary independent arbitration is available to settle disagreements. Common standards therefore have to be applied by each local authority. Indeed, the competition between local authorities for staff in short supply would be intensified,
and the salary levels would be artificially enhanced, if national standards were not settled and generally adhered to.

So many attractive alternative prospects of employment are available for well-equipped persons that it is essential for any prospective employer to show in the most attractive light the extent of the progression likely to be given to entrants. Accordingly, guaranteed minimum career grades for solicitors, engineers, surveyors, architects and accountants have been agreed to by the national negotiating body. These minimum grades are for use by all local authorities. There are also national clerical and professional and technical and administrative structures.

The professional, technical and administrative structure covers five grades with salary scales ranging from £645 to £1480 a year. Subject to certain requirements related to standards of professional qualifications, there is a discretion exercised by each local authority in assessing the grading of posts within the structure. Similar discretion is exercised by each local authority for higher posts up to and including chief officers within prescribed financial limits.

Thus, although national standards are laid down for universal application they permit of the exercise of considerable local discretion by each local authority to suit the individual needs based on evaluation of the worth of the post. By this means the local authorities secure the benefit of the observance of national standards, and at the same time they are able to exercise a degree of local autonomy. In certain circumstances, the trades unions may appeal through the provincial councils for better gradings on behalf of officers who are dissatisfied with the evaluation made by the local authority.

In Great Britain the trend towards national scales is very strong, and this development has been encouraged by the national trades unions. For the local authorities there are grading structures for every type of worker from unskilled upwards. These gradings have no direct relationship with the pay standard of the central government, although in the course of negotiation and at arbitration, comparisons are always made with levels of pay and movements in other public employment and in the nationalized industries.

One useful effect of standardized pay structures should be to promote the movement of good officers between local authorities to widen their experience and to fit the best of them for the highest posts. However, housing difficulties and the reluctance to uproot growing families have tended to limit the extent of such movements at the more senior levels. A progressive personnel policy should ensure that many promising officers can receive the wider experience which is so important if they are ultimately to become successful senior officials.
Incentive bonus schemes

In the security of the public service, providing a life career, it is sometimes said that there is little incentive to work hard. There is perhaps a public impression of an easy-going public servant. Often that impression is not true and not fair. But for the duller routine work — for example, the collection and emptying of dustbins, the work of refuse disposal — there is certainly a good case for the introduction of incentive schemes if output can be measured. Such schemes, if installed by experts, can prove financially profitable both to the workers and to the ratepayers — and valuable manpower economies may also be secured. In Great Britain we have had some success, and many local authorities are beginning to realize the importance of applied Work Study.

Good conditions of service

Morale in an undertaking is not governed solely by the size of the pay packet. We all know of organizations in which high pay levels are accompanied by poor labour relations, strikes and general frustration. Good personnel managers know that the level of morale is influenced by the many facets of the total work situation. And, accordingly, it is important to devote attention to all aspects. In Great Britain, we have a number of advantages to offer including security of tenure, fair working hours compared with other employment, and care in sickness with generous pay arrangements. We also accept the free discussion of matters affecting conditions of service between the management and the representatives of the employees. However, we may sometimes be lacking as regards the working environment — it is easier for local authorities to spend large sums of money on new buildings for their many public services than on, for example, work depots or modern local offices.

The human aspects

Although all the foregoing items to which I have briefly referred are important in their contribution to morale, the outstanding task in the modern world is to deal with people as human beings in such a way that they will willingly give of their best. They need to feel that their contribution matters, that their work is of importance and that their efforts are appreciated. Personnel management involves the process of paying the most meticulous attention to all the aspects I have listed, and indeed to many others; and of welding the total policy into a work situation in which hard work is encouraged, slackers are dealt with, and good workers at all levels become proud to belong to the organization and to serve its purposes.
Over two-thirds of the population of the United States is urban and the trend is still continuing. This urbanized population is served by over 102,000 local governmental units below the fifty states of this federated union.

These local governing units possess no inherent legal authority, being creatures of the states in which they are found; and further, they have the assurance of strict construction of those powers by the courts. The very existence, the form of that existence, the nature and kind of powers to govern, and the possibility of change or alteration of form and power reside elsewhere than in the local governments.

Yet, within urban United States rise the ever increasing demands of service from the population increase that reflects itself not only in the movement from the farm to the city, but also in the rising birth rate of recent years. This demand seeks not only additional service, but proliferation of existing services as well. This demand is increasingly sophisticated in nature as the people become better trained, educated and economically advanced.

The sophistication of the urban population reflects a system of values frequently of a different tenor than that of the rural population. The resultant clash of the rurally-dominated state governments with the value system of the city has often denied the city sufficient power and freedom of action to meet its problems, as a result of which the city has begun to seek assistance from the federal government. Thus, today not only financial requirements, but a system of values has set in motion a trend that is significant.

Personnel management is affected by these happenings as is all else in local government. Suffice it to say, without further orientation, that local government personnel in the United States must be so capable that they can meet the surge of urban population and problems with a competency far beyond the limits of narrow job efficiency and technical expertise. With this major task is personnel administration on the local government level concerned in the United States.
The very nature of work within local governments is changing rapidly. The on-rush of electronic data processing is altering clerical work to technical proficiency. Field work of the nature of drudgery is more and more being taken over by machines, with men serving as directors of the machines rather than performing the work themselves. The white collar job and the blue collar job are becoming more closely akin in competency and in intricacy. Differences are lessening and prestige is becoming identical. Workers must keep learning on and off the job in order to keep abreast of change. The intricacy of work is having a decided effect on the personnel management function and the work itself has become challenging to many who heretofore looked upon it as routine drudgery.

Parallel with the trend toward specialization is that toward generalization. The rise of unique problems brought on by living more closely together plus a population which increasingly expects better and richer living, requires the acquisition and retention of public servants who are so trained that they can grasp the total, over-all view and see the interrelationship of proposed actions and policy.

Moreover, these individuals must be given recognition within the hierarchy for the challenge that such jobs entail. If they are allocated to minutiae or given too technical or narrowly confined responsibilities, they flee or shrivel. Too often narrow personnel practices can hinder or deny the establishment of this body of employees which is so essential to the general development of a community.

Among the local government generalists should be included the personnel officer, who must be not only a competent technician, but also a person of general awareness to the over-all needs of a community. For whichever way one turns, he sees that the personnel function is becoming increasingly intricate as it deals with individuals who are better prepared, more sophisticated and far more mature than ever before. The personnel function in this country must then exhibit similar approaches to the workers' problems in response.

It is significant as well as indicative that in all meetings and journals concerned with the practice of public administration, and in particular with personnel administration, increasing attention to the discussion of theory is to be found. For it is in the realm of the problems yet to be solved that the great concern of all public servants resides, and here again is to be seen the qualitative rather than the quantitative emphasis which in increasingly evident in public personnel administration in the United States.

Seldom a day goes by without the appearance of a new organization of public servants. Invariably the raison d'être is professionalism, couched
in the statement that the public interest can only be protected if the organization helps to establish standards of competency based upon minimum qualifications and if it participates in the formulation and determination of personnel policies. Thus, the development of employee associations and unions within the public service is increasingly becoming a commonplace in the American scene despite strong resistance in many jurisdictions. This, too, is an indication of the use of expertise and generalist competency. No longer does the old-fashioned city political machine have the total say in its desire for patronage; instead, patronage is controlled more and more by the employee association, union or professional society. Although reform associations in this country, who stimulated a "civil service" movement to combat the spoils system, may have dropped the word "reform" from the title of their associations, such haste may be regretted as the newer trend of employee organizations and sophisticated political organizations preserve their self-interest via modern methods.

With the rise of employee organizations has come a corresponding development within local government personnel agencies of employee relations divisions. These divisions are not only concerned with the responsibilities of negotiation of disputes, but also with the even more important responsibilities of being ahead of difficulties so that they do not materialize. Another trend that can be discerned is the use of grievance appeal procedures for the myriad of differences that do not have remedies in law outside the formal channels of appeal provided by the civil service law to a civil service commission and thence to the courts. In many jurisdictions in the United States the establishment and operation of this grievance procedure falls to the personnel agency. Thus, as the issues that arise give evidence of the need for speedy and effective action, this action can be obtained by management through the employee relations division.

The whole method of employee communication is also rapidly changing in this country. As a result of increased professionalism and sophistication and the rise of employee organizations within the public service, emphasis is constantly being placed upon close, continuous relationships between employee groups and management, via the personnel agency. The wide use of employee information manuals, the increasing number of house organs or newspapers being sent directly to the employees' homes and the wide use of bulletin boards give evidence of this fact.

Because experience has clearly indicated that communication through printed material is woefully inadequate, training as a method of communication has come to take its place. Thus, the training of first-line supervisors has been a vehicle for communicating to the basic level of employees the meaning of what has already been said in written materials.
Moreover, increasing emphasis is being placed on face-to-face meetings with first-line supervisors as a major means of getting across the concerns of management and as the avenue by which employee matters reach the ear of management. As these sessions have progressed down through time it has been found that the first-line supervisor increasingly recognizes and in turn represents the over-all view of government. He is finding that his problems are not unique and that his counterparts in other local government agencies and departments have problems similar to his. As he sees the whole and feels himself a part of it, he ceases to be ignorant and becomes knowledgeable. Too, he becomes more broadly oriented and better able to explain to his subordinates the reasons why conditions are as they are. Gradually, then, this training device used as communication is becoming more and more effective and the personnel agency, through its training division or employee relations division, is the vehicle by which it is being used.

This continuous relationship with the employee is being formalized in many of our jurisdictions through meetings at definite stated periods of employee groups with the personnel officer. The purpose of the meetings is not only to communicate, but to solve problems promptly before they loom too large. Where employee groups are few, this is possible with a degree of convenience and I can thus see the development in some local areas of the United States of a device comparable to the Whitley Councils of Great Britain. Particularly is this trend discernible in those jurisdictions having large employee associations not affiliated with the national unions. Such practices are also found at the management level, where periodic meetings are held to discuss personnel problems. Frequently, too, these matters are discussed at regular staff meetings, where general matters lead to talk concerning the problems of men as well as money and material. Such an opportunity is not lost to the personnel officer of the local government who can at this time bring up general problems and see that policies are formulated or clarified. It is an excellent communication device used widely in local government where distance is not great and geography does not present the barrier that it does to governments covering large territorial areas. Frequency and immediacy of assemblage have advantages.

It is standard practice in municipal government in America to have a position-classification plan which is maintained by the personnel department. I might also add that in the establishment and maintenance of many such plans, the continuous interplay of employees, the government of the day, citizen interest groups and the political party can be clearly seen. Each position is allocated to a classification of work, and as conditions change the position is affected and thus, perhaps, altered in class title and description. However, within the concept of position classification
there is a trend toward recognizing the work of the individual rather than the job. Particularly is this true for those areas and responsibilities of work of a highly professional, technical and administrative nature where job titles and pay ranges are more and more being geared to recognize individual contribution.

The emphasis upon the dignity of work is also being reemphasized. Reflection of this in position classification is found in the seeking of job titles that reflect dignity rather than the concept of low prestige or worth. Here, too, the trend toward intricacy of work is having its effect, for more and more work groups are insisting upon increasing recognition of their contribution to society and one area of recognition is in job specifications and job titles.

An important area of recognition related to job evaluation, of course, is pay. Pay plans, which are generally found in the cities in this country, establish not only pay ranges but also the rules and regulations for their administration. As pay relates to appropriation of public monies, rarely will such plans become effective until they are approved and put into practice through the enactment of appropriations by the local legislative bodies or city councils. To a large extent the preparation and administration of pay plans is a personnel function in this country; coupled with the inherent social, economic and political problems of position-classification, it is of major significance.

There has been a further trend in this country toward recognizing merit while at the same time recognizing faithful service. And just as elsewhere, here too there is a continuous debate between the adherents and opponents to the thesis that pay increases should be granted solely to those who merit them and not be granted to those who only perform perfunctorily; as elsewhere, the result is a compromise. Generally speaking, progress within a range of pay in this country is by service in time and unless the public employee has done something wrong or unusual, he receives his annual salary increment until he reaches the maximum of his pay range. However, some jurisdictions use devices to select out the unusual employees and recognize them by more rapid advancement in pay within the range or by a lump sum payment of money for the service or contribution made. But because of the difficulty of determining merit by objective methods, many employee organizations insist that this determination be placed solely in management's hands. Elaborate methods are therefore required to recognize differences, and while these methods may inhibit individual recognition, at the same time dissension is also avoided.

Pay also is negotiated in this country. Labor is organized and in the blue and white collar classes the unions negotiate formally or informally. Frequently the blue collar classes of work are paid an identical rate, i.e.
$3.25 an hour, which is often negotiated with the city government each year. Such practices in a few localities have been done away with as the blue collar classes of work have begun to be treated in the same fashion as the white collar classes. Being a monopoly, government can provide a long-term employment situation and thus do away with a pay practice geared to short-term contract employment.

Because municipal government in the United States is so handicapped in raising revenue, the issues of pay planning, pay administration and appropriations for pay have been sources of great trouble. Labor unions of public employees in this country, however, have been cognizant of this difficulty and in most instances have demonstrated maturity by helping to solve the revenue problems wherever possible. Their efforts in behalf of the cities' general problem, of course, mean amelioration of their own. Where militancy has developed against the government of the day, the results have generally not been helpful to the public, the unions, or to the issue of pay; militancy creates wounds that sometimes take long to heal, so here one finds increasing emphasis on prevention by close relationship on a daily basis. At present, practices in this country in relation to pay are showing evidence of the need for recognizing the public interest to an ever greater degree.

The whole area of fringe benefits has also received much attention in this country in recent years. Here, too, pay has been affected, for as money is siphoned off to meet the costs of fringe benefits, less money has been available for take-home pay. A recent trend, however, has been to cry halt to added fringe benefits and to thus increase take-home pay. One aspect of this problem is evidenced by the increased number of pay plans providing for longevity payments above the maximum of existing pay ranges. While such recognition of long service in the same classification of work is now found in many jurisdictions in this country, whether it will succeed in adequately meeting that problem as well as the problem of answering pressure to increase salary ranges, is yet to be seen.

Characteristically, cities in the United States have many fringe benefits for employees, the more recent of which are health and life insurance policies which are placed either with an indemnity or non-indemnity company. Provision for the employees' families, however, remains in most jurisdictions a responsibility of the employee. Typically, these plans help meet the problems of the cost of illness, accident and death. In many of our jurisdictions fire and police injured in line of duty receive additional benefits and all employees injured in line of duty are covered by workmen's compensation. Frequently sick leave provisions of civil service regulations provide for payment during injury as well as normal illness.
Aspects of the same problems are also met by providing retirement systems. The more recent retirement systems are actuarial ones, although those city retirement systems founded at the turn of the century were largely cash disbursement ones. The latter still cause difficulty and are found largely in police and fire departments. Further, the more recent retirement systems have been dove-tailed into the federal social security system, so that the advantages of that system are increasingly enjoyed by our municipal employees.

Typically, a retirement system in this country covers not only superannuation but also accidental and ordinary disability, plus a death benefit if the employee dies in service. The whole issue of mandatory retirement age vs. non-mandatory retirement age is of current interest. Increasing pressure for a voluntary retirement age is being felt as health is improved and old age retains vigor. At the same time younger persons in the service demand recognition and advancement and if promotional opportunities are closed off, resentment ensues. This issue makes a trying one for local services here, for whereas old age is not inhibitory for some positions, it is for the athletic ones and some jurisdictions, therefore, combine mandatory with non-mandatory retirement by selecting certain classes of work for mandatory retirement age. As yet this issue remains unresolved.

As important as the above are the provisions for leaves of absence. Vacation, or annual, leave is generous in our service. Usually it is related to years of service and is frequently granted on the basis of work days rather than calendar days. A minimum annual leave is generally twelve working days a year and rises to the equivalent of one month of leave. Accumulation is generally permitted and thus longer vacations can be planned. Some jurisdictions also vary the vacation schedule to the class of work. Although this is not the usual practice, to some local governments it is justified by the difference and the requirements of work.

Sick leave provisions are typical and the trend is to permit its accumulation; in some jurisdictions unused sick leave can now be accumulated without limit. Although sick leave accumulation provides a major cushion and is a cherished benefit of city employees, its alleged abuse is always a cry of management. Continuous surveillance is provided in most of our services to catch and punish the malingerer; to some degree this has been successful, but human ingenuity is remarkable.

With the increased emphasis on in-service training, paid leaves of absence for training purposes are more and more the usual practice. Other types of leaves, such as military and civil, are also commonplace. Related to this question of leaves of absence is the total work situation. Hours of work are generally still the 40 hour week except for certain classes of work; particularly for the fire service is the work week longer. In many
jurisdictions less than forty hours is the practice for the white collar classes of work. Then, too, the coffee break is standard practice and when legal holidays and executive holidays are added, the work week is generally less than in many other fields of work. Here, too, these practices have had an effect on pay for the work.

This work week is increasingly taking place in more modern and pleasant surroundings. Just as the city is being made more attractive, so are the official city buildings now being erected reflecting this attractiveness. More and more employees are working in air-conditioned, well-lighted and pleasantly decorated offices with cafeterias and pleasant recreation and lounge rooms also being available. These environmental advantages, coupled with a pleasant work week, make municipal service attractive to a greater degree than ever before.

The existence of all these factors, procedures and practices indicates the importance of the modern municipal public servant in this country. Without competent employees who are well selected and protected, urban civilization cannot progress to the level it must. It is to be expected that any difficulties encountered in the development of a better life, in its urban context, will be met more effectively by the employees of a perfected municipal service.
Mr. R. E. Griffiths gives the introductory speech on Personnel Management.
MOTIVATION AND MORALE

DEFINITION AND GENERAL FACTORS

by

FOSTER ROSER

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To adequately discuss two such broad subjects as morale and motivation in a short period of time is, in my judgment, an unattainable undertaking. This dual subject is of tremendous scope and includes not only a vast array of specific topics, but also a multitude of variables and intangibles that more often than not blend into one another and which become further complicated by psychological interplay and interacting social forces. As such, this is not an easy subject on which to develop a unitary theme nor to produce a brief summarization of general principles.

Perhaps we should start by defining the terms motivation and morale. Despite much preoccupation on the part of personnel with the latter subject, there still exists only a hazy notion of just what morale actually means. At the industrial level morale has been variously defined as a collection of job-related attitudes, an individual’s ego-involvement in his job, his personal acceptance of the goals of the group and his satisfaction with the job in general. But behind the many definitions of morale we find one underlying meaning. In brief, it signifies how people feel in relation to their surroundings, or in other words, their emotional reaction and adjustment to their environment. In the business or governmental world, therefore, morale must be defined in terms of an employee’s basic feelings in relation to his job.

Motivation, too, covers a multitude of interpretations. When we use the term do we really mean incentives, do we mean morale, inducements or enhancements? It has been said that motivation is “the channeling of an individual’s efforts and attitudes in such a way that his actions will most effectively advance the objectives of the organization”. To motivate others properly it is necessary to discover something within each individual that arouses his desire, energizes his will or serves as a basic motive to thought or action. Motivation is a pretty tricky variable; it is the sum total of a myriad of factors, many of which may never be ferreted out and isolated.
Motivation has come through three main stages of development, all of them still in use. The first and most primitive is based on fear: the worker must produce or be fired. The second stage is based on financial rewards: employee benefits and material incentives designed to improve performance, productivity and loyalty to the organization. Both of these methods achieve results within certain limits, but greater results are achieved by the use of the third and most recent method of motivation, which is based on developing the feelings of individual self-respect and group pride that create the will and desire for peak performance. There is a tremendous difference between forcing people to do what you want and motivating them to want to do things that help them and the organization for which they work.

Motivation can be achieved both positively and negatively. A man may work because he fears he may lose his job or be punished in some way if he refuses. This is an example of negative motivation and it may be the only way to reach certain people. Negative motivation, however, is loaded with liabilities, its effects are unpredictable, it can inhibit a change in the worker which supervision is seeking to bring about, and it can lead to conformity. Most important, negative motivation creates or intensifies such personality problems as a sense of fear, failure, frustration, inferiority or hostility. When a man works at a high level of productivity and performs his job well because he takes personal pride in his performance, we have the results of positive motivation. Motivation is an attitude of mind. The chief source of motivation lies in the satisfaction of basic human needs. In the employment situation we must first know what these needs are and how to make use of them constructively. Let's begin by considering the reasons why a worker chooses to go to work for a given business, industry or governmental organization.

Considering that the worker has a choice of employers, what causes him to agree for even eight hours a day to become an employee of, let us say, the ABC Company? Granting, again, that this man had a choice of employers, he became concerned with what I refer to as the "whole situation" or conditions surrounding his proposed employment. Certainly he was interested in what the industrial psychologist refers to as the economic factor and which I am accustomed to refer to as the pay. The pay had better be competitive and in line with that of other similar employers. Moreover, the image of ABC should be one which is favorable in the community; a reputation of stability and security must have been established. Hours of work and fringe benefits must be reasonable. What I am trying to say is that if the ABC Company is to attract and employ competent workers, it is necessary in the first place that it provide a variety of inducements, including those of economic incentives, non-monetary goals and environmental factors. These are the necessary in-
ducements to create a favorable attitude of mind, or motivation if you will, to come to work for ABC.

The prospective employee considers the whole situation or all of the motivational inducements which the company has to offer. Thus, his pre-employment attitude of mind is influenced by the existence or absence of incentives or inducements. In the competitive labor market of 1961 government must give serious consideration to the attractiveness of its employment inducements to ensure that, in the first place, government can attract as competent and qualified work forces as those in business and industry. If we have less, then our efforts to motivate our existing work force will be either in part wasted or made much more difficult. Once our employee is on the job and settled in his work we must then turn to a completely different motivational process and the factors that have the most bearing on it. To retain the employee with the company and achieve a high level of productivity, a whole host of materialistic incentives are considered the major contribution to motivation. If I might boldly categorize the six most effective incentives, without order of importance, they would be: steady work, comfortable working conditions, a good boss, opportunity for advancement, recognition and salary. It is at this point, however, that we encounter complications: people do not follow the same pattern (remember individual differences); what motivates one may not motivate another. The probable effect of an incentive, whatever it may be, intended to motivate an employee must thus be appraised with reference to employee goals, to values of the social groups of which the employee is a part and from which he must derive his feelings of acceptance, support and self-esteem. In that light, consider the problems and acceptance of uniform incentives for such diversified work groups found in the typical governmental jurisdiction as professional engineers, female clerical employees and blue collar, or trades and labor, classes of employees.

A permanent feature of modern personnel administration is regular wage increases, sick leave, tenure, vacations and holidays with pay, overtime wages, shift differentials, compensation, pension plans, etc. All of these morale building activities have produced varying results, ranging from dismal failure to outstanding success. What may effectively impress one employee may leave another cold. Thus, each employee has his own unique pattern of emotional responses in dealing with management policies and programs, his co-workers and supervisors, just as he has individual likes and dislikes when he buys his lunch at the company cafeteria. And may I add in passing that on this point two recent surveys indicated: (1) that groups of employees with high productivity do not have more favorable attitudes toward the organization for which they work than do the groups with low productivity, (2) employees who are given to griping
or complaining are very often among the best producers, (3) there is a very close relationship between production and the practice of good human relationships by the supervisor. Much can also be said about the connection between attitude and working conditions, involving such factors as physical environment, welfare programs, suggestion systems, recreation, the cohesiveness of the work groups and off-the-job relationships.

I stated at the start of my presentation that a discussion of motivation and morale would involve many specifics and intangibles and that a general summarization of this dual subject would be extremely difficult to develop. However, I should like to at least make an attempt to summarize by listing the conditions or factors which are necessary if a high level of morale and motivation is to exist in any organization, whether it be a business, industry or governmental jurisdiction. First, I think the organization must enjoy a favorable public image as a good employer. In this frame of reference the reputation of the organization must be favorable to the extent that local residents have the feeling that they would like to be in the employ of the organization. Its working conditions, pay and fringe benefits must, in general, be equal to its competitors to offer positive inducements in attracting competent and qualified workers.

Once a worker has become an employee of this organization his high morale and motivation can be developed and maintained only through a continuing pattern of what I refer to as strong natural or job-related incentives and not those considered by employees to be artificially introduced for motivational purposes. Job-related incentives include competent supervision that will provide effective leadership; adequate pay and a pay plan which can be fairly administered; security, a term which very broadly encompasses not only such policies as dealing with layoffs, separations and promotions from within, but also all the fringe type of security measures such as pensions and insurance.

And lastly, I would include as a job-related incentive that of recognition. In this area I would include the majority of fringe benefits not associated with security. What is important here is that the employee have the feeling that the organization is recognizing him as a human being, as differentiated from a number or a faceless individual. What the employer must guard against is the belief that incentives in and of themselves will induce morale and motivation. Incentives come in all kinds, sizes and shapes; they can also provide good and bad results.
Man is the creation of his environment, except for the difference in nature between one human being and another. This expresses the main idea of our theme, motivation and morale. In our conception of environment we have to take into account social, personal and material circumstances which in themselves make up the psychological background of the individual. Our task is how to influence and change the environment of a person in order to obtain better results in public services. Let us examine a few of these conditions.

Great importance must be attached to the organization of team work, to the spirit of the team and the social relationships existing among the members. There are countries in which the population is not homogeneous, either because of the differences of nationality or of mentality. Israel, for example, has to face both of these problems, particularly the problem of the variety in the mentality of its immigrant population, coming as it does from over fifty different countries. It is not difficult to understand the enormous differences among the immigrants from Europe, Asia and Africa, but we are able to overcome these differences, thanks to the common task of building up a new home and a new country. This should serve as a definite proof how much a common cause, be it national, social or municipal, can contribute to the raising of the morale of the public service team.

To the extent that emoluments form part of all problems, it is necessary to state that it is important that an individual worker or employee should feel that his remuneration is based on a scale approved by both parties concerned. For this reason we attribute great importance to collective agreements on a national scale as to emoluments and conditions of work which, I may add, should not widely differ from those adopted in the central government service. In our country there exist collective agreements between the Union of Local Authorities and the General Federation of Labor. This agreement has justified its existence and has proved its worth by preventing undesirable developments in the relationship between the employees and the local authorities and has contributed to directing the energies of the workers into constructive channels.
I believe that the recognition of the fact that the employees are working for the good of the public and that they are under constant scrutiny by the public should serve to awaken in the employees a permanent state of alertness and a readiness for service. It is of great importance that the employees should be aware of the activities of their local authority, of the ways in which the public benefits from these activities and, in particular, of the efforts made by that authority to improve the public services. There is no doubt that the conviction that continual and tireless efforts are devoted to the improvement of the local services will create a stimulant in the minds of the local employees to give of their best to the public service.

The personality of the worker is influenced by the community to which he belongs. One has to understand, therefore, the history of the community and its special characteristics in order to understand the basic psychological make-up of the worker. This is of particular importance when the local administration includes a large number of people from different environments and social conditions. The most decisive factor in the life of the employee outside his place of work, however, is his home life and I believe that we should take an active interest in the lives of our employees and try to assist them, as far as possible, in solving their difficulties and problems. The interest thus shown by the administration would be an excellent example of friendly relations between the local authority and its employees and would constitute a great encouragement in their work.

It is also of great importance that the employee should have a reasonable standard of living. This is essential not only to enable him to devote himself to his work without outside worries, but in order to enable him to understand and appreciate the needs of the inhabitants of the city which he is serving. Furthermore, the spiritual life of the employee is of vital importance in the performance of his public duties. Again, there is no doubt that the person who is socially minded is far more likely to be a successful public servant, to be more sensitive and more understanding and helpful to those in need, but one has to guard against over-sensitiveness in handling human problems, for it may lead to exaggeration and to the creation of unnecessary tension.

In a dynamic country such as Israel and in other countries where the building-up process is being carried out at a feverish pace and where political and social problems are discussed as realities of the moment, the end should be to develop common social standards as a unifying factor and not dwell too much upon personal or communal differences. It would be well, moreover, for local authorities to pay attention to the education of the public and to instructing them in their relationship with the local employees. The creation of an understanding and a suitable approach between the public and their servants would undoubtedly be a great incentive to the employee in carrying out his work.
In Israel we show great interest in the problems of administration in general and of the local authorities in particular. The founding of the state and its rapid development brought us face to face with the most difficult problems in this field. It would not be true to say that we had no experience before the founding of the state some thirteen years ago, for the first independent municipal body was created over fifty years ago with the building of Tel Aviv. There were also other smaller independent bodies of a municipal character. In the course of a comparatively short time, however, the number of authorities has increased to some 180. It is therefore clear that in a large number of activities the knowledge and experience of local employees had to be considerably improved.

Another factor which does not always exist in other places is the difference in the ethnical groups of the population. Israel gathers people from all countries and her aim is to unify them into one nation with one way of thinking. This task is not an easy one and the methods of carrying it out are related in no small way to our subject, for the immigrants of the various countries did not settle in a particular area, each one in his own area, but they spread out in various cities and settlements. An employee from an Anglo-Saxon country may have to deal with citizens from the Orient and an employee from the African countries, for example, may have to know how to serve citizens from Europe and America.

Municipal government in Israel is developing all over the country and local authorities give their services to all the inhabitants as far as it is economically feasible. It is interesting to see with what speed kindergartens and schools are built on the arrival of the first settlers in a place and the same can be said of the supply of water and electricity, health services, etc. The constructive atmosphere which prevails there is a wonderful basis for the creation of happy administrative conditions. The local authorities succeeded in a very short time to create conditions for the general government on a basis which already existed in older and more developed countries. At the same time, I should state that in our country local government is no longer in the early stages of organization, but has firmly established the basis for the organization of the life of its citizenry. It would never have reached this stage had it not been for the fact that the training of the public authority workers has been undertaken with much speed and energy.

We would like to mention with great satisfaction that our young state is becoming increasingly more useful to other young states in solving their problems of local administration. Our local governments have been able to overcome many difficulties in finding solutions to problems which are also likely to arise in other countries that are in the process of being built up or are in the process of creating a new life.
From the above it will be appreciated why we attach such great importance to professional qualifications and to the examination of conditions in which an employee must find himself in order that this work will be fruitful and suited to the public which he serves. May I end now by saying that I sincerely hope the exchange of ideas between representatives of many cities of many countries will contribute toward the solution of many of the problems that we are facing in our work at home and that we, in turn, may be able to contribute to a better understanding between the peoples of the world.
DISCUSSION

Participants: J. Sadie, South Africa; O. Cunha, Brazil; G. Noel, France; R. Griffiths, Great Britain.

Mr. Sadie raised the question of the image of the public employee in the eyes of the council members and the mayor. He cited his town as an example of public feeling that, on the whole, municipal employees do too little work for the pay they receive. Because of this feeling, many towns in South Africa have employed management consultants to study the tasks to be accomplished by the municipality and to do time and motion studies of the personnel to determine how efficiently they are carrying out these tasks. Should it be found from such studies that the work can be accomplished more efficiently and with fewer staff, an attempt is made to place the extra personnel in other departments or on other jobs in the municipality.

In reply to Mr. Sadie’s comments Mr. Roser paraphrased a slogan used by American business: a government can rise or fall because of its attitudes. He stated that he firmly believes that the image of public employees, the caliber of work being done and the progressiveness of the organization depends in large part on the executives and the supervisory staff. If a supervisor wants a progressive organization, he will get it; if he hasn’t enough employees, he will fight for more; if he has too many employees, he will also make that known. The good supervisor is aware of the problems of his employees. Moreover, he sees that wasted time is eliminated and that operations are efficiently carried out.

The practice in Brazil, stated Mr. Cunha, is that rules and regulations regarding municipal personnel are set by the municipal council and are administered by the popularly-elected mayor. Expenditures for personnel constitute a major percentage of local budgets. Brazilian municipal employees, however, do not enjoy the confidence of the local population, who have little to say in the running of local affairs. The situation could be much improved if there were more consultation between local officials and the public, for discussion has more effective results in Latin countries than does just the issuance of orders. To improve the morale of public employees everywhere administrators should help them to see that their work is important to the community, they should receive an adequate wage and they should have the feeling that the administrator is interested in them as individuals. One step in the right direction in Brazil has been the provision of tenure of employment after the successful completion of a two-year trial work period.
The question was asked whether the American mayor has any influence on the conduct of personnel matters in a municipality or whether, as is the case in France, such matters are strictly regulated by higher authority. **Mr. Roser** answered that the mayor of practically every city in the U.S. has some influence on personnel management, either directly by acting as the personnel manager, or indirectly by appointing the municipal personnel manager or by exerting strong influence on the policies adopted and carried out by an independent agency such as a municipal civil service commission. In many instances, however, the mayor is restricted by legislation enacted by the state or by such local legislation as the charter or previous ordinances, the latter of which can, of course, be revised. But on the whole, the mayor has a strong influence on the type of personnel management that is practiced locally.

**Mr. Roser** then gave a brief survey of the practices in his city with respect to the training of supervisory personnel. Philadelphia recognizes that perhaps its greatest need in personnel management is to improve the caliber of its supervision. Toward this end the city has for the past two years given basic courses in the field to most of its supervisors. In some departments all the supervisors have had a 40 hour course and in these and other departments supervisors are now taking advanced courses. Of course it must be noted that lectures and courses don’t always make for satisfactory supervisors, but an attempt is being made to revise the thinking of many of the city’s supervisors and to at least bring them up-to-date in the field of human relations.
At the outset it is important, I think, to note two or three characteristics of the legal environment in which compensation policies of American cities are fixed. First to be noted is the essential autonomy of the city in respect of wage and salary determination. This autonomy, however, has been abridged in some ways. For example, in some of our states state legislation has been adopted which has the effect of prescribing certain minimum pay rates and certain types of wage or salary progression for certain favored groups of municipal employees, typically police and fire personnel. A second limitation on this autonomy is the broader and more general one of a limitation upon the revenue-producing capacity of the American city. Third, and even more general, is the influence felt by municipalities in wage determination through federal and state participation, financially and administratively, with respect to the conduct of certain municipal programs. But on the whole, the municipality is free to determine its own fate within these general and in some cases rather specific limitations.

A second characteristic of the legal environment in which compensation policies of American cities are fixed is that the authority which the municipality possesses is typically exercised by the municipal governing body, variously called the municipal council, board of trustees or commission. And thirdly, this authority can be exercised at least once a year in connection with the review of and action upon the municipal budget. As a result of these characteristics, an environment of flexibility is maintained in municipal wage policy determination, whereby adaptations are made to changing economic conditions and to changing local requirements.

Two general standards which should be applied in the determination of a municipal wage policy are: the maintenance of an acceptable and defensible relationship in pay among the various employees of the municipality, and the establishment and maintenance of a wage and salary structure which is adequate to permit the recruitment and the retention of employees of a quality necessary to the needs of the municipality. Obviously these two standards are applied or observed with varying degrees
of perspicacity regarding the needs and circumstances of a particular municipality. Generally, however, the better municipal practice assumes that the attainment of these goals requires first, a position classification plan and second, a periodic examination of the competitive situation of the municipality.

As far as the classification plan itself is concerned, the better practice does not involve the use of some of the refined and rather elaborate techniques that have come to characterize industrial practice in this general area. The better municipal practice, however, does call for the construction of the position classification plan on the basis of careful job analyses and an informed comparison and ranking of positions, one in relation to the other. The resulting plan is likely to consist of, in a municipality having perhaps 15 to 20 thousand residents and 100 to 150 employees, perhaps 30 to 40 different job titles. In much larger municipalities, however, the number of job titles will be smaller in relation to the total number of employees or positions.

Again, the periodic review of the competitive position of the municipality is carried out with varying degrees of thoroughness. The typical better practice would call for annual, in connection with the preparation of the budget, checks of the index of consumer prices, published reports as to wage levels and occupations somewhat akin to those found in the municipality, wage levels in private industry and the practices of other municipalities. This kind of check, of course, is oftentimes carried out on a very casual and incomplete basis. In other municipalities, however, it is a rather careful survey, although the results are recognized to be only general guides as to the policy that should be established by the municipality.

Of course there are pressures which are at work on municipal councils that influence the application of the information which they or their staff have brought together. These pressures take varying forms. In some municipalities there is a comparatively high degree of union organization, which tends to make itself felt in the municipal wage policy. In other instances, as I noted earlier, police and fire personnel, having failed to secure what they considered to be satisfaction at the local level, have turned their collective influence to bear upon the state legislature, with the result that in some states minimum pay rates and standards with respect to periodic advances affecting these personnel have been established. And finally, perhaps as a counter-balance to the emphasis that is given to the compensation needs of the unskilled, skilled and manual workers, professional groups have increasingly given attention to the claims of members of their professions and have brought varying kinds of pressure to bear upon the action taken by municipal bodies.
The result of these various types of studies and action typically takes the form of a wage and salary structure which includes, depending on the size of the city, 15 to 35 different pay ranges to which the various job titles are assigned. These pay ranges, to generalize as to the practice of cities which are considered to be better administered, typically would be ranges in which the maximum rate is approximately 25% greater than the minimum rate, with several intermediate steps established through which employees advance on the basis of length and quality of performance.

In municipal practice there has not been any extended use of piece-rate and monetary incentives for increased quantity of work. For one thing, municipal operations do not typically lend themselves to the kind of treatment that is perhaps opportune in the situation of a mass production industry. However, there are a few exceptions to this in very large cities where, for example, repair and maintenance services in shops lend themselves to this kind of thing. There is another manifestation of incentive use in municipal government, however, which is fairly common. This is not a monetary incentive as such, but rather an incentive which takes the form of a somewhat shortened workday. It is perhaps most common with respect to the services in the field of refuse collection, whereby many cities have established that the completion of a given refuse collection route constitutes eight hours of work. Then it is tacitly understood that if the crew can complete that route satisfactorily within a shorter period than eight hours the members of the crew are free to leave work at that time, somewhat short of the normal day.

In the better municipal administration attention is increasingly being given to both quality and quantity of performance, concerning which there are two different trends. In some cities, typically those in which there is not a high degree of union organization and union strength, the performance of employees in terms of quality and quantity is likely to be reflected in the speed with which they advance within the pay range from the lower to the higher steps. In others there has been a tendency to separate pay advancement, within a range, from evaluation of performance. The evaluation of performance continues, but the emphasis is upon improving performance rather than upon using the evaluation of performance as a device which may seem to penalize individual employees in their advancement without substantial change in the responsibility and difficulty of their work.

To turn now to supplemental benefits, this is an area that is becoming of increasing importance, as far as cost is concerned, to municipal governments. In general, the cost of such benefits as the municipality's participation in the purchase of retirement benefits for the employee, the purchase of health, medical and life insurance and the granting of leaves of
absence for illness and for vacation with pay, may range between 10% and 20% of the total cost of personnel services in a given municipality or perhaps, in some few cases, even more. In this area of supplemental or fringe benefits, however, a significant problem for American cities exists. Perhaps prior to World War II the assumption that public employees were better off in these respects than private employees was correct. However, this situation has changed significantly during the past twenty years with the increase of union contract provisions establishing the right of the employee to such benefits. As a result, many municipalities are now in the process of re-examining the pattern of supplemental and fringe benefits which they maintain to assess the comparability and the competitiveness of their practices with the practices of the better private employers.

There are other problems as well that confront a great many American cities. For example, I touched on the problem of assuring the continued efforts of supervision to evaluate and to encourage improved performance in an environment which increasingly does not permit of salary adjustments, either up or down, in recognition of the results. A more general problem for many municipalities, so general, in fact, that it may be said to be a problem of municipal compensation in this country, is that of assuring that the general wage and salary level for municipal employees at all levels, and particularly at the highest, is such that municipalities can, in the future, compete on an adequate basis in order to assure the continued flow of capable and well-trained people into municipal services.
In general, it isn’t an easy task to say something important in a short time, and particularly not on the problems of compensation, which are undoubtedly still one of the most difficult aspects of personnel management. So you must not expect a specific solution to this complicated subject in which we shall be engaged this morning, but only an impression of the problems with which we are confronted and which, in my opinion, deserve further study in the sphere of local government.

In The Netherlands the national government exercises much control over local government personnel administration. It is said that this is a natural consequence of the state’s carrying out its responsibility for a well-balanced policy, notably in the financial sphere. Under this cover, however, a conformity is pursued which, in my opinion, seriously under-values the significance of local independence as an essential measure for the re-enforcement of democratic government. It is also clear that the state exerts much influence on the determination of compensation, with the result that there is almost complete control over municipal wage and salary policy.

Before the Second World War wages were based on the general minimum or “ethical” wage which corresponded, for the most part, with the pay of unskilled labor in private industry. From this minimum about six pay ranges were established by means of rough estimates, and the different positions were assigned to the various pay ranges. Since the war an improved method of estimation has been developed. This begins with the more or less uncomplicated positions of manual labor, for which qualifications can be precisely defined, thereby leaving little room for personal judgments, and provides for several steps, between which the pay differential is very small. The immediate cause of the improved method of estimation was the tight labor market, which made it necessary for both private industry and the government service to establish a system of wages according to performance.

To properly evaluate the performance required on a job, with a view to establishing the salary that should be paid, the so-called standardized
method of job description and grading was developed. Through this method individual positions were first evaluated and graded and then assigned to the various pay ranges or rates, which were mostly taken from private industry. However, the positions in local government are of a much greater heterogeneity than are those in industry and moreover, in general, it is not possible to satisfactorily differentiate among wages for manual laborers. On the whole, it is questionable whether the expensive and time-consuming standardized method of description and grading was justified, particularly in view of the results.

In the first place, it was found that the application of rigid rules did not make for common sense personnel management, and during the course of the years several modifications were made. Too, there has developed a trend toward the simplification of the system by substituting the evaluation of individual jobs (man classificatie) by the evaluation of classes of jobs, or position classification. As a result, the costly and time-consuming follow-up investigations to determine if the employees were still doing the same work as at the time of the establishment of the wage plan could be reduced, and the particular specification which was applicable only to a specific employee could be abolished. Moreover, the system of individual job classification required the approval of his job description by the employee involved; from the point of view of organization, however, it is the duty of the department head to make the descriptions concerned.

A further criticism of the former classification system was that it presented serious psychological difficulties. However, I do not think the charge that profound mistakes resulted from its use is justified. There will always be some slight disparities, particularly between the various kinds of jobs, just as there are differences among various groups in society, but the classification system should not give rise to jealousy or envy. Finally, in the former system, which was thrust upon us by the central government, no attention was given to the costs involved. Only a highly simplified system of job evaluation which is not only consistent with personnel management, but with management in general, is acceptable.

Difficulties may arise when a classification system is applied to high level jobs, for in these cases it is the man who makes the job, not the job the man. As far as manual labor is concerned, however, in order to compete with private industry, jobs were classified and basic rates of pay were attached to each of the job classifications thus established. In addition to the basic wage, each worker received an additional premium or percentage as determined by a point system evaluation of performance according to such objective data as quantity and quality of work accomplished, or which was based on merit, in which case employees were also judged on such factors as behavior toward fellow workers and
behavior toward working materials. In general, the government had two specific aims: to increase productivity and to base pay on performance.

The evaluation of employee performance according to objective data had to be rejected in most cases because municipal activities are predominantly of a service character and, with the exception of repair work, are not carried out at a fixed place. And even in the case of repair work, it is not always possible to establish satisfactory time or production standards. In the beginning the evaluation system based on merit (merit rating) was dogmatic and incongruous, for the evaluation specialists and advisors had lost sight of some very important factors of personnel management, as well as of management in general. Now, however, it is more practical and realistic, for the municipal departments and units are responsible for their respective areas of work and an over-all evaluation is given by management. A subsidiary advantage of using the merit system of evaluation, it is claimed, is that closer contact is established between the employees and management; such a situation, however, demands that there be, on both sides, sincere sympathy and a lack of preconceived ideas. At the present time, the question of extending the system of written evaluations to administrative employees is under consideration. Many difficulties arise, however, in describing such positions and in evaluating the performance of the job incumbents.

As for a formal system of appeals in regard to job evaluations, there are, in my opinion, several psychological objections. Moreover, it has been found that basing wages on performance does not result in increased productivity, particularly not in local government with, as I have said, its predominantly service character. Rather is increased productivity a consequence of organizational changes, although it can also be achieved more directly in other ways and at lower cost. On this point the necessity is simplification; one example of this is to assign employee evaluations to the different levels of management, and to have this evaluation be verbal.

A final word with respect to the significance of the financial incentive as a factor in government employment. In my opinion, that incentive is definitely not the strongest motive and can easily clash with important social factors. Moreover, a sense of responsibility, initiative and cooperation can even be damaged by it. To regard wages and salaries of primary importance is a primitive way of thinking which overlooks the intricate character of the society that is our daily sphere of action. In my opinion it is just as necessary to direct our attention to the problem of the so-called positions structure. On this point the problem has not been to bring the right man to the right job, but to mutually and intensively adapt man and job. It is our task to create a range of positions — a problem not only for scientific management, but for personnel management as well — which
gives visibly important and lasting contributions to local government work as a whole. This is a task which makes an appeal to higher qualities, such as the readiness to do a reasonable job, and its result is consequently a system based on confidence. It will be desirable to have at our disposal a moderate financial incentive, but only as a token of particular appreciation on the part of management. The regulations on pay have already provided this incentive for years, through range increases, gratifications, special allowances for exceptional capacities and performance, etc.

As so often, the government is in danger of introducing so-called modern systems which are already rendered out of date in private industry. They are in danger of making a backward movement, which is highly regrettable because we particularly want to and can attract the kind of employees who are ready to exert themselves for such an abstract notion as the public interest. Out of ideals which gradually but undoubtedly will penetrate into the minds of all public servants, the discrimination to which the wage earners have been exposed in our way of thought, must disappear. In regard to the kinds of duties to be performed, as well as with regard to the form of wage incentives, it is hoped that management and workers will develop more adult attitudes and behavior which are adapted to and required by our common future.
DISCUSSION

Participants: J. Pena, Argentina; J. Riggenbach, United States; T. C. Wills, United States; M. Soto, Argentina; A. E. Nortrop, Great Britain; R. E. Griffiths, Great Britain; Z. Kovačević, Yugoslavia. M. Mohamed, Ceylon. F. Garibaldi, Argentina; R. W. Brown, Great Britain.

Dr. Van der Zanden answered a question concerning the highest and lowest ages of entrance to public service by stating that in the Netherlands today a great deal depends on the availability of workers, which are very scarce due to full employment. Under ordinary circumstances Dutch municipalities like to hire workers as young as possible in the hope that they will make a career in the public service. Now, however, young workers are not always available and the entrance age to public service, therefore, may be from 35 to 45 years of age. At the higher levels of public service there is no age limit, although here again preference is for the younger applicants. Mr. Ricketts said that in the United States formal age limits are established only for the recruiting of personnel for the police and fire protection services, positions for which there is a special premium on physical fitness. In general, these age limits are from about 20 to 30 years of age, with exceptions in either direction, particularly upwards. With respect to other categories of employees, two factors must be taken into consideration by a municipality, the physical condition of the individual in relation to the job for which he is being recruited and the implications of admitting too large a proportion of persons of middle and advancing years into the municipal retirement system.

As for the comparison of wages between public and private employment, both speakers agreed that for the clerical occupations and for unskilled and skilled manual labor the wages tend to be about the same, with the exception of construction workers who may receive a higher hourly wage in private service because of seasonable employment. In the higher positions, although comparisons are difficult to make, salaries in private industry tend to be higher than in the public service.

In answer to a question as to whether it is general practice in the United States that municipal employees are required to be residents of that municipality, Mr. Ricketts stated that there is a great diversity. To generalize, residence requirements are commonplace, but at the same time there are legal provisions allowing municipalities to recruit outside their boundaries for particular posts, usually ones in the higher echelons, if they so desire. Increasingly in the U.S. there is a mobility from city to city among the people holding the more advanced positions.
The question of collective bargaining between public workers and the municipality was raised. In the United States, although there is considerable employee participation in the determination of wage policies, this does not take place in a framework of formalized collective bargaining which, in fact, is not legally permissible. There are, however, exceptions and a trend is becoming discernible in the direction of allowing municipal employees to have the full range of benefits with respect to wage negotiations that characterizes private industry. In Canada collective bargaining in the municipal service is more widely accepted and at least one of the provincial labor relations acts classifies the province and the municipalities therein as employees in the meaning of the act. As a result they must, by law, bargain with their employees in exactly the same manner as if they were a private business.

The term collective bargaining cannot be applied to the situation in the Netherlands. However, the unions of government officials in that country have great influence in establishing work standards and wage and salary scales. Although the unions officially function only in an advisory capacity, their advice is generally followed. In Great Britain, on the other hand, there is national collective bargaining as to pay rates and conditions of service for all local government employees. This is carried out through the national employee organizations which cover private as well as public employment. Moreover, through the fixing of prescribed pay ranges based on population size, it is possible for discretion to be exercised by the local authorities. Technically, this collective bargaining machinery is voluntary although there is some provision for the enforcement of certain of its aspects.

At this time, contemplated changes in the essentially centralized compensation system for local government employees in Yugoslavia were described by Mr. Z. Kovacević. He noted that several factors have led to the study and discussion throughout the country of decentralization of remuneration for public servants. The first is the considerable independence enjoyed by local authorities in establishing their own organizational structure and in carrying out their necessary duties, and it is felt that this same local independence should be extended to the system of remuneration. Already two important services, education and health, have abandoned the former system and now realize and distribute their income themselves. Secondly, the present system of basic salaries and advancement based on school qualifications and years of service has become too automatic and often has little connection with how efficiently an employee performs his work. Too often the result is that the employee becomes a routine worker and loses the ability to assimilate new ideas and to acquire new working habits.
Thirdly, the distribution of income on the basis of the principle "to each according to his work," which is the right of each working collective and economic enterprise, should also be extended to the working collectives of administrative bodies. Finally, the municipality in Yugoslavia is not only the basic unit of self-government, but is also a social and economic community of producers and consumers whose functions are implemented by both the municipal council and the self-governing organizations in the economic and public services. In this system the role of the municipal administrative machinery differs from the classical pattern in that it is concerned with the over-all economy and with social services. As the activity of the local administration directly affects the total level of labor activity of the municipality and as its revenue depends primarily on economic growth, the administration should be oriented toward activities which are likely to make the greatest contribution to the general productivity of the municipality. Moreover, the general level of salaries in the municipal administration should be comparable to salaries in economic enterprises.

Thus, the establishing of salaries of administrative workers in the Yugoslavian municipality would have three phases. The first would be to determine the share of the administration in the total revenue of the municipality or, in other words, to effect a distribution of income between the municipality as a whole and the administration as a whole. The second phase would be to determine, on the basis of the nature and volume of their work, what proportion of the total income assigned to the administration should go to each of the various bodies of which it is composed. The final phase of establishing the remuneration of administrative workers would be done mainly by the working collectives in each of the departments who would evaluate all posts. With the help of the point system, the value of a point depending on the part of the total municipal revenue realized by the administrative body as a whole, the value of each post would then be ascertained.

Finally, a sort of statute would be adopted by the working collective and confirmed by the municipal council which would regulate the administrative department and thus govern a whole series of internal relations. Among other things, it is proposed that various funds should be established in the administrative departments, such as a reserve fund, a general consumption fund, a depreciation fund, etc. The role of the municipal council, then, with regard to the administration would consist of determining the tasks of the administration, in exercising general supervision over the carrying out of these tasks and in allotting investments for the administration.

Opinions vary about all the suggested proposals. Until now a great deal of work has been done in analyzing the work of the administrative
bodies and the operation of the present system and in reviewing every system of remuneration in Yugoslavia, as well as those in various other countries, particularly the United States, Belgium and Switzerland. Although this latter work has produced many useful ideas, it has been concluded that it is not possible to merely copy another system. Rather should Yugoslavia develop its own system which will be in keeping with the social and economic conditions of that country and which will take into account the particular position and role of the administrative bodies.

Contrary to the personnel system for local government employees being contemplated in Yugoslavia is the unified one which now exists in Ceylon. Mr. M. Mohamed stated that his country has a unique system which features an independent Local Government Service Commission composed of representatives of municipal councils, local administrations, other local bodies and nominees of the central government. The commission makes appointments to all local authorities, fixes employees' salaries, in consultation with the respective local government councils, and guarantees various fringe benefits, including pensions.

Disciplinary matters are also referred to the commission, which holds an inquiry on any charges and a request for dismissal made by a local mayor against any of the local government officials. A decision is then made on whether or not dismissal should be effected.

As for the remuneration of local government employees in Ceylon, only the basic salary is paid by the respective council. The living allowance and other special allowances, which amount to nearly 150% of the basic salary, are paid by the central government in the form of grants.

At the present time plans are being made to reduce the number of commission members from twelve to five, a change, it is felt, which will result in a more workable size for the commission.

In Buenos Aires, Argentina, commented Mr. F. Garibaldi, remuneration for local government employees is too low and too strictly regulated, as far as increases are concerned, when compared with private industry. Moreover, inflation, whereby the purchasing power of money is diminished and the cost of living index rises, creates a special anxiety among salaried people. This situation could be greatly improved if the municipality were to adopt a flexible salary scale by which salaries could be adjusted according to the price and cost of living indices. In this way a real stimulus would be given for qualified applicants to apply for municipal service.

A recent measure taken by Buenos Aires officials to encourage competent, skilled people to enter the local government service has been a modification of the strictly seniority system for promotions to one which gives greater emphasis to the preparation and abilities of the employee.
Mr. R. W. Brown of England pointed out that just as the financial incentives to become a public servant are very important, so too are the non-financial incentives, but unfortunately local government employment offers great frustrations. Whereas the ideal is a partnership between the council, which makes policy, and the municipal officers, who carry it out, in actuality this situation is only imperfectly attained and for the following reasons:

First, there is often a lack of definition of the goal to which the officers are trying to attain; there is a tendency for public servants to feel that their tasks are not thoroughly explained to them. Secondly, the work carried out by local government officers becomes immediately apparent to the citizens and consequently the local authority is identified with the effects that take place. In England there is the problem that under a two-party system the policies taken by a particular authority may conflict with the views of the officer; he is then identified with a policy with which he personally may not be in accord. Thirdly, council members often have little understanding of the work of local government officers. Policy-making can be very remote and elected officials can make decisions whose precise nature are never made apparent to the officers themselves. A possibility here is a joint consultative system whereby officers can attend some particular meeting where policy would be explained in detail.

Fourthly, there is difficulty between the officers and the citizens of a municipality. There is a tendency for an officer to become somewhat cynical when he compares the work that must be done against the financial cost of doing it. There is the further frustration to an officer in having to inform people that something cannot be done which should be done because it is not financially possible for the local authority to do it. Should account be taken of the above-mentioned difficulties, greater cooperation and understanding between the officers and the elective members of the municipality would result and a higher standard of local authority work would become increasingly apparent.
Mr. David D. Rowlands discusses the problems of a reduced work week for American local government employees. To his left is Dr. W. Hensel, who spoke about the implications of shorter working hours for local government in Germany.
The subject, reduction of the work week, certainly has many implications which I shall merely try to highlight at this time. In talking about this topic, we cannot get away from discussing finances and economic implications and I have, therefore, one or two statistics which I thought would be of interest. I am going to use the United States as an example, although I am sure that the principles would be just as applicable to other countries.

As of the fiscal year ending July 1, 1961, local government expenditures in the United States totalled 33 billion dollars. Revenues from taxes and special charges in local government, however, totalled just 18 billion, so obviously there was a differential of 15 billion dollars. Thus 15 billion dollars had to be made up, you might say, by contributions from the federal and state governments to the local jurisdictions and also by the issuance of general obligation and revenue bonds. This situation is going to be accentuated, in my opinion, during the coming years because the tendency, as you will see in just a moment, is for the work week to be reduced.

Some general observations: back in 1850 in this country the average farm worker had a 70 hour work week; in 1950 that work week had been reduced to 45 hours. Factory working hours about 100 years ago averaged 65 hours a week; now they are about 40. As for City Hall employees, the Municipal Year Book gave some very interesting information: of 1,000 cities with over 10,000 population 67% now work 40 hours or more. In about 17 1/2 % of the cities employees work between 35 1/2 and 39 1/2 hours. Believe it or not, we already have 154 cities in this country that have a work week of 35 hours or less, so again the tendency is definitely toward this shorter work week.

All of us are confronted with the problem of fire defense. As you know, there is a tremendous difference among cities in what is known as the
duty week (I don’t know if you could necessarily call it a work week) for firemen. Again it is true all over the world that firemen in many jurisdictions are pressing for reduction in their duty week or work week. At the present time, in cities of 100,000 to 250,000 population in this country, the median work hours is about 57. The median number of hours for all the cities over 10,000 is now 63 hours. To give a specific example, in my own city of Tacoma the firemen have a duty week of 56 hours. We are getting requests from the union representatives that the work week be reduced to 48 hours and ultimately to 40 hours. If the latter should happen, it would cost our city an additional $600,000 annually to take care of the 100 additional firemen, plus necessary equipment, to bring about this 40 hour week. This illustrates rather dramatically, I believe, the tremendous costs involved when you talk about reducing the work week.

I’ll touch briefly on some of the forces which have caused the shrinkage of the work week. One of the basic forces, which is really outside the scope and jurisdiction of the local government, is what has been done by some of the legislators at the state or federal level. In many of the states the legislators have compelled cities to arbitrarily reduce the work week. This has been particularly true in the area of public safety and the local government has little control when restrictions on the work week and also on working conditions are prescribed by a higher authority.

There are many forces, of course, within the cities that are trying to affect the work week. First of all, there has been and in my opinion there will continue to be, an expansion of unionism among municipal employees. In most cases this has been very constructive, but there will be more unionization and when that takes place, pressure will be applied for reducing the work week. Also, during the work day, other things are taking place which actually reduce, in a sense, the productivity of municipal employees. For example, there seem to be more rest periods, or coffee breaks as we call them in this country. Vacations are generally becoming longer, fringe benefits in the form of additional holidays is an acceptable trend and sick leave has been liberalized. Thus, when a composite of these fringe benefits is added to the reduced number of working days throughout the year and the number of hours in the work week, difficulties face the municipal administration.

I do not have time to go into all the psychological, sociological and economic effects of the reduction of the work week. To mention but one example, however, in order to combat this reduction a great effort is being made to promote automation and specialization and to improve in-service training of employees toward the end of higher productivity and
more efficient operations. Of course, this has some effect on the employees, mainly that of stress. After all, we are all human beings, not machines, and we must not overlook the fact that human relations must be given first consideration. Moreover, by reducing the work week we are also creating more leisure time, not only for municipal employees, but for employees in private business as well.

Although this is rather paradoxical, the creation of more leisure time for municipal employees has in the United States made it possible for these employees to engage in outside work, which is known as "moonlighting", either on a full-time or part-time basis. In some cities it is mandatory that city employees do not accept outside jobs; in other states and cities this is permissible. In some cases even the courts have held that neither the city administration nor the city council can arbitrarily prevent somebody from taking outside work, a situation which produces many problems. Interestingly enough, although in many cities a fireman may have a duty week of anywhere from 56 to 63 hours, we find that in a great many localities more firemen accept outside jobs than any other class of city employee. This probably stems from the fact that the firemen have shifts, oftentimes working 24 hours on and 24 hours off, or 14 on and 10 off, various combinations which make it possible for them to have outside employment, whereas the other employees who are working a regular five-day week, eight-hour day, would find it impossible.

Just before coming to this conference I received a letter from one of our local union business agents wanting the City of Tacoma and the school board and the county and federal officials in our area to issue an edict that no outside employment would be permitted. Of course, as I pointed out, this is not always possible legally. From the standpoint of the municipal administration, as long as the job which is being held outside of city employment is not what we call "incompatible" with the work that is being done for the city and as long as it does not affect the productivity of the employee, he or she is permitted to undertake outside work.

In conclusion, I would like to say that there is an inevitable trend toward a shorter work week which has tremendous economic, technological, psychological and sociological effects to the community. This problem can be partially met, I believe, by adopting those techniques in local government which will produce a more effective and efficient municipal administration. At the same time, it must be recognized that this cannot be accomplished unless the development of good human relations or good personnel relations receives precedence over the direction of merely inanimate objects or things.
Prior to World War II the work week in government offices in Germany was generally 51 hours spread over six days. This, of course, did not apply to manual workers who for a long time had been working eight hours a day, six days a week. Following World War II the number of working hours distributed over six weekdays was reduced to 48. Beginning in 1956, in response to the demands of some unions, various branches of industry switched to a five-day week, with a daily work schedule of nine hours, making a work week of 45 hours. Since then the five-day week has become almost standard in industry and business in West Germany, although in several industries the hours of work have been further reduced to 42 hours. It is the manifest aim of the unions gradually to bring about a 40 hour week. The eight-hour day continues to be their classic goal and is only temporarily put aside as part of the adoption of the five-day week, i.e. no work on Saturday.

The government service in the Federal Republic only very reluctantly fell in with this trend toward an extended week end and a reduction of weekly working hours. In the middle of 1957 some local government authorities began to extend every second week end, in other words, employees had every second Saturday off. On the basis of nine hours of work a day, the average weekly work time therefore was 47\(\frac{1}{2}\) hours. My own governmental unit, the City of Düsseldorf, has practiced the extended week end, i.e. Saturday off, only since the summer of 1959. Other branches of public administration emulated this example at a much later date, some of them not until 1960. Today, therefore, we have throughout the entire government service in West Germany the long week end, with Saturdays and Sundays as days off. Our weekly work time amounts to 45 hours or nine hours a day not including the half-hour noonday lunch period. This means that officers or employees are on hand in their offices a total of 9\(\frac{1}{2}\) hours daily. There are no signs that there will be any further shortening of hours of work in government service in West Germany in the foreseeable future.

Since, as was already pointed out, the change-over throughout the government service in West Germany from the six-day week to the five-
day week containing 45 working hours was made on a general scale only recently and by several intermediate stages, we do not as yet have any experience data to render a final judgment about psychological and medical effects. What is clearly noticeable, however, in the present system of spending $9\frac{1}{2}$ hours at the place of work, is that performance drops off considerably during the last two hours.

As early as 1958 the German Municipal Conference adopted as the theme for its annual meeting the subject: "Municipalities and the Five-Day Week". The organizational and personnel effects of instituting a five-day week in the internal operation of municipal governments were discussed in detail. The question was examined as to what measures of rationalization and automation might compensate for the loss in working time and output.

The assembled membership of the German Municipal Conference, however, was chiefly concerned with the question, what new or additional tasks arise for municipal administrations due to the extended week end enjoyed by the gainfully employed population? It was clearly understood that municipalities must do something to afford citizens an opportunity to spend their additional day of leisure profitably. We found that it would be necessary to provide more athletic playing grounds, gymnasiums and swimming pools. Above all, additional facilities for a profitable use of leisure time must be made available to young people in youth centers. In addition to museums, theaters, or musical events, community colleges and public libraries must also be open to the people during the extended week end.

For a majority of local government personnel employed in institutions of this kind, it is therefore not possible to schedule a five-day week with Saturday and Sunday off. As it is, there can be no five-day week for any personnel working in municipal hospitals, for workers in gas, water and electric utilities and for the personnel of our public transport services.

At this point it should be stressed that generally speaking there is no five-day week in our schools. The quantity of material to be covered by the schools, in the judgment of our educators, does not permit any reduction in the hours of instruction. Furthermore, in my city, for instance, about 20% of all schools are still on split sessions. Wartime destruction of our schools and the considerable increase in our population which is further swollen by expellees and refugees has caused an acute shortage of school facilities which, in spite of intensive new school construction, has not yet been made up.

As far as office work proper is concerned, we have been able on the whole to make the switch to the five-day week containing 45 hours
without increasing personnel. We have endeavored to streamline our administration and to mechanize wherever possible. In the fields of municipal athletic, educational and juvenile facilities, a certain additional need for personnel has arisen. On the other hand, as regards blue-collar workers, the reduced work week has necessitated an almost proportional increase in labor. This has had noticeable repercussions on municipal finances. In addition, the very acute labor shortage in West Germany makes it extremely difficult to recruit additional manpower.

In conclusion, it must be stated that as far as government service in West Germany is concerned, we have not yet entirely solved the problems resulting from the switch to the five-day week with 45 hours of work. Again and again we find ourselves compelled to take new organizational measures in order to meet the needs of the public. A single example will suffice. Traditionally Saturday in Germany has been a favorite day for civil marriages. In instituting the five-day week we had also closed our marriage license bureaus. Now the people demand that they again be afforded the opportunity to be married on Saturday as well. And so we shall soon be forced to keep marriage license offices open on Saturday.

One more observation to conclude with. The person adversely affected by adoption of the five-day week in local government is in any case the head of local government, the mayor or the city manager. Conferences and meetings which he previously could spread over six days must now be covered in five days. As a result, mountains of unfinished business pile up on his desk at week’s end, which he must struggle to work off over Saturdays and Sundays, without help from his associates. The amount of work to be attended to by the director of a metropolitan city administration in Germany in these five week days can perhaps be visualized from a few statistics: The council of my city of 700,000 inhabitants consists of 66 members. This council has established 22 committees. Eleven assistants function under my supervision, in charge of a total of 50 departments. There are approximately 21,000 persons employed in the municipal administration of Düsseldorf, including the city transport services, but not including teachers. Thus the only thing left for undisturbed desk work is actually the prolonged week end.
DISCUSSION

Participants: O. Cunha, Brazil; J. M. P. J. Verstegen, Netherlands; T. C. Wills, United States; R. E. Griffiths, Great Britain.

The extent and use of pay and compensation plans which incorporate the step concept was raised as a topic of discussion. Dr. Hensel stated that, in regard to Germany, a distinction must first be made among workers or laborers, employees and white collar workers. The wages of laborers and office workers are determined by collective bargaining between local government representatives and workers' organizations and the office workers' association, respectively, and are formalized by contracts which describe in detail the work to be done, set the wage and salary rate and establish that as a worker gains in seniority his wages will also increase without a change in work. As for the white collar workers, their salary schedule is set up by the respective municipality with the approval of the federal government and parallels the remuneration received by federal employees doing the approximately same kind of work.

Many municipalities in the United States have adopted a compensation plan with the step concept, commented Mr. Rowlands. Normally there are five steps within each range, with an additional step at the end of the range which goes to a certain percentage of the employees, perhaps 15 to 25% depending on local circumstances, who are doing outstanding work. Although this concept was intended to make for a better system of remuneration, for the most part promotion from one step to another, which represents an approximately 4½ to 5% increase in salary, is automatic if an employee's work has been satisfactory and takes place on the anniversary date of employment. However, this particular program cannot be properly implemented without a parallel merit rating system, preferably one that is formal, but if not, at least an informal system whereby the directors, division heads and other supervisory personnel recommend that an increase be granted to an employee. In order to keep their wage plan comparable with the going rate of industry, moreover, many municipalities each year make a two to three months survey of wages paid by firms in the community for similar positions. In this way rates for public and private employment can be more carefully matched and the municipality can recruit employees of comparable ability to those being recruited by private industry.

Mr. O. Cunha from Brazil referred to the comments made at the previous discussion by Mr. F. Garibaldi from Argentina, in regard to the problem of adequate salaries for municipal government employees in countries which are facing increasing inflation. All the Latin American
countries are presented with the situation that taxes which are destined for the use of municipal governments are based on fixed rates and their amount is therefore stationary while the cost of living is not. The question has been raised in Brazil of the advantages of establishing, through federal legislation, a salary schedule with an escalator clause, to the end that local government wages and salaries would increase and decrease in accordance with the cost of living index. Information, therefore, on the advantages and disadvantages of such a system, which is used in France, were being sought by Latin American delegates.

Dr. Hensel replied that such a plan had been discussed in Germany for quite some time and that a study had been made of the French system. However, the Minister of Economy had decided against it because it was felt that the escalator clause would intensify inflation and therefore go against efforts at stabilization. Thus, because in Germany there is a certain decrease in the purchasing power of money of roughly 2% per year, collective contracts are always valid for a short period of time. The last one, for example, is valid for only one year, at the end of which time negotiations will be made with the unions on new wage scales which will take into account the general state of the economy at that time.

In agreement with Dr. Hensel on the imperfections of the escalator clause, as pertains to municipal wage and salaries, was Mr. T. C. Wills of the United States. He pointed out that such a system assumes that people are satisfied with having attained a certain standard of living, whereas in reality it is human nature for people to want to increase this standard. In the long run, therefore, the introduction of the escalator clause may only prevent further negotiations which could lead to the innovation of a more satisfactory solution to the existing problem.

In reintroducing the topic of the reduction of the work week, Mr. C. McLeod briefly described the background of the unique system enjoyed by fire fighters in the western provinces of Canada. The five-day, forty-hour week for these public servants came about as a result of arbitration provisions provided for in provincial legislation. As the fire fighters voluntarily gave up the so-called “right to strike,” they received in return the protection of their collective bargaining rights and economic status, through the right to arbitrate. Their present working hours are the result of such arbitration. Without in any way decrying these hours, it must be observed that to maintain the traditional organization for fire fighting and at the same time provide the fire fighters with the same hours of work as most trades and clerical people have, imposes a very considerable financial burden on the municipality concerned.
In the Netherlands the general introduction of the five-day week for municipal employees met with much public hesitation, stated Mr. J. M. P. J. Verstegen. However, it has been found that productivity and services rendered would not decrease as a result of its introduction, and with the help of automation and mechanization, the same level of work can be maintained as presently exists. The number of working hours per week, beginning July 1, 1961, will be 45, and the plan is to reduce this to 40 hours at the beginning of 1962.

Mr. Verstegen then commented further on the new system for personnel management at the local government level in his country. Municipalities develop their own personnel policies in accordance with general directions given by the central government and supervised by the province in the matter of primary service conditions, including wages and salaries. These matters are decided at the national level by the Joint Negotiation Committee, which is composed of two members from each of the five unions concerned, ten members representing the central government, two advisory members from the provinces, and two advisory members from the local authorities. In addition, there is a Municipal Joint Negotiation Committee, which is composed of four members from each of the four concerned unions and about sixty members representing the local authorities throughout the country. This committee deals with all local personnel matters, in an advisory capacity, and their advice is usually followed by the local governments.

The discussion period ended with a short explanation by Mr. R. E. Griffiths of the efforts being made in Great Britain to attract professional people into a career in local government. First of all, there are a number of detailed provisions which are published in advance for people who are already qualified by training in any field that is required by the local authority. For example, a man who is already an engineer, an architect, or a surveyor will know that if he accepts an appointment with a local authority, there will be a published salary progression, starting at a guaranteed minimum, which may span several of the normal scales and go to quite a high salary level. This salary range will vary throughout the country in accordance with the cost of living in the various areas. In addition, there are prescribed levels of entry with guaranteed progression for people with intermediate qualifications, these being people who have not completed a full-time professional study leading to full qualification but who are in the process of studying in their spare time.

For the fully qualified people, the prospects offered and published, while guaranteeing a career to compare with private enterprise, also carry the chance of something much better than private enterprise can offer. In Great Britain, moreover, it is believed that with the continuing shortage
of qualified people and with the intensity of competition for them with private employment, it is necessary to intensify training. Therefore, local authorities seek to catch the young people just leaving advanced schools and to offer them professional training in public service, again with guaranteed salary advances, with the hope that because they started in local government in their profession, they will be likely to remain in public service.
SUMMARY AND CONCLUSIONS

by

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In effect, this summary touches upon a series of problems. It touches upon legal matters, a compulsory statute, based on that of the state, which is either uniform for all municipalities or which allows for variations from one municipality to another within a certain basic framework; a statute which lays the basis for a career in the public service. It also deals with the problem of selective recruitment by competitive civil service examinations and of promotions, according to merit and according to seniority. It deals with the problem of remuneration and compensation, of whether salary scales should be determined by basing them on central government salaries or on those prevailing in the private sector; while there must be a certain comparibility with the private sector in this matter. Should the municipality compete with it? Furthermore, what should be the proportion between the direct remuneration and the indirect, or the fringe benefits? This summary deals with the length of service, with disciplinary sanctions and how they should be administered, with the relationship between employer and employee and with the right to strike.

These are all problems that must be dealt with in connection with personnel management; many of them have been discussed in our seminar meetings. Among all other difficulties, however, the greatest one which faces every speaker is that in this matter we are dealing with many countries of different organization and structure. Moreover, we are dealing with specifically technical and legal terminology which varies greatly from one country to another. Personnel management is, therefore, a world unto itself.

We would need volumes, literally, to deal with all these problems, we would need certainly a universally knowledgeable mind to know all of them and inexhaustible patience to absorb them. Therefore, I was staggered by the enormity of the task, especially in view of the fact that there is only a short time available in which to develop the results of four days of sessions, a period of time which was altogether too short. Therefore, do not expect concrete solutions and specific answers to the problems that have been raised, nor must you expect a comprehensive and faithful summary of the seminar discussions. Rather, I shall limit
myself to outlining certain general trends which I feel have been perceived in the course of these seminars and I shall do it as a number of points of reference or reflection, which shall be followed by an expression of a wish.

My first conclusion is the importance and the scope of the problems involved and the evergrowing awareness of this fact by municipal officers. Nor can any municipal officer, be he mayor, manager or a high civil servant, disguise them, for on their satisfactory solution depends the quality of his administration, the success of his mission and, what is uppermost, the happiness of many human beings for which he has a certain responsibility. All the speakers stressed, with due reason, the fact that personnel management in municipal government cannot be a matter of secondary importance, but must constitute one of the major concerns, one of the most urgent preoccupations of all the municipal officers responsible. Nor does the ever increasing mechanization of some of the municipal services in any way lessen this importance. The concern for good morale among the personnel is therefore essential, as is the need to reduce their psychological frustrations to the minimum.

My second conclusion is that the problems have become essentially technical ones. It appears also that it is no longer by empirical devices, by personal reactions or solutions and, to use a rather familiar saying, by rule of thumb that these problems will be solved. Personnel management has become indeed a social science which encompasses a certain number of complex, psychologically inclined disciplines, which requires thorough studies, which is implemented by specific techniques which must be known in order to be applied and which requires the setting up of adequate bodies on the municipal or inter-municipal level of organization and management experts. In this particular field of endeavor, just as in many others, improvisation, empiricism, individualism and good will are no longer sufficient. One must, instead, call upon increasingly complex and precise disciplines and one must call upon specialized experts with broad qualifications.

My third conclusion is that in spite of this technical aspect, the problems remain specifically and essentially human problems. This human factor, this individual factor of personal rapport, of personal empathy, does not disappear, far from it. Every man, every civil servant, every municipal officer or employee has his own preoccupations, his own outlook on life and people, his own way of appreciating his position, his own difficulties and aspirations, his own ambitions and also his own shortcomings. And what he wants most of all is to be recognized; he begs recognition. Without a true psychological appreciation, without a deep and sincere sympathy and interest for the employees of the municipality, no good whatever will result, nothing lasting or constructive will be built.
One must, therefore, humanize and personalize the general techniques of personnel management.

Fourth conclusion: personnel management must become objective unto itself. Every method, if it can used in this sense, of management based upon arbitrary or political considerations, personal influence, personal likes or dislikes, in brief, resting upon subjective principles, must be rejected, whether in recruiting, assignments to specific functions or in sanctions. Only purely objective methods can preserve the morale of the employees and promote the standing and the quality of administration.

Fifth conclusion: the problem goes beyond the scope of the individual municipality. With the rapid unification of the world, which is proceeding at an ever increasing rate, and the narrowing down of national borders due to cheaper and better means of communication, problems of personnel management are less and less confined within the limits of each individual municipality. It is, therefore, towards general solutions, toward national solutions, that we must strive. There is less and less difference from one city to another, from one town to another, from one municipality to another. Thus, it is all too obvious, as is the intervention of national labor unions, that in their personnel statutes, levels of compensation and opportunities for promotion and fringe benefits, unhealthy competition between municipalities to attract personnel, which is an inflationary danger in a full employment society, creates excessive burdens for the municipalities. Therefore, a set of general rules on personnel matters should be adopted at a higher level to supersede individual municipal regulations.

Sixth conclusion: there is a choice to be made in the manner of regulating between two major alternative systems. The first system is that of a statute elaborated by the central government on the basis of its own civil service law and imposed by the higher authority on the municipalities. Municipal employees are thus members of a national civil service system that is adapted to the municipalities but is imposed upon them from above. This, I believe, is applied to a certain extent in France; it is also applied to a certain extent in Holland in the field of salaries and compensation. It prevails also in Yugoslavia and there appears to be a tendency towards this system in Belgium. At the other end of the spectrum we have the system whereby each municipality draws up, in complete sovereignty, its own specific statutes for its own personnel, with its own rules and regulations adapted for each specific instance. This is, very broadly speaking, the system that prevails in the United States.

I believe that the first system is a mistake because it centralizes, is too rigid and too cumbersome. It ought not to be advised, be it from the viewpoint of municipal autonomy or from the viewpoint of the deep-rooted interest of municipal personnel. The second system, I also believe, ought not to be recommended for the reasons I mentioned in my fifth
conclusion, because this stage will be left behind. Between these two extremes there is what I consider to be the happy mean which can be offered as a model. That is the British system. This consists in the free establishment, under the possible control of higher authorities, of discussions at the national level, or at the state level in a federal government, within an ad hoc committee such as the National Joint Negotiation Councils for Local Authority Services in Great Britain, between representatives of the employers of the municipalities or the association of municipalities and the employers, through their respective professional associations or national trade unions. This joint committee establishes policy pertaining to a general scale of compensation, promotions, sanctions, paid vacations, working conditions, etc. The solutions or decisions taken unanimously or with a qualified majority in the group, after having been approved tacitly or formally by the central government are, in fact, made compulsory for or binding on the municipalities. In case of disagreement a procedure of arbitration has been provided. A system similar to this is also to be found in Germany.

In my opinion, this system provides for the best scientific, thorough and systematic study of the problems encountered in municipal personnel management. Moreover, it ensures indispensible uniformity of financial and working conditions of municipal personnel and makes it possible to respect municipal autonomy which, however, is no longer expressed at the level of the municipality, but rather at the level of the municipal association, which represents the interests of all the municipalities in general. Municipal autonomy is also represented by the possibility of adapting, through regional and local committees, the rules laid down at the national level by the accredited representatives to the local conditions prevailing in various geographical areas.

In Ceylon there is a very specific system which I believe to be unique in the world and which has been set forth by the mayor of the City of Colombo. Under this system a committee of twelve representatives of the local authorities constitutes a politically independent body which appoints all municipal officers in all the municipalities of Ceylon. It sets the scale of salaries, after negotiation with the respective trade unions, and it also inflicts sanctions on behalf of the municipal authorities. This is a far-reaching system, as you can see.

We have said much about the British, the German and the Ceylonese systems. These tend towards a socialization of the municipalities in that they go beyond the scope of an individual regime or a regime of absolute liberty to a system of the pooling of studies, interests and decisions. All our societies are evolving towards similar socialization patterns, or if you prefer another word, towards cooperative systems, which I believe is very promising. It does not kill individual enterprise, it integrates it within a
framework and it pools research studies, qualifications and interests, as well as decisions.

My seventh and last conclusion in the general framework of what I have just said, within the framework also of the prospects and evolution I have described, and within the framework of the procedure which I have recommended: municipal associations will have growing responsibilities and their role will be ever-increasing and ever more important. They must not only accept the assumption of these responsibilities and the discharge of this role, which is new to them in many instances, but they must go forward, they must bring about the evolution which I have outlined earlier. They must grasp the opportunities to act and to obtain retractions of unhealthy situations. I believe that the future of municipal authority is at stake in the field of personnel management and that the municipal associations have a very valuable tool at their disposal to fight against a nefarious governmental centralization. The results obtained by the British and German associations, the efforts and results attained by the Dutch Union of Municipalities, the part played by the French association in the case of the legislation of 1952, with all due apology for glossing over the achievements of other associations which I know less well, all these achievements are extremely dramatic in this connection. They are varied examples and they constitute a great incentive.

This, in substance, is what I wish to say. I apologize for having developed a set of personal reflections rather than a report on our work. However, these reflections have been inspired by our work and in submitting them to you, for whatever they are worth, I believe I have wrought a useful task because they may be a subject for further lively reflections, especially if there is some disagreement with what I have said.

I come now to my final wish which I thought I ought to submit to you. I wish, and I sincerely believe that I am the spokesman for all the delegates to our sessions on personnel management, I wish earnestly for the IULA to be one day able to study in a very exhaustive manner all the problems that have been discussed in our seminar and to discuss them within specialized committees in order to compare specifically and efficiently the methods and results obtained in the various countries of the world in the field of personnel management, in order to lay down broad policies or to give a comprehensive documentation to the municipal associations and to the municipalities themselves. IULA would therefore render a unique service to the municipalities over and above the numerous services it has rendered to them on a day-to-day basis. That is the reason for which I felt it incumbent upon me to present this wish to you as well as my feelings of deep appreciation and gratitude for the major international body which has gathered us today and its extremely competent and dedicated staff.