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# PUBLIC ADMINISTRATION PRACTICES AND PERSPECTIVES

A Digest of Current Materials

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## FOREWORD

This digest of current materials in public administration is prepared for the Agency for International Development to help the various specialists in public administration--in the missions and among contract personnel and the local country personnel who have received training in public administration at home or in the United States--to keep up-to-date on American developments. The digest has been changed to issue quarterly.

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## EQUIPPING MEN FOR CAREER GROWTH IN THE PUBLIC SERVICE

John J. Corson

(From: *Public Administration Review*, Volume 23, No. 1, March 1963, pp. 1-9.)

This article is excerpted from the original.

It is assuredly a propitious time to take stock of the variety of efforts being made, in and out of government,

to develop men and women for top jobs in the public service. The need is for joint re-evaluation—by governmental executives and training officials, on the one hand, and by university deans and faculties, on the other. The need is for reconsideration of what a public official does and, hence, of the relevance of the intellectual menu offered as inservice training and in the universities as pre-entry and post-entry training.

### AN HISTORICALLY GROUNDED IDEA

A starting point for such a re-evaluation can be found in an essay that Henri Fayol wrote in 1916. It was entitled, "The Relative Importance of the Various Abilities Which Constitute the Value of Personnel of Concerns."<sup>1</sup> That early essay contributed two interrelated and generally accepted ideas that deserve attention. The first was that

performance in any position requires a combination of abilities. The second was that "as one goes up the scalar chain" the mix of abilities required varies markedly.

### THE VERTICAL DIMENSION

Fayol's analysis suggests, first, the nature of the understandings that the beginner in the profession may be expected to bring with him to "apprentice-like" starting jobs, which will likely consume the first years of this employment. Here he will likely spend his time on quite narrow assignments, either as an aide to a "line" operator or in a staff unit as a budgeteer, management analyst, specialized statistician, or economic analyst. Only a few—a very few—fortunate ones will be assigned to posts affording them anything like a panoramic view. After three to seven years the typical career civil servant reaches the first professional level. Here he is called upon to direct the work of others, to "represent" his unit in negotiations with other organizational units, and to "speak for" his staff to those who will

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<sup>1</sup>Henri Fayol, *General and Industrial Management* (Sir Isaac Pitman & Sons Ltd., 1949), Chapter XI, pp. 7-13.

prescribe its work, determine its budget, and evaluate its performance. These tasks necessitate acquaintanceship with areas of understanding which were of minor or of no significance during his apprenticeship.

The average man or woman who makes a career of the public service attains the second professional level after eight to twelve years of public service. In a job at this level—e.g., the assistant chief of a division in the Department of Agriculture or the principal adviser to an administrator within the Department of Defense—perhaps a third to two-thirds of his time and attention must be devoted to an additional range of activities requiring understandings which the individual might not have retained, or which would have been obsoleted, had he focused his energies on mastering them before entering the government.

Visualize next the responsibilities of the Director of the Federal Bureau of Prisons, of the Chief Forester of the United States, of the Director of the Bureau of Mines, or of the Director of the Air Traffic Service in the FAA. At this top-most career level of professional work in the federal service,<sup>2</sup> the individual needs a vast comprehension of the substantive field in which he is looked to as a leader (or he does not get there!) and a deep understanding of the processes by which he must mobilize and motivate many human beings working together, even when scattered over a nation.

### THE HORIZONTAL DIMENSION

Early Wynn, the veteran big league pitcher, recently commented that: "More baseball people should be in baseball (in administrative positions). You don't take a guy out of a trucking concern and make a baseball man out of him any more than you

<sup>2</sup>Statistical data developed by the Office of Career Development, U.S. Civil Service Commission, indicate that this level is not reached by most occupants of such positions until after 20 years of service and attainment of age 50-55.

can take a guy out of baseball and put him in the trucking business." Unknowingly, perhaps, the fabulous right-hander parroted the words of many a public and business executive. Yet training for the public service, in and out of government, during recent decades has tended to focus on training in administrative technique, assuming that administrators are interchangeable from one substantive field to another.<sup>3</sup>

If more precise data were available as to the positions occupied by top-level civil servants in the federal government and in the best of the state and city governments, the unreality of this assumption would be apparent. The unreality is also suggested by the single fact that more than 30 per cent of the incumbents in positions classified at grade 16 and above in the federal civil service are required to have training in one or another science or in engineering.

Young men and women who enter the public service are recruited in major proportions as accountants, biologists, chemists, engineers, lawyers, physicists, statisticians, or specialists in international affairs or in one of a score of other fields.<sup>4</sup> To grow in the public service,

<sup>3</sup>See, for confirmation of this contention, the analysis of the need for public service training and the prescription in *Education for Public Administration*, "Graduate Preparation in the Social Sciences at American Universities," by George A. Graham (Public Administration Service, 1941), and in *Educational Preparation for Administrative Careers in Government Service*, Stephen B. Sweeney, ed. (University of Pennsylvania Press, 1958). A contrasting view of the need was presented earlier by O. Glenn Stahl, "Public Service Training in Universities," 31 *American Political Science Review* 870-878 (October 1937).

<sup>4</sup>An analysis of 1,150 Federal career executives occupying positions classified at GS-16 and higher in 1960 disclosed that 1,052, or 90 per cent, had had their major collegiate education in the fields of "business and commerce, economics, law, engineering, physical sciences, geology, mathematics, and agricultural and biological science." Ross Pollock, "Federal Career Development Needs—An Overview," Working Paper No. 1, prepared for the University-Federal Agency Conference on Career Development, Princeton University, November 2-4, 1961.

an obvious dedication to the objectives of the agency or bureau for which the entrant to the public service works is a decided advantage in gaining the respect of his peers. It is essential for the individual in a line job and equally important for the staff man. No characteristic tends to limit the success of the staff man more than a tendency to concentrate on his specialization—personnel, accounting, or what not—and to lose sight of the objectives of the agency and its operating program.

Both the line and the staff man will normally have to demonstrate not only an increasing understanding of the substantive field in which they work—be it agricultural marketing, airport operations, tax administration or weather forecasting—but an interest which approaches a zeal for the problems of this substantive field. Such understanding can be planted in the individual's mind during his university training, but it will be acquired in large part (and oftentimes in too parochial a form) on the job.

#### CAPACITY FOR WORK DIRECTION

For the apprentice who brought to the public service a firm beginner's grasp of a substantive field (or gained such a grasp during his apprenticeship) there is an important skill he must begin to acquire before he will rise to higher echelons. It is the skill, defined very broadly, of using others in achieving an organizational end—the skill of work direction.

The skill of work direction involves understanding of human relations at two levels—relations with subordinates and relations with equals and superiors. A flawless understanding of the elements of work direction will be of little value to the supervisor who cannot achieve effective relationships with those who work for him, with him, and above him.

How does the beginner learn this skill? He can be introduced to the nature of work direction and to what the psychologists and sociologists have recently learned about it while he is still at a university but much of

what he needs to learn, he will learn as golfers learn their skill—by watching and, consciously or unconsciously, mimicking good golfers. And, perhaps like the golfer, he must learn more and more of the subtleties of the skill as he rises.

And how does the career man learn, as he rises from echelon to echelon, to direct effectively the work of professional workers or administrative colleagues? The process is similar in kind, but markedly different in character, from that of supervising clerical or manual workers. The degree of delegation which the supervising vice president grants to his professional or administrative aides is markedly greater and the degree of accountability (in terms of regular periodic reporting) is markedly less than the delegation accorded and the accountability required of clerical or manual workers.

#### UNDERSTANDING OF OTHER FUNCTIONS

“The memoirs of almost any president of a major corporation,” Wight Bakke wrote a decade ago, “will include a description of experiences in getting the sales, production, and comptroller's departments together in the solution of a particular company problem.”<sup>5</sup> Surely the corporation president's experience is duplicated by every federal bureau director or department head who has frequently had to bring together division and bureau heads who identify themselves largely or exclusively with the programs, manpower needs, or budgets of their respective divisions or bureaus.

The man who becomes a first line supervisor learns very quickly the underside of this problem. If his wits are about him, he learns that he must know what each other unit of the enterprise is doing. It is not enough that he knows what these units do; it is essential that he knows why they think the way they do. The need for such

<sup>5</sup>Bonds of Organization (Harper and Brothers, 1951), p. 19.



understanding is reflected in the curricula of most of the many university executive development programs. Indeed, analysis of these curricula will reveal that some offer little more than illumination of the several functions of the enterprise.

But, much that the individual rising within an enterprise needs to learn about other functions of the enterprise, he must learn by becoming involved. He can learn much by reading, but there is much he must learn through his forearms, with his sleeves rolled above his elbows.

### UNDERSTANDING THE ENVIRONMENT

Felix Frankfurter has written of the "great realm" which public officials must understand if they are to ply their trade successfully. At least four factors give rise to an especial need for the individual, as he rises in the federal service, to gain an understanding of this "external realm" within which his agency operates.

The first and obvious factor is the consequence of his decisions upon the lives of many citizens. The second is the isolated work lives that most federal civil servants live. Since the careers of most federal civil servants are lived in a single bureau or department, their experiences are not likely to acquaint them broadly with the society they serve and the groups within that society. The third is that the civil servant, "hemmed in" over most of a working lifetime by exposure only to that part of the "external realm" that he serves, acquires a myopic view of the society of which his constituency is only a part. A fourth factor is illustrated by the comment of one observant career civil servant on a related bit of the environment: "This is especially true of Washington, D. C. careers and less true of field careers. Living in Boston, I was a part of the non-government society in a very active sense: we didn't know people socially, or in community activities, who worked for the Federal government. In Washington we know nothing else."

What makes up the "external realm" of which public officials must gain an understanding? It can be described only in the

broadest terms, for it is the nature of public service that the public official is concerned with the public interest. And his need for understanding is the greater because, in comparison with the executive in private enterprise, he can less often control or even influence the forces which give rise to the problems he must resolve. Consider, for example, the "external realm" with which the Assistant Secretary of State for African Affairs (and his immediate career deputies) are concerned and the forces that give rise to the problems he must resolve.

A few beginners bring to their assignments in government a textbook understanding of governmental structure, of the role of the legislature, of the relationship of government to the individual, of the structure of the society (i.e., the American society) that government serves, and of the impact of government on the economy and on the individual enterprise. This textbook understanding is expanded, tested, and distorted by their experiences (most of them secondary) during the years they work their way up through the apprenticeship and first and second professional levels of the service. Consequently, their need for understanding of the external realm becomes acute (whether they realize it or not) by the time they reach the second professional level.

### UNDERSTANDING THE EXECUTIVE ROLE

For most career executives who rise to the top of the heap there is a rude awakening. It is the shock that an executive experiences when he first realizes that he bears, and bears alone, the ultimate and whole responsibility for the department, service, or bureau he heads.

Chester Barnard, a quarter of a century ago, defined all too simply the tasks expected of the executive.<sup>6</sup> Since Barnard described the executive function in 1938,

<sup>6</sup>Chester I. Barnard, "The Executive Functions," The Functions of the Executive (Harvard University Press, 1938).

the dimensions of many public executive positions have changed markedly. The numbers whose work they direct have grown by leaps and bounds. The variety of specialists whose work the executive must interrelate has markedly broadened. The complexity of each field of specialization has greatly increased. The "purposes, objectives, and ends" of the individual enterprise—be it in business or in government—are more often multiple and more often complex.

The public executive in the 1960's, hence, requires a far broader range of competence than was required in the 1930's. The career executive who rises to the level of bureau or service director, or to the post of commissioner of an "administration" (e.g., the Commissioner, Food and Drug Administration) is expected to "understand" a wide assortment of specialists. This he needs that he may facilitate the communication one with another, appraise the projects for which they expect him to find financial and/or political support, and relate them to the ends for which the agency was created.

An executive who doesn't gain a working comprehension of the range of specializations over which he presides is not likely to make decisions effectively. He can serve only as a rubber stamp that is used by others to approve their decisions. Moreover, he will never gain the respect of the people of his agency when they believe that he doesn't really know what they are talking about. To get and hold his staff's respect the public administrator must possess a substantial comprehension of and belief in the agency's program. A private business executive may "manage men and money" and leave the substance of the business to his colleagues (although few successful private business executives do), but a public administrator cannot.

#### IMPLICATIONS FOR EDUCATION FOR THE PROFESSION

For public officials concerned with the development of their staffs and for university deans and faculties who offer training

for individuals entering or in the public service, the foregoing analysis—(1) the life span of the career public executive and (2) the increasing range of understandings that the individual must acquire as he rises in the public service—poses three general conclusions.

#### The Base and the Overlay

The first is that the career executive, if he is to succeed, requires an expanding grasp of a substantive field and an "overlay" made up of both an understanding (a) of the role of government in a democratic society and (b) of administrative and executive skills and processes.

What is the relative importance of the "base"—the grounding in a substantive field—and of the "overlay"—the acquaintanceship with government and its administration? In terms of the relative time the beginner should devote during his years in undergraduate and graduate study, I would suggest 80 per cent to the "base" and no more than 20 per cent to the "overlay."

But by the time the beginner has gotten a good start on his professional career in the administration of public affairs, i.e., within the first six to eight years of his public service, he must acquire a solid understanding of the processes of work direction and a whole-sided view not only of the agency in which he serves, but of the federal government and, at least for many, of its relationships to state and local governments.

#### Learning by Doing and by Study

Some career public servants—but not a great many—enjoy the invaluable opportunity of working with and for broad-gauged, effective, and continually growing executives. They will learn of the processes of work direction, consciously or unconsciously, by the example that is set for them. Others will learn through internal training programs that aid them to "pick up" much of what they need to know about work direction and about the functions of other units of the organization and of this country's governmental structure. Few de-

partmental training programs deal effectively with the techniques of work direction at other than the lower echelons. As one observer has declared: "There is too much attention to the theme of 'Don't bawl out the foreman in front of his crew.' This isn't enough in a government peopled increasingly by M.S.'s and Ph.D.'s that too have to be led, if not directed." Few training programs, too, deal with other than descriptive (rather than analytical) consideration of the functions of the several subdivisions of the agency. And few aid the executive after he passes through the first professional level.

For most career men and women there is an urgent need, after six to eight years in the public service, for a rigorous stock-taking of what they have learned as to work direction and as to the function of other units of the agency and of the government. Simultaneously, this is the time for them to begin to underpin their personal philosophy of public service with clear thinking as to the role of government in relation to the individual, the society, and the economy.

#### Substituting the New for the Obsolescent

The higher the career executive rises, and the more years that elapse after he commences on his career, the greater is his need for replacing the obsolescent both in his understanding of the substantive field in which he works and in administrative technique. The rapid advance in science and technology makes it essential that the scientific administrator periodically update what he knows of the field in which he once may have been a broadly and intensively equipped specialist. Similarly, the continual development of decision making, planning, and control processes and the changes in the makeup of the work force makes necessary the substitution for methods he learned by example of advanced and previously unknown methods.

As most men grow older, they find it more difficult to adopt new ways and to encourage new ideas. To refresh their spirits, to make more flexible their reasoning processes, as well as to acquaint them with the new that should replace the obsolete in what they earlier learned, they need detachment from the day-to-day environment and the stimulation of new faces and new places. A first-rate university can provide such an environment if it recognizes the individual's own need and resists the temptation to force him into a patterned program reflecting the faculty's conception of a public executive's needs. The proposed "Federal Staff College" must be so structured as to provide the same detachment, stimulation, and individualized opportunity or it will add little of consequence to the development of public executives.

#### CONCLUSION

In the military services the needs of the officer are viewed over his total career. The cadet, the plebe, or the airman are not trained in the techniques they will require if ever they rise to the rank of colonel or captain. A system of schools is designed to enable the officer to acquire, at each successive stage in his career, the additional understandings that he then requires. This system of internal schools is supplemented at a variety of points by the universities to which officers go for detachment, for stimulation, for an opportunity to order and make the most of the experience they have had, and for the acquisition of what is new to replace what they learned long ago and no longer is so, or what they had never learned at all.

It is high time that the civilian career executive's advancement received similar attention. His competence will be enhanced by a similar view of his training, over his whole working career and the public interest served.

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## HEALTH IN WELFARE: A JOINT OR A DIVIDED RESPONSIBILITY

Leona Baumgartner and James R.  
Dumpson

(From: Journal of Public Health, Volume  
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This article is excerpted from the original. We are well aware that in discussing cooperative health and welfare administrative responsibility for the health and medical care of public assistance recipients, we are dealing with one of the most urgent issues that confronts those concerned with welfare services and those who deal with health services in the community. We know that there are controversial issues involved, that matters of principle are at issue, but we also know that there are matters of empire and empire building at stake as well.

Our institutions and agencies for health and welfare services are a reflection of social awareness and of concern with problems which individuals or families left to their own devices cannot hope to solve. Our tradition of medical aid to the poor is older than this nation.

Over the years the United States evolved a system of aid to the needy which usually includes some or all necessary medical services. The system has grown or changed as the concept of public responsibility developed. Basically a state and local function, public assistance medical care is no more uniform than many other state and local services. Even the leavening effect of federal aid under the Social Security Act and its successive amendments has brought about only a handful of reasonably comprehensive state-wide medical care programs for the needy.

Almost without exception welfare medical care has developed outside of and separate from public health and other medical care programs. No doubt this development is rooted in the history of the respective programs. Public health agencies as we know them are largely a product of the latter half of the 19th century. Welfare aid is indeed much older.

When looked at in historical perspective public health workers are new arrivals on the medical care scene. Modern public health in its early years emphasized environmental sanitation and control of epidemics, turning later to other preventive

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health services. While medical care services were provided in such specialized programs as tuberculosis and venereal disease control, and in maternal and child health programs, few public health people have had the responsibility for administering a general medical care program for all the needs of a large population group.

Viewed in this light it is not surprising that welfare medical care is indeed a divided responsibility. Nor is it likely to change rapidly in the near future. On the other hand, things are changing outside the fields of welfare and public health which make the need for joint planning, cooperation, and coordination imperative.

The population for which public health services are intended has changed. The population under 20 years of age increased 105 per cent between 1900 and 1960. The increase for those 20 to 64 years of age was 140 per cent and for those over 65 years of age 435 per cent!

With the aging of the population and the decline of infectious disease has come a marked increase in chronic illness.

Medical care costs are rising at a rapid rate. Both the price of health services and the use of health services are increasing. The usual measure of the degree of price increase is the Consumer Price Index. The medical care component is the highest of all the components, which is interpreted to mean that medical care costs have been increasing at a more rapid rate than food, clothing, housing, transportation, and others.

Medical care is becoming more complex and at the same time more fragmented. New discoveries, important as they are, call for new personnel, new equipment, new patterns of utilization. These rapidly proliferating services tend to be grafted upon the existing structure, for no one seems to have the time or the ability to plan their introduction into the spectrum of services so that complications or even direct conflicts are minimized or avoided.

Faced with the demographic, technical, and social changes which are having profound effects on all public services, public health

leaders are beginning to examine their mission and philosophical base and to ask some searching questions. They try to embody in their program that concept of welfare which was in the minds of the drafters of the Constitution of the United States when they included in its preamble the phrase "to promote the general welfare." They believe that our concern mirrors the breadth of the constitutional concept of general welfare. And, while all of us have approached the general welfare of our communities in terms of categories, in the main public health programs are directed toward the amelioration of factors adversely affecting the health of the entire population.

Public health workers make no claim for the superior worth of this approach as compared with the basic tenet of social work that the individual is of primary concern and that social services must be oriented toward the delineation and eventual solution of the problems of each recipient of public assistance, person by person and family by family. We believe that we have much to learn from each other—that we are at the beginning of a period of rapprochement and cooperation between health and welfare. True, there are notable examples of consolidated or joint activity, yet none of the patterns that have evolved have been completely effective or satisfactory to both sides.

In New York City, we have achieved comprehensiveness. In fact our State Social Welfare Law requires that a public welfare district must provide "necessary medical care for all persons under its care, and for such persons otherwise able to maintain themselves, who are unable to secure necessary medical care." To implement the provision of the law the New York State Board of Social Welfare, by board rule, has defined medical care as follows:

"Medical care shall mean necessary preventive, diagnostic, corrective, and curative services, and supplies essential thereto, provided by qualified medical and related personnel for conditions in a person that cause acute suffering, endanger life, result in illness or infirmity, interfere

with his capacity for normal activities, or threaten some significant handicap." I think that you will agree with me that this is a broad mandate for medical care, and perhaps our expenditure of \$100,727,000 for medical care for welfare recipients and \$100,000,000 for medical care for medically indigent persons in 1960 is some measure of our response to this mandate.

Expenditures tell but part of the story; therefore we present in some detail our experience in New York. Today the system includes hospital care and out-patient clinic care without limitations, supplemented by a panel of physicians for care in the home or nursing home. Also included are drugs, bedside nursing by visiting nurses, podiatry services, appliances, prosthetic devices, hearing aids, special diets, housekeeping and homemaking services, and eye clinics for adults and dental clinics providing operative and prosthetic dentistry for persons over 12 years of age, operated by the Welfare Department. These services are supplemented by many others too numerous to list.

This wide variety of services from various sources is at once a blessing and a curse. It is comprehensive in scope but almost totally uncoordinated. This tends to result in duplication, gaps, and waste, with no one knowing the total dimensions of the welfare client's health problem.

With little or no communication between this varied group of services and with a welfare client who may be emotionally upset, with limited education and limited inner resources, the medical care provided will be episodic and uncoordinated, if not chaotic. Welfare clients have been known to develop serious diseases of one part of the body while regularly attending a specialty clinic for the treatment of a disease of another part of the body.

The Department of Welfare has long expressed dissatisfaction with this state of affairs. It has been acutely aware of the fragmentation, the duplication and the waste inherent in the present system. It has been concerned with the amount of time and personnel required to keep an account

of the various suppliers of service to avoid "chiseling by vendors and malingering by clients." It has pressed with little success for adequate medical information from the diverse programs and professional groups and hospitals so that it could construct a picture of the total medical problem of its clients and thereby plan with them for a workable solution.

Sometimes almost in desperation, the Department of Welfare has organized still additional services, such as its employability clinics in municipal hospitals, to get information about the ability of a welfare client to work. This has been necessary even though the information might be available in bits and pieces in several different places but simply could not be obtained from the treatment agencies involved.

When one considers the fact that illness and disability are major causes of public dependency, the dimensions of the problem of medical care services for welfare clients assumes even greater proportions.

In December, 1958, at the request of the commissioner of welfare and after consideration by our Interdepartmental Health Council, the Departments of Health, Hospitals, and Welfare began a joint undertaking to review and improve health services and medical care for recipients of public welfare. Further impetus was given to this effort by the ruling of the State Board of Social Welfare that reimbursement for out-patient clinic care was granted provisionally until such time as significant progress has been made in reorganizing the administrative structure of the welfare medical care program.

Those who decided upon this joint venture did so in the hope that it would be possible to bring to bear on welfare medical care arrangements—which in New York as elsewhere have grown up outside the public health agencies—the professional competence and skill which the public health profession has demonstrated in the organization of other health agencies for the population.

With the agreement and support of

Commissioner Dumpson and the Interdepartmental Health Council, the Health Department established a medical care unit under direct supervision of the commissioner of health. The head of this unit has the title of executive director for medical care services, and functions within the department on the level of a deputy commissioner. Within the Department of Health he serves as a consultant on medical care to any and all of our bureaus and divisions.

The commissioner of welfare has given him the title of welfare medical care administrator and director of the activities of that department's Bureau of Medical Services. In the Welfare Department, as in the Health Department, he represents the commissioner in community activities of a health nature.

We wish to emphasize that he is in fact a member of the executive staff of both departments and has offices in both departments even though his salary is carried within the Health Department budget.

Within the Office of Medical Care there are several positions under the executive director. One, the director of medical care, is responsible for the medical care services for prisoners in the New York City's Department of Correction and bears the same relationship to that department as the executive director bears to the Department of Welfare.

Let us look at accomplishments to date. We have set in motion one demonstration project under the auspices of the College of Medicine of Cornell University. This project, made possible by a grant from the Health Research Council of the City of New York is attempting to organize comprehensive medical care services with continuity and follow-up in a special unit with the Out-patient Department of the New York Hospital. This project is family-centered and involves offering comprehensive medical care services to a demand group and a special test group. The demand group is told of the services but left alone in using them. The test group is brought into the clinic for a complete medical evaluation. For both

groups, all pertinent past medical history is gleaned from existing records in the welfare center, hospital, or clinic. An important aspect of this project will be the comparison between the demand and test groups and a control group who will continue to receive their medical care in the prevailing welfare pattern. Efforts will be made to measure both the quality and true costs of the medical care provided. This project has already accumulated a number of success stories as one might expect when medical care is coordinated around the needs of the total family.

We expect to launch a total of five such projects in teaching hospitals in New York City. The next nearing readiness will be launched by delegating Health Department personnel to work in a hospital to develop the program.

We are in active negotiation with three major voluntary insurance carriers for demonstration projects which will encompass a special program of care for Old Age and Medical Assistance Recipients, a project of group practice care in a large nursing home, and possibly three different projects of comprehensive medical care to representative groups of the entire welfare population.

Already under way is a cooperative program whereby the Department of Welfare forwards the names of families with pre-school children to the Department of Health to be checked against the roster of child health stations. The parents of children not registered in the child health station are offered appointments to bring their children in for well child supervision and appropriate immunization.

On an individual hospital basis we are taking steps to bolster the prenatal services utilized by women on public assistance.

We are developing a demonstration project in a public housing development in which the Departments of Welfare, Hospitals, Mental Health and Health will join forces in providing a health maintenance service for aged residents. This will include health examinations, medical treatment, case work services, and home

care as required.

Through our narcotics coordinator we are providing special information conferences on narcotic addiction in which all interested community agencies are invited to the welfare center for a discussion of mutual problems and frequently mutual clients.

We have set up a procedure for joint sanitary inspection of children's institutions by the Health Department's Division of Hospital and Institutional Inspections, Bureau of Food and Drugs, and Bureau of Sanitary Inspections. Each of these offices covers its own special area and the combined reports are sent to both the institution and the Department of Welfare.

A plan has been developed for the coordination of services between the Department of Welfare's Bureau of Child Welfare and the Department of Health's Division of Day Care and Foster Homes.

Clinical consultants are being made available by the Health Department to evaluate and advise on special areas of the welfare medical program. Currently under way is an evaluation of the special employability and rehabilitation clinics maintained by Welfare.

In a newly opened health center we have developed the joint operation of preventive services by the Department of Health and St. Luke's Hospital, a teaching institution of renown in New York. This venture includes the functional amalgama-

tion of child health and pediatric clinics, thereby eliminating referrals and loss of time between the preventive and curative services. Also included is an adult health maintenance clinic to which welfare clients may be referred for medical evaluation.

We have had a team composed of a district health officer and a welfare medical social worker and a welfare pharmacist audit the administration of the clinic care services to welfare clients in public and voluntary hospitals. One of our most significant ventures has been the assignment of district health officers to act as part-time medical consultants within the regional welfare centers. The district health officer, together with the district supervising nurse, spends an average of one day per week in the welfare center in planned case conferences. The results of some of these conferences in clarifying the medical problems in particularly difficult situations and in pointing out possible solutions have been rewarding and gratifying to health and welfare personnel alike.

We believe that the key to our limited success to date has been the emphasis on a joint rather than a unilateral approach and the fact that we have made a point of informing our respective staffs of the importance of this undertaking and our expectations of their full cooperation. We do not know if this would work equally well elsewhere but believe we have made the right beginning.



## NEW HAMPSHIRE'S PROGRAM FOR RECORDS MANAGEMENT

Walter F. Mead

(From: State Government, Volume 35, No. 3, Summer 1962, pp. 182-184.)

This article is excerpted from the original. The implementation of a complete Historical (Archives) and Fiscal Records Management program is under way in the State of New Hampshire.

As early as 1955 under the then Governor, Lane Dwinell, an appropriation of \$4,000 was made for the State Library for an archival program. It was at this time that a special committee recognized the need for a program of much greater magnitude than simply the storage of "old paper."

Office space was becoming more and more a premium commodity. Valuable papers were difficult and often impossible to locate, and no uniform schedule of paper destruction existed. Many departments had no law or policy to determine how long to keep paper; hence they were retaining all sorts of valueless papers dating back to the time the departments were organized, often in duplicate or triplicate.

Recognizing these problems, the committee looked for special assistance. The

firm of Leahy and Company, Management Consultants, was chosen to make a preliminary survey of the needs in New Hampshire.

The resulting records management program for New Hampshire estimated paper work and record keeping costs to be at least \$1.7 million a year; it recommended management savings estimated at a yearly minimum of \$110,000, plus immediate savings of about \$40,000 through record destruction, construction of a Records Center, and the transfer of records to it.

### PREPARATORY STUDIES

Special pilot studies were carried out by the consultant firm with the \$4,000 appropriation. An outstanding result was seen in a possible 50 per cent reduction in state veterinarian paper work and files. Impressed by the pilot study, Governor Dwinell called a staff meeting of all department heads for a briefing by the management consultant on the phases of the records management program. The state officials present at this meeting voted unanimously in favor of adoption of the proposed program. However, lack of appropriated funds delayed positive action pending future legislative action.

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In his first term Governor Wesley Powell, who succeeded Governor Dwinell in 1959, proposed and organized a study committee in order to insure an adequately prepared proposal on records management for consideration during the 1961 legislative session. This committee met seven times during the period from September 12 to November 21, 1960, at which time a comprehensive report was submitted to Governor Powell recommending legislation.

#### RECOMMENDATIONS APPROVED

The Governor approved the committee report, and included as a recommended capital project the construction of a Records Center. The committee was strongly urged by consultants to include such a new facility for records storage and archives, as opposed to the adaptation of space designed for other use.

The committee report, in summary, contained the following recommendations:

1. Preservation of historical records in a state archives.
2. Establishment of an orderly system of disposing of valueless records and for storing in a low cost records center those papers not needed in offices.
3. Establishment of a central records management service to all departments.
4. A new central Archives and Records Center facility, specifically designed for these purposes.
5. Enactment of a single new law to amend, supersede or add to the existing laws on disposition of records.

These recommendations were estimated to create annual savings in space, manpower, equipment, etc., of \$110,000, plus a "one-shot" savings of \$40,000 for such things as new file cabinets, etc.

#### THE LEGISLATION ADOPTED

Early in the 1961 session it was deemed advisable to present the capital and operating budget for the records management program, as well as the enabling legislation, in a single package rather than as three separate sections in various places. As a result House Bill 58 was submitted, and it subsequently was passed and signed into law by Governor Powell.

The act, in summary, establishes a Division of Records Management and Archives in the Department of Administration and Control, under the executive direction of a Director of Records Management and Archives. It establishes definitions of a "Record," "State Record," "Local Record," "Agency," "Records Center," and "Archives." It outlines the duties of the Director and establishes the responsibility of agency heads in their participation of the program. The act also defines minimum retention for all agencies; and provides for establishment of a manual of uniform rules and regulations necessary and proper to effectuate the purposes of the program, such rules and regulations to be approved by a board composed of the Chairman of the State Historical Commission, the Attorney General, and the State Librarian.

The law further authorizes the study of a program of records management to provide a central service in paper work management, in order to reduce costs; to simplify procedures for the creation of records; and to provide an orderly system for disposal of valueless records, storage in a records center of those papers not needed in offices, and the collection and preservation of records having permanent or historical value as archives in the records center.

#### PROGRESS TO DATE

Since the effective date of the law (July 1, 1961) much has been accomplished.

Interviews of several candidates resulted in the selection and approval of a Director. The consultant firm, with the assistance of the new Director, has thoroughly inventoried all records in more than fifty departments. With department head approval

it has established destruction and retention schedules, discovered and noted records of archival nature, and started to store in a temporary facility many records for later transfer to the center—thus freeing valuable file and office floor space for immediate use.

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## TALES AND TRUTHS ABOUT PSYCHOLOGICAL TESTING

An Interview with King Whitney, Jr.

(From Business Management, Volume 22, No. 6, September 1962, pp. 49-52, 87-91.)

This article is excerpted from the original.

Psychological test results should never be the sole criteria for selecting or rejecting an individual. Rather, they should be used to complement other techniques: interview impressions, references, work samples, assessment of past achievement.

This information came out of an interview with King Whitney, Jr., president of The Personnel Laboratory, Inc. in Stamford, Connecticut.

Q. Several outspoken critics have condemned psychological testing. How do you account for the unfavorable publicity your industry receives?

WHITNEY: It is my personal opinion that adverse criticism of testing comes from three sources.

For one, some people are honestly concerned about the mistakes that have been made in using tests and want to caution employers to go easy when using them.

For another, there are those who simply haven't had enough experience with tests, or whose knowledge isn't broad enough to appreciate their value when they are properly utilized.

Finally, some critics are afraid of tests themselves, and want to abolish a practice which they do not understand.

Q. What do psychological tests uncover about a person?

WHITNEY: Think of psychological testing as a sampling procedure. Each test takes a sample of some aspect of the individual's intellectual functioning or behavior. There are tests designed to reveal how proficient a person is in his ability to learn, to organize his thinking, to analyze, to express himself, to handle figures, etc.

Other tests uncover native aptitudes--or what we might call an inherent disposition for acquiring a skill in a particular area--music, art, mechanical work.

There are tests that sample the degree of interest a person has in various types of occupations.

And there are personality tests that stimulate one to reveal his attitudes, aspirations, and significant behavior characteristics.

Q. Should every job candidate be tested for all four characteristics?

WHITNEY: Not necessarily. But any test battery--or group of individual tests--which is designed to assess the attributes and limitations of candidates for a particular job should, in my opinion, include both aptitude and personality tests.

Q. Are there different kinds of tests for different jobs?

WHITNEY: Yes. A test battery for a salesman differs in a number of respects from a test for an engineer. The salesman will receive a test for sales judgment, for example, while the engineer would take one for arithmetic reasoning instead. Of course, some tests they will have in common, but it is the interpretation of the results that would be different. For example, both the salesman and the engineer would complete tests for vocabulary and facility for self-expression. Yet in interpreting the results we would look for a much higher performance from the salesman than from the engineer. This is because a good vocabulary is more important in the salesmen's job.

Q. How many tests might be in a typical battery?

WHITNEY: It depends on the occupational level. A miner might take a test battery composed of five tests which would consume perhaps three hours of his time. An advertising copywriter's battery might include some twenty tests, and keep him busy for the better part of a day. Depending upon the firm handling their appraisal, executives are subjected to testing procedures which involve anywhere from one to two days and which make them sweat through 25 to 50 separate tests. Personally, I believe that no more than one day of testing is necessary for any assignment.

Q. How much do tests cost?

WHITNEY: If you plan to buy tests and administer and score them yourself, you'll discover that the test forms will cost anywhere from a dime to several dollars apiece. Bear in mind, however that if you are not a psychologist, you won't be able to buy more than a few tests from any reputable publisher--and those you do get will be pretty superficial.

When you are using an outside consultant to administer and interpret tests for you, the cost of his appraisal usually depends on: 1) the complexity of his procedures; and 2) the comprehensiveness of his report. Both are a reflection of the time he puts in.

You'll find that you can spend anywhere from \$20 to \$150 for such an appraisal.

Q. Can a company give the tests itself?

WHITNEY: Yes, as long as the company realizes that any test designed to be administered and scored by a layman samples only the surface characteristics of the examinee. It is no substitute for the carefully constructed device that requires a trained psychologist to use and interpret.

Companies can, however, administer any number of sophisticated tests, as long as they plan to have professionals analyze them. Our tests can be given by any responsible, intelligent person with a stop watch. But they must be submitted to us for scoring and interpretation.

Q. Should present employees be tested?

WHITNEY: By all means--as long as there is a definite reason for doing so in each case. When an employee is being considered for upgrading, it is well to remember that a bigger job is a different job and that performance in one assignment is not necessarily indicative of performance in another. A common example is the successful salesman who falls on his face when he's promoted to sales manager.

It seems just as important to appraise the capacities and resources of an employee-candidate for a new job in his company as it is to look carefully at an outside applicant.

Employees can also be tested for general potential or to find out why they are not doing very well on their jobs.

I do not advise testing employees just for the sake of testing, however, for the procedure is threatening to many people who are concerned about their security.

Q. Your critics must have some basis for their opinions. What are the major pitfalls in your work?

WHITNEY: There are three major pitfalls to guard against in testing personnel.

First, there is the danger of not giving the psychologist enough information about the kind of work the individual examinee is expected to do, the supervision he will receive or the environment in which he will do it. If this information is withheld or distorted, it can adversely affect the appraisal--and can result in serious consequences for the company and the individual.

Second, there is the hazard of incompetence when it comes to selecting the test battery and interpreting the results. See that this job doesn't get into the hands of amateurs or do-it-yourself psychologists.

Third, there is the danger of misusing the appraisal after the report is received. From my own experience, I can think of only one or two of the employers I've dealt with who have used test results carelessly or vindictively--and they never got a second chance to do so.

Q. How might a manager guard against misuse of test results?

WHITNEY: Here are three suggestions to be sure that test results are not abused.  
1) Don't let more than three people in the company know the results on any

employee. The report itself should be kept under lock and key, available only to the personnel director or the chief executive. The results can then be discussed with the employee's immediate superior and department head. 2) Don't allow a report intended for management to be read by the employee himself. The report covers his test results in terms of management's needs and objectives and is prepared exclusively for that purpose. If management shows a report to one employee, it has set a precedent for making it a practice for showing all employees their reports--something management will sooner or later regret. 3) Be sure you thoroughly understand the report before letting it contribute to your decision-making. Some employers are reluctant to ask for clarifications of appraisals because they are concerned with revealing ignorance or because they don't think they are entitled to more information. We go on the assumption that if the client doesn't understand something, then we've failed to communicate it properly and we want him to come back for more information. Any reputable practitioner in the field feels the same way.

Q. How often do you make mistakes?

WHITNEY: That's hard to say. We're human; we'll miss occasionally. But we are wrong far less often than the untrained individual who hires on hunch alone.

Doctors, for example can make far more scientific and accurate diagnoses with X-rays than with chest thumpings. But even they are not always right.

Any one of three things can cause our appraisal to miss. 1) The tests failed to pick up the examinee's shortcomings. The tool didn't do its job, just as X-rays are wrong about 15% of the time. 2) The tests identified the man's shortcomings, but our judgment was off in the same way a doctor might misread an X-ray plate. 3) The man might change after he is on the job, due to unforeseeable pressures on then. So might a man contract a lung disease three weeks after a perfect X-ray.

Q. Are there times when it is not a good idea to use tests?

WHITNEY: I can think of only two instances in which an employer would be wise not to use tests.

First, I see no point in testing a man just for curiosity's sake. This is particularly true in the case of a present employee. If he is not being considered for upgrading or transfer, or if his general potential is not being appraised--then the testing procedure would seem to benefit neither the man nor his employer. In fact, it might well provoke his resentment and have a detrimental effect on his performance and morale.

Second, when it is obvious that the prospect of going through the procedure is emotionally upsetting to the individual. If a man fights the idea of taking tests, or if he cannot bring himself to make an appointment to take them, or if he becomes either physically or mentally incapacitated while trying to take them, it is best to forget the whole thing.

Of course, under these circumstances, by his very reaction to the challenge of tests, he has revealed a characteristic that the employer may be better off knowing about.

Q. Do tests allow for nervousness and fatigue?

WHITNEY: Yes, tests are designed and interpreted to make ample allowance for

these factors. Every normal person feels tense and a little on edge when confronting the unfamiliar. And, in fact, a certain amount of tension helps rather than hinders us when we are called upon for special effort. Fatigue, too, is a normal result of tension and concentration.

Q. Can an applicant fake his answers?

WHITNEY: Aptitude tests, of course, are rarely faked, since the point is to do the best you can. The individual frequently tries to handle personality tests in a way that will make him look good, but "projective" tests are extremely difficult to slant because they ask no questions of the person and therefore call for no "good" or "bad" answers.

Instead, they get him to reveal himself, to "project" his feelings, attitudes, and temperament in subtle ways--by drawing pictures, finishing sentences and making up stories. Few people know how to treat projective tests so that they won't reveal their own personalities. And even those who do know how, rarely attempt the task because it is nearly impossible to be consistent about it.

Psychological tests are designed to give a manager a far more accurate picture of an individual than he could get by more conventional methods. When they are applied intelligently by management, and interpreted properly by qualified persons, psychological tests can save most companies a lot of hiring headaches.

INSTITUTION BUILDING IN NATIONAL  
DEVELOPMENT: A RESEARCH NOTE

Milton J. Esman

(From: International Development Review,  
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27-30.)

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The literature on development in the past decade has passed through several phases and accentuated several themes. The earliest phase and the still dominant theme focuses on economic resources. A subordinate theme but one which has grown in emphasis, deals with the enhancement of human resources. In American public programming the Marshall Plan emphasized the formation of capital; Point Four, the enhancement of human skills. Throughout this period, however, there has been a growing recognition of the development process as far reaching culture change, as a societal transformation which affects fundamentally, and often simultaneously, every important aspect of community and individual behavior.

In this broader context of modernization, institutional development is one factor which may merit considerably more attention than

it has previously received. It has now been incorporated into the philosophy of the Agency for International Development, the current administrative incarnation of the United States aid program.

Yet the concept has nowhere been carefully defined or systematically investigated. It is our hunch that this process may be a very significant element in modernization, as fundamental perhaps as the accumulation of capital or the development of individual skills. It is thus worth exploring systematically.

#### THE CONCEPT OF INSTITUTION

The term "Institution" has different meanings both in technical social science literature and in common usage. In economics and in sociology, "institution" often denotes the incorporation of values or norms into conventions and patterns of social behavior which are sanctioned and enforced by formal and informal authority. Thus, contract, marriage, and private property may be regarded as institutions.

"Institution" may also be used in a broader sense to denote a complex social

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system which incorporates values and discharges services to the community. One thus speaks of a university as an educational institution, a prison as a penal institution, a bank as a financial institution, a symphony orchestra as a cultural institution.

Institutions, as used in this latter context, may perform economic, social, political or administrative functions either in the governmental or the private sector. This inquiry, however, focuses on institutions which are more clearly associated with public authority. In most developing countries this includes the vast majority of institutions of all types, for these societies tend to lack traditions of voluntary association or of large scale private economic activity beyond the scope of the extended family.

The context of this exploration is basic culture change, which affects both societal structure and process. Modernization implies the acceptance of values and norms which are consistent with modern science, their gradual diffusion throughout the society, their assimilation into patterns of behavior, and the emergence and distribution of new functions required to implement new social purposes.

Modernization is also accompanied by increasing functional specialization. While single institutions in peasant societies perform a wide range of functions for their members—the extended family, church, royal court or tribal headquarters—modern industrial societies are characterized by a complex, interacting network of differentiated and highly specialized institutions. In the spectrum of peasant-industrialized societies, there appears to be a close correlation between modernization, functional specialization and interdependence.

Modernizing functions cannot be self-executing nor can they be performed by atomized individuals, however skilled and dedicated. In order to be effective, skilled individuals must be recruited into viable structures which incorporate (institutionalize) the modernizing values and the specialized functions which promote and sustain development. These individuals be-

come associated in ordered and predictable patterns which characterize a social system or structure.

The embodiment of a modernizing function in a specific, specialized, viable social structure is identified as institutional development. Such an institution must have the capacity not only to perform its function—to provide a major modernizing service—but also to sustain itself in a competitive, often hostile, and not wholly predictable environment. Institutions must therefore satisfy the tests both of functional efficiency and of survival power and the balancing of these two values is one of the major preoccupations and dilemmas of institution builders. This concept includes both newly created bodies and previously established entities which have not been responding to the needs of a changing society and require fundamental restructuring and redirection.

Research into the process of institutional development can be highly significant to students of culture change for the information and insights it may convey about a key ingredient in modernization. Establishing and sustaining viable institutions should be a critical concern of modern political leaders, planners, and administrators in the developing countries since this is a major element in their operating strategy. Foreign assistance personnel should evaluate their performance less by their success in the transfer of specific skills from one individual to another than by the creation and strengthening of institutions which can perform and sustain modernizing functions.

#### SIGNIFICANT ELEMENTS IN INSTITUTION BUILDING

In a doctoral seminar at the University of Pittsburgh Graduate School of Public and International Affairs, an attempt was made roughly to conceptualize the institution building process. Literature in sociology and organization theory were

explored for useful insights and benchmarks. Efforts were made to locate previous empirical studies of institution building in a modernizing or other context. The results were quite sparse. The most relevant theoretical insights were derived from Philip Selznick's inquiry into Leadership and Administration.

A group of significant elements or variables was then identified. These were grouped into six major sections, each focusing on a basic process in institutional development. Their relevance was tested by several case studies, drawn from documentary sources, of successful and unsuccessful efforts at institution building. These included the Nigerian Produce Marketing Boards, the Convention Peoples Party of Ghana, the United States National Resources Planning Board, and the Indian Damodar Valley Corporation. The original pattern of variables was modified and refined by this comparative inquiry. The result was a provisional guide to case writers, outlining the first rough approximation of factors which seem significant for the description, analysis and understanding of institutional development. This guide attempts to combine elements essential both to effective internal structure and environmental relationships. The major headings of the guide set forth below suggest the scope and content of the specific variables which are omitted from this note due to space limitations:

1. Establishment, Adaptation and Communication of Institutional Values and Purposes.

II. Recruitment, Behavior, and Succession of Leadership.

III. Internal Structure.

IV. Mobilization and Allocation of Resources.

V. Interaction with Environment.

VI. Program Performance.

#### PROBLEMS IN EMPIRICAL RESEARCH

Verifying the relevance of these elements and establishing and testing hypotheses concerning interrelationships

among them will require extensive empirical research. This research will have to be done in the field and probably in the form of intensive case studies. If possible, these case studies should be conducted within a common conceptual framework so that results may be compared and generalizing inferences drawn from the variety of empirical evidence produced by the case studies. Throughout this process, the initial rough conceptualization of institution building will be subject to continuing modification. From comparative case data it may be possible to draw generalizing inferences for understanding and for action.

Proceeding with this research enterprise, therefore, one faces a series of significant and as yet unresolved tactical problems:

1. How can the large variety of institutional types be reduced to an ordered pattern for purposes of systematic research planning and analysis?

The functional purpose of institutions may profoundly affect their behavior, each type requiring a specific analytic approach. There are many functional types of institutions and many possible methods of classifying them. There are many institutions serving each major sector, each of which may be related to one or more functional type. There are inevitable combinations and overlappings in any system of classification. Because institutions may exhibit distinctive behavior based upon common functional or environmental characteristics, a continuing concern of this research enterprise must be the development of a useful, empirically based classification.

2. What is the dimension of an institution within the complex of governmental and quasi-governmental structures? What criteria are helpful in distinguishing institutions from sub-institutions or from an institutional complex?

One may identify, for many nations, four levels of aggregation:

The National Ministry combining several related programs in the same sector (e.g. Ministry of Education);

The major service or bureau performing a specific function or managing a single program (e.g. Bureau of Teacher Training);

The operating facility performing a specific service at a single location (e.g. Teacher Training College); and

The unit or section of the operating facility (e.g. Tests and Measurements Section).

Using these rough criteria one should eliminate national ministries or departments for want of functional specificity and, in many cases, of strong corporate identity. A unit or section of an operating facility tends to have little operating autonomy, to depend on the entity of which it is a constituent for support and even survival.

The other two categories, the operating facilities and especially the major bureaus or services, seem best to qualify as institutions under the criteria suggested above. Though much depends on the conventions by which institutions are aggregated for control purposes in different governments, the criteria already selected should assist in the selection and designation of entities as institutions for purposes of research.

3. Whatever classification and definition are tentatively adopted, there remains the problem of an effective research strategy.

Shall one begin with a single class of institutions—development banks, teacher training centers, police agencies—and study their comparative experience in different environments? Or should one attempt the analysis of a cluster of interacting institutions in a single environment, selecting a single country and analyzing the development of a series or network of interacting modernizing institutions within the same ecological framework? Or should the first effort spread the net widely over a variety of experience, including different classes of institutions in different environments.

Given the limited resources in qualified, interested and available researchers and in finances, it is unlikely that these three strategies could be pursued simultaneously. Which one seems most feasible operationally and most likely to yield useful

insights and knowledge?

4. In construing the institution building process, there are two major problems which must be treated and treated simultaneously in a research enterprise. The first involves the strategy and tactics of building viable institutions; the second, the measurement and evaluation of their modernizing influence and consequences. Both elements must be incorporated into the conceptualization and the empirical case studies; theoretically, at least, these two elements may come into serious conflict.

If each institution must be guided by a survival strategy in order to cope with a competitive environment, the process of building a sound and enduring structure may confront its leadership with choices which imply compromise or even abandonment of its original social purposes. An institution may manage to survive and to grow in strength, but what price survival? The capacity to survive and even to prosper is an essential measure of institutional success; the tactics of management in a competitive and often hostile environment are important data in the evaluation of institutional success or failure.

But mere survival, even growth and material prosperity, is not a sufficient measure of institutional performance. Development or modernization through the performance of significant public services is the social purpose associated with institution building in this study. How can one measure and evaluate this modernizing influence?

5. A complicating factor in such an evaluation would be the time horizon. Over what period of time should the performance of an institution be described and evaluated?

Assuming that the bulk of the empirical evidence concerning institutional development was derived from case histories, what time periods should be covered? Can the life cycle of an institution be extrapolated from comparative experience so that critical periods can be identified for intensive investigation without risking the omission of important data and events which

might not fall into these predetermined periods? Are significant events or decisional choices unique and specific over time for each institution? Or can they be classified and flagged in advance of specific inquiry so that research efforts may focus on predetermined periods and events? While economizing time and enhancing the comparability of evidence, this might fatally exclude significant information. The time perspective will be a difficult problem to solve in this research enterprise and may not be amenable to a standard solution.

#### A COOPERATIVE RESEARCH ENTERPRISE

The organization of a research activity to cover a subject of this scope will involve a series of practical decision and arrangements beyond the few topics al-

ready mentioned. The conduct of field research for the collection of data will require considerable negotiation with governments and individual institutions which may be suspicious of such academic inquiry; access to data may be quite difficult in many situations. An inquiry of this scope is probably beyond the capacity of a single university department or professional school. This suggests a consortium of interested universities in the US, associated through a coordinating project headquarters, to stimulate the critical review of the institution-building concept, to sponsor and facilitate specific research arrangements, to diffuse research findings, and to develop operating guides based on empirical evidence. The consortium should associate with kindred institutions and scholars overseas, especially in the emerging countries, for joint research and systematic exchange of data and findings.

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CONTROL IN ORGANIZATIONS:  
INDIVIDUAL ADJUSTMENT AND  
ORGANIZATIONAL PERFORMANCE

Arnold S. Tannenbaum

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This article is excerpted from the original. Control has been variously defined, and different terms (e.g., power, authority, influence) are sometimes used synonymously with it. Its original application in business organizations derives from the French usage meaning to check. It is now commonly used in a broader and perhaps looser sense synonymously with the notions of influence, authority, and power. We shall use it here in this broader way to refer to any process in which a person or group of persons or organization of persons determines, i.e., intentionally affects, what another person or group or organization will do.

Control, of course, may operate very specifically, as, for example, a foreman's specifying how a subordinate will do a particular job. Or it may operate more generally, as, for example, the determination of organizational policies or actions. Control may be mutual, individuals in a group each having some control over what

others will do; or it may be unilateral, one individual controlling and the others controlled. We ascribe power to an individual to the extent that he is in a position to exercise control. Authority refers to the right to exercise control. If by freedom we mean the extent to which an individual determines his own behavior, being controlled can be seen in general to relate inversely to freedom.

IMPLICATIONS FOR INDIVIDUAL  
ADJUSTMENT

Every act of control has two implications: pragmatic and symbolic. Pragmatically, control implies something about what an individual must or must not do, the restriction to which he is subject, and the areas of choice or freedom which he has. These pragmatic implications are often of vital importance to the controlled individual as well as to the individual exercising power.

Control also has a special psychological meaning or significance to the individuals involved. It may imply superiority, inferiority, dominance, submission, guidance, help, criticism, reprimand. It may imply (as some students of control argue) some-

thing about the manliness and virility of the individuals involved. The exercise of control, in other words, is charged emotionally.

Emotional reactions to control may be explained, in part, by the predispositions which individuals develop early in life to types of authority relations. The infant's behavior is controlled by persons upon whom he is highly dependent, and the process of socialization involves the imposition of controls by parents, teachers, and other authority figures. In the development of a pattern of responses to control during this process of socialization, control takes on emotional meaning.

A great deal of research has been done regarding predisposition to varying patterns of control. Tests have been devised, for example, to measure authoritarianism, egalitarianism, need for independence, need for power. Research employing some of these measures suggests that individuals' reactions to patterns of organizational control may differ according to personality.

Preferences for different kinds of authority relations may develop out of early childhood experiences. They may also represent reactions to certain contemporaneous circumstances. Research on the authoritarian personality, for example, suggests that individuals who suffer anxiety because of a failure in their work may tend to prefer more structured authority relations.

Emotional reactions to authority relations may develop because authority, control, or power represents, as we have pointed out, an important social symbol. Power, for example, is often understood as synonymous with prestige, status, social eminence, or superiority. Indeed, it is often correlated with these criteria of success. Persons obviously are perceived and treated differently according to their power. The man with power is often looked up to and treated with respect. Equally important, individuals can be expected to evaluate themselves in this way. An individual's self-concept is very likely affected by his power in the organizations and other social situations in which he takes part.

While individual differences may exist in preferences for types of authority relations, organization members generally prefer exercising influence to being powerless. Studies repeatedly show that workers and supervisors are much more likely to feel that they have too little authority in their work than too much. It is the rare individual indeed who thinks he has too much.

For whatever reasons, power is desired. This desirability may be attributed to the gratification which individuals may derive simply by knowing that they are in control—from the psychological satisfactions which come from exercising control. Or it may derive from the pragmatic implications of power—being able to affect the work situation in ways favorable to one's personal interests, as the individual sees them.

A concern for the rewards which accompany power results in a serious oversimplification, however, unless one considers also some of the correlates of power which are sources of serious tension and frustration. Among these are the added feelings of responsibility for, commitment to, and effort on behalf of the organization. Power can be an important stimulant, pushing the individual toward a greater and greater share of the work load of the organization. Furthermore, in so far as control may imply weighty decisions, decisions affecting the welfare of people as well as the destiny of the organization itself, exercising control can be burdensome.

Individuals who are not able to exercise control are, in general, less satisfied with their work situations than those who have some power, but their dissatisfaction often has the quality of apathy and disinvolvement. For the individual in control, added dimensions of personality come into play contributing to the energies which he puts into his work and to the problems he may encounter. The man who exercises control gives more of himself to the organization. He is likely to be more identified, more loyal, more active, on behalf of the organization. A recent national survey suggests that individuals in positions of control and

responsibility in industrial and business organizations are more "ego involved" in their work. Managerial personnel, for example, derive not only greater satisfactions from their jobs, but also greater frustrations. The responsibility which devolves upon persons in control creates a sense of personal involvement and concern over the success or failure of the decisions made. These individuals have a personal stake in the outcome of the decisions taken. This can be a satisfying, even an exhilarating experience, but it can also lead to sleepless nights.

Certain kinds of psychosomatic ailments are known to be relatively frequent among individuals in positions of control and responsibility in organizations. Research in this country and abroad provides added documentation for this generally recognized fact. French reported a greater prevalence of psychosomatic disorders of varying kinds among supervisors than among workers in a large Midwest plant. Vertin found the frequency of ulcers increases at ascending levels of the hierarchy in a large Dutch company. "Uneasy lies the head that wears the crown," always seemed to make good sense. To the extent that power and responsibility are distributed widely among organization members, however, a number of heads may lie uneasy.

#### CONTROL AND PERFORMANCE

Variations in control patterns within organizations have important—and in some cases quite predictable—effects on the reactions, satisfactions and frustrations, feelings of tension, self-actualization, or well-being of members. They also have implications for the performance of the work group and for the organization as a whole.

This can be seen in the plight of the first-line supervisor who sometimes finds himself in the anomalous position of being a leader without power. The first-line supervisor is often referred to as the man in the middle. He is often caught, as an innocent bystander, in a serious cross fire.

In effect he may be a messenger transmitting orders from above. On the one hand, he must bear the brunt of resistance and expressed grievances from below and, on the other, must suffer criticism from above for the failure of his subordinates to conform to expectations. The seriousness of this situation is compounded by the fact that orders coming from above are often formed without the advantage of adequate knowledge of conditions at lower levels. The powerless supervisor lacks effective means of gaining the confidence of his men, of understanding their views, and of transmitting this important intelligence up the hierarchy. The orders which he is responsible for relaying are often the least likely to gain full acceptance, thus making his position all the more untenable and that of his subordinates all the more difficult. The powerless leader can do little in the hierarchy on behalf of his subordinates or himself and is relatively helpless in the face of many serious problems which confront him and his work group.

#### TOTAL AMOUNT OF CONTROL IN AN ORGANIZATION

Many administrators seem to face a serious problem in their understanding of supervisory-subordinate relations. They often assume that the amount of control exercised by members of a group or organization is a fixed quantity and that increasing the power of one individual automatically decreases that of others. There is good reason, however, to question this conclusion. The total amount of control exercised in a group or organization can increase, and the various participants can acquire a share of this augmented power. Conversely, the total amount of control may decrease, and all may share the loss. One can easily picture the laissez-faire leader who exercises little control over his subordinates and who may at the same time be indifferent to their wishes. He neither influences nor is influenced by his men. A second supervisor interacts and communicates often, welcomes opinions, and elicits in-

fluence attempts. Suggestions which subordinates offer make a difference to him and his subordinates are responsive, in turn, to his requests. To the extent that this may contribute to effective performance—and we have reason to believe that it does if the supervisor also has influence with his manager—the group itself will be more powerful or influential. The manager under these circumstances is more likely to delegate additional areas of decision making to the group, and he, in turn, will respect and be responsive to the group's decisions. To the extent that the organizational hierarchy, from top to bottom, is characterized in these terms, we have a more highly integrated, tightly knit social system.

While results of research from a variety of organizations seem to suggest an important hypothesis connecting the total amount of control and organizational performance, our research findings are not completely consistent on this point.

### CONCLUSION

American management is dollar cost conscious. Many managers are also aware of the costs of organized productive effort which cannot be calculated immediately in terms of dollars and cents. These are the human costs of organization, costs paid by members and ultimately by society as a whole. Nor are they to be calculated simply in terms of the dissatisfactions which industrial man faces. They may be paid in terms of the shaping of his very personality. The evidence on this is not very clear, but we have reason to believe that adult personality may change as a result of persistent conditions in the environment. The nature of man's experiences in an organization can affect his general mentality and outlook on life.

Organizations in a democratic society present a seeming dilemma. As Geoffrey Vickers puts it,

“We are forever oscillating between two alternatives which seem mutually

exclusive—on the one hand, collective efficiency won at the price of individual freedom; on the other, individual freedom equally frustrated by collective anarchy. Those who believe in a middle way which is more than a compromise do so in the faith that human beings are capable or can become capable of social organization which is both individually satisfying and collectively effective; and they have plenty of evidence for their faith. On the other hand, our knowledge of the laws involved is still rudimentary.”

Middle ways are sprouting up around the globe today. The work council systems in Yugoslavia, in Germany, France, Belgium, England, though differing radically in character and effectiveness are, within their respective cultures, experiments in the middle way. We have our Scanlon plans, profit-sharing and suggestion schemes, as well as varying degrees of participative management. However, our knowledge of the effects of these systems is, as Vickers says, rudimentary.

If the clues provided by our research so far are substantiated, the middle way will have to take into account the important facts about control: how control is distributed within an organization, and how much it all amounts to. Patterns of control—as they are perceived by organization members, at least—are tied significantly to the performance of the organization and to the adjustments and satisfactions of members. If our research leads are correct, the more significant improvements in the human side of enterprise are going to come through changes in the way organizations are controlled, and particularly through changes in the size of the “influence pie.” This middle way leans on the assumption that influential workers do not imply uninfluential supervisors or managers. This is a relatively novel assumption for many managers who have been weaned on the all-or-none law of power: one either leads or is lead, is strong or is weak, controls or is controlled.



Our middle way assumes further that the worker, or supervisor, or manager, who exercises some influence over matters of interest to him in the work situation, acquires a sense of self-respect which the powerless individual may lack. He can also elicit the respect and high regard of others. This is the key to good human relations. Supervisory training alone cannot achieve this any more than good intentions in bad organization can achieve it. The pattern of control in an organization, however, has a direct and profound effect on the organization's human relations climate. Workers who have some sense of control in the organizations we have studied are, in general, more, not less, positively disposed toward their supervisors and managers. And their managers are more positively disposed toward them.

We assume further, with some support from research, that increasing and distributing the exercise of control more broadly in an organization helps to distribute an important sense of involvement in the organization. Members become more ego involved. Aspects of personality which ordinarily do not find expression now contribute to the motivation of the members. The organization provides members with a fuller range of experiences. In doing this, however, it creates its own dilemmas, similar in some respects to those described by Vickers.

A first dilemma concerns the increased

control to which the influential organization members may become subject. While he controls more, he is not controlled less. The loyalty and identification which he feels for the organization lead him to accept organizational requirements and to conform to organizational norms which he might not otherwise do. An analysis in thirty-one departments of the industrial service organization described revealed that norms, measured in terms of uniformity in the behavior of workers, were more apparent in the departments having high total control than in those having low control. In these "better" departments, influence by the men as a group was greater, morale was more favorable, productive effort was higher, and so was uniformity. The exercise of control did not spare the controller from being controlled. The contrary may be true in effective organizations with high total control, where influence tends to be reciprocal.

A second dilemma arises out of the increased involvement and motivation that are likely to accompany the exercise of control. While we see greater opportunity for human satisfaction in the middle way, the result is not simple felicity. Whenever man is highly motivated he may experience the pangs of failure, as well as the joys of success. He will know some of the satisfactions which come from a challenge met and a responsibility fulfilled. He may also feel frustration from the development of goals which are not easily reached.

## PUBLIC RELATIONS AND THE PARK ADMINISTRATOR

Erik Madisen, Jr.

(From Park Maintenance, Volume 15, No. 10, October 1962, pp. 28, 30, 32, 34-36, 38, 40)

This article is excerpted from the original. Public relations has sometimes been called, "free advertising." In a very real sense, this is true. Free mention in the various news media is very valuable to any organization—if the mention is on the good side. News media are seeking, at all times, information to make public. Public relations has to do with providing this material, with a bias toward the originating source. Park administrators, like it or not, are being forced to compete in attracting the attention of the public.

Public relations is frequently defined as that process by which a favorable image is erected in the minds of others. It must then follow that in applying this definition to the park administrator and his work, the public must be given a favorable impression of policy, administration, and maintenance of a park system.

Sound public relations require that this favorable attitude be based on facts which

will stand public scrutiny, rather than upon false premises which may later cause embarrassment to the administrator and his department. At the present time, with funds in critical supply, and open space in even less supply in many parts of the world, there is a great need for the best possible park public relations—if only from the standpoint of carrying on normal operations with adequate help and funds.

One great advantage of a good public relations program is to insure the smooth operation of your department. Most situations involving two or more persons do not require that any disagreement arise. However, many of the small details which cause dissent and dissatisfaction with park matters are merely misunderstood by the lay public.

The basic point is to inform them before something is done, rather than after. A planned campaign of information should stress the necessity and reasons for the change, so that a reserve of good will can be built up prior to the actual change. Don't let the change be an abrupt one if you can possibly help it! Most people shun, and some fear change, no matter

how small and even if it is for their own ultimate good.

One of the most difficult changes to make is the revision of a fee scale for the use of one of your facilities (unless it reduces the fee). Reasons for the change, aside from the obvious one of higher operating costs, should be made clear. Benefits should be stressed, such as greater safety through new construction or more supervision, longer use each season, increased efficiency with lower operating costs. It is well to accompany higher fees with some new developments. Most persons feel a reluctance to pay higher costs without getting "more for their money."

Another byproduct of good public relations is better public understanding of your operations and problems. This, perhaps, is the end result you desire. Much of the time you have only a good basic program of park maintenance and care of facilities to promote. There must be created in the mind of the public an agreement that this is what is needed and desired and that you are going about it in the correct way.

Education of the public concerning your policies and goals is important. Every administrator, if he is a good one, has a program which will move his department forward. There is no such thing as maintaining the status quo; you either move forward or back. An administrator must have both long and short range goals in mind. It is essential that some sort of agreement on these goals be reached with the public. A wise move might be to set up an advisory board of lay citizens, in addition to the policy making board or commission. Such a group can consist of those who might have special interests in your parks—such as horticultural groups, nature study groups, or city beautification groups. This could number 25 or 50 persons, and meet quarterly, or as often as is deemed necessary.

It is here, in an open forum to which the press can be invited, that goals can be explained and discussed to the best advantage. Do not be stubborn if you run

into opposition on some ideas, especially your favorite ones. Very likely time, or a change in circumstances, will permit an equitable compromise or provide opportunity to carry out the original intent.

Be sure to include your critics in such a group. They will feel that they have a voice in policy, and if they oppose your program, they are likely to be in the minority. This will lessen their opposition, especially if you let others support your ideas, thus getting away from a battle of personalities.

The principal advantage of such a group is that you will have 50 personal representatives talking to their groups and selling your program on a personal basis.

When you do decide on an important change in your program or the direction of your department, call in the press ahead of time for a briefing at a press conference. If you have good public relations with the various news media, they will honor your request to withhold public announcement until the proper time. They will appreciate the opportunity for background information in advance. They may even offer suggestions for the successful presentation of the new program. Regular contact with media is essential to a good press. Don't expect them to use all material, but be sure that material reaches all media at about the same time, with as nearly a simultaneous release date as possible.

Park departments need a lobby or pressure group in this day of rising costs, taxes and increased competition for funds among governmental units. It is certainly true that there are more essential services needed than those provided by the park department. However, there is also a large group which feels that the tranquility and relaxation which is available in our park systems is becoming a more important factor in the search for a happy respite from our hurried lives.

Parks should have their fair share of funds. The administrator should not have to request these himself, but should have his policy making board do this for him, acting as a buffer between the administrator

and the local governing body. The administrator should be available to supply details as to budget needs if requested. A lay group of citizens should stand ready to back up such requests as being in the best interest of the public. Cultivation of the public by a well thought out campaign and by full explanation of financial needs should do much to aid approval of the budget. Organized public opinion, with facts at hand, should back a forward-looking park program.

Good public relations require that you maintain a flow of information after your initial objective is accomplished. Progress reports and information as to why there has not been more accomplished (unfavorable weather, for instance) are important to your financial and facility goals.

A great and growing need is that of educating the public on the proper use and care of park facilities. Make people aware of what facilities are available and the restrictions (if any) on their use. If proper notice of these things is not given, it is not the fault of the public if some facilities are misused. To operate with many different groups and individuals, rules are necessary. These should be readily available. Work through schools via posters and talks, and through the press to explain why the rules are necessary and how they are of general benefit. Humor should be used where possible. It has been found that this has a good effect on proper use of facilities and reduces vandalism.

Brevity is a virtue at this point. If the rule or explanation can not be stated briefly, take a second look at the necessity for the rule. Appeal to the individual with this phase of park education. By "confiding" in your public, you will create a sense of closer identity with your objectives and facilities. This identification of parks as "our" property will increase respect and promote a more benevolent attitude toward public parks and other public property.

In the United States an important function of a planned program of information is to organize public opinion against all forms of encroachment on park lands. At

its highest point of development, this will result in laws which will make such encroachment very difficult and expensive, reimbursing parks in kind (suitable land), and not with inadequate payment in money after land has been "stolen" from a park system.

When the theory of green areas and open spaces can be gotten across to the public, it is quite possible to fight the encroachers to a standstill, after which it seems that most of them find better suited locations elsewhere. A strong voice from your policy board, advisory board, and interested civic groups can be obtained if you will only cultivate it. It is most important that this be done ahead of time. Once the highway or fire station project is on the drawing board, it is too late to do much in most cases. Aim for the protection of an ordinance, but settle for any support in this vital area.

There are a number of methods which can be used in the operation of a good public relations program. One of the most logical is by word of mouth contact with your staff, both on the job and in other activities. This method depends for its success on a well informed staff, trained in its attitudes toward the public. This means the whole departmental staff, not just those in administration. There is a right way and a wrong way, so far as your objectives are concerned, of dealing with each public contact. The results of friendly, courteous treatment of the public, particularly of children, by the park maintenance man in the field, will directly reflect themselves in support for your budget facilities program, and capital improvements. Train your people in the correct way. It pays dividends.

A more formal type of face to face contact is by means of staff members speaking to various groups. There are a number of topics which are of interest to the public: lawn care, horticulture, special events in parks, and plans for future parks. After such talks are prepared, make the fact known through local news media as well as by means of personal letters to various service clubs, church groups, school groups, trade unions, etc.

One aspect of contact with the public which should not be overlooked is by means of the telephone calls which you receive. Brevity, courtesy, and helpfulness are the key stones. A good proportion of your calls will be complaints or criticisms of your system. Be sure that the person answering the call is a good listener, agreeing with the caller as often as possible. After the caller has spoken his piece, he is in a much more receptive mood to listen to a courteous explanation. Offer to send someone to visit the person and discuss any serious complaint. This will stop bad word-of-mouth publicity very effectively. In addition to receiving calls, schedule necessary calls as a point of courteous information before action is taken. Explain to the news editor, the property owner involved, or other interested persons why you must close part of a park, or why an outwardly beautiful but inwardly diseased tree must be taken down. This is "preventive public relations."

You are operating a public agency with public funds. It is the right of the tax payers to know what is happening in that agency. The various news media can be of assistance in accomplishing this. Set up a schedule of news releases telling your story. Invite reporters to call or visit your department regularly. Send information to newspapers, periodicals, radio and television organizations.

Don't overlook the possibilities presented by the personal interview, usually superior in value to a regular news release. Interviews can be easily set up by notifying media that you will hold a press conference. Be sure to invite ALL media to any press conference.

The idea of an interview, especially on television, leads directly to the possibility of a short film or color slide film presentation on your activities. A good home movie photographer or a television news cameraman may be of assistance here. Make the presentation good enough so that it will give real impact to the message you are trying to impart to your audience.

You can make use of groups, even organize them, to help you promote your program. Frequently an existing group will show interest in your operations. When this happens, encourage it. Let the group in on your plans and enlist its help.

If your budget permits, especially in the larger systems, don't overlook the possibility of advertising. In many cities in the United States, it is required that budget figures and requests for bids on equipment be published as advertisements. You might pay to have an annual report of your activities published either in brochure form or as an advertisement in a newspaper or periodical. An advertisement inviting attendance at the opening of a new facility will create good will. In some cases, the contractor may pay part or all of the cost of such an advertisement, putting his name at the bottom of the advertisement.

Larger departments are often able to provide funds for a full time Information Officer or Public Relations Director. There is usually enough going on and sufficient research required to keep such a person busy. Small departments should definitely make provision for such duties to be handled by a specific individual so that there will be a person responsible for accomplishing this. These duties can be defined in the job description of the assistant director or superintendent. Clearly defined responsibility and the authority for getting it done will insure the success of such a program.

A collateral duty of such a man is research. Collecting data and making good use of it is vital. Data will consist of statistics obtained from reports by various staff members, historical data from the files or minutes of meetings, and collection of original data as the need or interest indicates. Do not become bogged down with unnecessary report forms and other paper work in accomplishing this.

There are many good methods available to the park administrator who really wants the news to get out. To be positive that a

good program is carried out, define responsibility and delegate it to a single person, whether working full or part time on public relations. Spend some money to achieve a sound, working program.

The need is there, the means are available. Don't wait until you are pushed to the wall to enlist the favorable attitudes of others.

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ESAPAC: A REGIONAL EXPERIMENT  
IN PUBLIC ADMINISTRATION TRAINING

E. P. Laberge

(From: Canadian Public Administration,  
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305-311)

This article is excerpted from the original. Public administration in Central America has long been in a state of lethargy. It is not surprising, therefore, that the governments of Central America have suffered from administrative malnutrition and, whether it is a cause or an effect, it is intimately related to the prevailing condition of economic underdevelopment.

The Economic Commission for Latin America (ECLA), through its Sub-Committee for Central American Economic Cooperation, has recognized the fact that economic development programs cannot be successfully launched and maintained without an adequate public administration. A resolution was adopted at its annual meeting of 1952 soliciting assistance from the United Nations to set up a training centre for the civil servants of five countries of the Isthmus (Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua—Panama would join the group in 1961). Thus

the Advanced School for Public Administration, Central America, or as it is known locally, ESAPAC, was formed.

Between 1954, when ESAPAC opened its doors, until 1957, separate agreements were made between each country and the United Nations to govern the administrative and training aspects of the institution. The individual bilateral agreements were replaced in 1957 by a multilateral agreement between the five countries to make ESAPAC a truly Central American undertaking. The multilateral agreement created a Board of Governors composed of senior officials of the contributing countries and gave it powers to negotiate directly with international bodies concerning technical assistance and to determine the policy under which the school would operate. The Director is appointed by unanimous decision of the Board from a list of candidates submitted by the United Nations Bureau of Technical Assistance Operations. He has been given responsibility for the legal representation of the School and its administrative management in addition to the planning and execution of training activities.

The responsibilities of each of the participating countries are (1) to pay a

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minimum annual contribution of \$10,000 to cover the costs of the administrative, library and publications departments, (2) to nominate at least two members to the Board of Governors whose duties are to approve the training and administrative policies of ESAPAC, (3) to appoint a National Selection Committee whose duty is to assist in the selection of students for training and participants in seminars, and (4) to maintain each student in his post or guarantee an equivalent post upon completion of a training period which takes place in San José, Costa Rica.

The responsibilities of the United Nations according to the present agreement are designed to meet the evolution which is taking place in ESAPAC toward complete autonomy or the assumption of its government and financial responsibility by the countries of Central America. For 1961 the United Nations contributed (1) the salary of a director and two full-time experts to act as lecturer, discussion leader, seminar co-ordinator or adviser and generally manage the school, (2) six specialized advisers whose period of time varied from two weeks to three months, their role being limited to lecturing or acting as discussion leader in courses or seminars, (3) travel and subsistence allowances for Central American civil servants who attended courses or participated in seminars as United Nations fellows (30 for six weeks and 46 for two weeks), and (4) one special scholarship abroad in public administration.

#### GENERAL COURSES ON PUBLIC ADMINISTRATION

Between 1954 and 1960, general courses on administration or management of five to five and a half months duration were organized each year. The students were recruited from the high or intermediate levels of government at large or came from a particular sector such as finance, customs, education, municipal government, etc., depending on whether the course was adapted to meet special needs. The basic

qualifications for acceptance were university graduation with at least three years of progressive experience in responsible government posts or secondary school education with at least five years of progressive experience in responsible government posts.

Although we speak of five to five and a half month courses, the lecture period was preceded by a preparatory period during which each student wrote essays and read and summarized selected material while still occupying his post. The lecture period was followed by a post-study period during which the School maintained contacts with the student to assist him with his re-integration and in the introduction of improvements or reforms within his sphere of influence in the organization.

The lecture period, which took place in the school premises in San José, Costa Rica, lasted about twenty-two weeks. During this stage the students devoted four hours during the mornings from Monday through Friday attending lectures or classes. During the afternoons they participated in round-table discussions, undertook practical or field work or did research work in the library.

The students also were required to prepare an essay or thesis of about a hundred pages, the subject of which had to do with administrative improvements within their organizations. The lecture period came to a close with the presentation of a certificate of attendance. An evaluation of the students' activities was forwarded to the governments concerned.

By the end of 1960, ESAPAC had thus trained some 347 civil servants from the Central American Governments. At the beginning of 1958 it had been noted that a certain reduction in the administrative level of the students was taking place due to the fact that a substantial number of civil servants from the upper levels had already received this training and a continuation of these courses might have reduced the impact if allowed to continue. The Board of Governors, at its annual meeting of December 1958, reached the decision that



the general courses had served their purpose and a different type of training was now needed. This led to the curtailment of the general courses from two to one in 1959 and 1960 and their complete abandonment in 1961. In their stead a series of short courses and seminars was organized.

### SEMINARS

In ESAPAC, a seminar is distinguished from a course by the duration, which is shorter, and by the nature of its activity which is considerably more intensive and specialized. A seminar consists of a meeting of high-ranking civil servants who have the ability to express official and substantiated views on a particular subject and have the authority to make decisions. They discuss their common problems and seek solutions.

To obtain maximum efficiency from a seminar, a co-ordinator (usually one of the United Nations full-time experts posted in ESAPAC) visits the countries several months in advance to uncover problem areas and to establish contacts with prospective participants. He then prepares a questionnaire concerning the conditions, resources and problems of each country, which is sent to the participants as a basis for the preparation of the national papers they will submit and his own consolidated or regional paper. The regional paper becomes the document that will serve as discussion guide in the full sessions of the seminar or in its committees. In addition one or more advisers are invited to participate in the seminar meetings. These are chosen for their broad experience in administrative matters pertinent to the theme under study and they present at least one paper at the seminar and act as discussion leaders.

A report is published at the conclusion of every seminar which contains the technical papers, a summary of the discussions, the conclusions and recommendations. The report is edited by the co-ordinator which is distributed to the participants, the Gov-

ernments of Central America, and the regional libraries, and is sold to the public. The reports are used largely as text-books in schools and institutions as training material.

### SHORT COURSES

The only experience ESAPAC has had with this type of training activity is in the field of customs administration. The customs seminar held in 1960 recommended the organization of such a course for the customs employees of Central American governments and Panama, of the rank of customs appraiser or its equivalent, so they, in turn, might train the local personnel in the various ports. Five students were sent from each country for a period of six weeks of intensive study. The curriculum of the former general courses was stripped of all but the essentials of administration, and identification and evaluation of materials was added as a major subject. No theses were written but the students were given training in discussion leading for the part they would play in the subsequent training at the national level.

### INTERNAL FACILITIES

ESAPAC's internal organization consists of three divisions, in addition to the corps of trainers or teachers: Administrative, Library and Publications. The first is concerned with the management of personnel, bookkeeping, the maintenance of secretarial and filing services and maintenance of the general building services.

A publications department is organized to reproduce class material for the students in the form of mimeographed summaries of lectures or reports of meetings, roundtables, etc. Teachers and advisers have been encouraged to develop and edit their class material into more permanent and elaborate reference material which is reproduced on a multilith duplicator, for the library, the library exchange, students and the public in general, in the form of books

or booklets. In addition, the publications department publishes reports of seminars, translations of books dealing with subjects of public administration, special reports and a periodic house organ.

To assist the teaching staff and the students as well as the general public in research, ESAPAC has a fine library on public administration and related subjects containing some 8,000 volumes and it subscribes to about 200 periodicals. The majority of these publications are in the Spanish language but a large number, not yet translated, are in English, French, Italian and German.

### CURRENT TRENDS

A plan of activities recently approved by the Board of Governors contemplates enlarging the activities of ESAPAC by the addition of research, extension and advisory functions to the purely training functions which had hitherto been its almost exclusive function. A program along these lines has been drafted in the fields of economic development, customs, and administration of integration treaties, which are all directly concerned with problems of economic integration. In addition, training activities in subsidiary fields such as labour inspec-

tion, agricultural administration, port administration, electrification and communications will facilitate and assist the introduction of the over-all program of economic integration.

It is interesting to compare the impact of ESAPAC with national institutions engaged in the same type of program. The situation found in Central American contains a number of favourable characteristics. The Spanish language is common to all countries. The degree of administrative development is fairly identical. The Spanish heritage has created a sense of fraternity within the area. The resources of the countries are more or less equal. On the other hand, experience has shown that a regional institution of training, as compared with a national one, is subject to handicaps such as the difficulty of establishing firm and permanent contacts with the national administrative machinery, the costs involved in travel and representation and inability to have frequent meetings of the Board of Governors to guide the Director in policy matters. It seems, however, that the elasticity the institution has shown in adapting its policies to changing conditions proves a marked interest of the governments in the labours of ESAPAC and augurs well for its future.

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## THE STRATEGY OF COUNTY PROGRESS

William N. Cassella, Jr.

(From: GRA Reporter, Volume 14, No. 3,  
Third Quarter, 1962, pp. 20-21, 27.)

This article is excerpted from the original. County government, as an instrumentality of American cooperative federalism, has enormous potential for meeting the increasingly difficult problems of local government, particularly in metropolitan areas.

Because of its antiquity and because of its unique position as both a local governmental unit and as an instrumentality of the state, the basic organization of county government has often been sealed in constitutional provision or statute and made "uniform" throughout the state, irrespective of the size and complexity of particular county units. Uniformity in fact does not exist. We have gotten around the restrictions by the creation of various special devices—special authorities, special districts, special boards and commissions—most of which have tended to complicate the basic organization of government, to confuse the citizen and the official, and to make it more difficult for the responsible official to act responsibly.

What tools are needed by counties to administer services effectively? First, the form of county government should be designed to offer the most effective mechanism for providing the functions for which the county is responsible. In our urban and suburban areas great demands are made upon county government. When the number of employees is counted in the hundreds or even thousands, the problem of administering a county is very different indeed from that where the number of full-time employees is relatively small and many of the jobs can be done quite effectively by part-time public officials. The sheer contrast in the number of functions indicates that it is folly not to vary forms accordingly.

Second, we must recognize the absolute necessity of providing a form of government which can be held properly responsible to the electorate. We need to differentiate between the problem of lawmaking and law execution. We need to have a governing body which has the responsibility for enacting local laws and regulations, and we need an executive who has the responsibility and the authority for executing the programs of the county. We are familiar with this differentiation at the state and federal levels. Likewise, we see it at the municipal

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level. Some counties, too, have recognized the necessity of clarifying legislative and executive responsibilities.

One of the reasons we have seen such great progress in municipal government during the last three or four decades has been an increasing emphasis upon the necessity of establishing a responsible municipal executive. As the tasks of cities became more complex and demanding, the cities increasingly recognized the inadequacy of dividing operating responsibility among several municipal commissioners who were both legislators and administrators.

Interest in commission government in cities has now subsided. The cities have turned from the commission plan to one of two forms of government which stresses the responsible municipal executive. They have adopted either the council-manager plan or the strong-mayor plan. We are beginning to see the same trend in county government as most county reorganizations make provision for a responsible executive. In New York State, twenty-six years ago, Nassau County adopted a charter providing for an elected county executive. The following year, in 1937, a similar charter was approved for Westchester County. As a resident of Westchester County, I have seen enormous progress there. By imaginative executive leadership on the part of our county executive, we have an effective modern government which is providing our citizens with a level of service second to none.

It is not only Westchester and Nassau that have stressed the importance of the responsible executive. Actually, in most of the urban counties of New York State, this has been recognized formally.

New York has not been alone in its interest in the adoption of a form of government with a responsible county executive. In California, Los Angeles County is famous for its program of contractual services to municipalities. In California, there are a number of different types of appointed county executives. The same is true in Virginia and North Carolina. In

Maryland, Baltimore County uses the elected executive, Montgomery and Ann Arundel the appointed executive. St. Louis County, Missouri, has an elected executive—so has Milwaukee County, Wisconsin.

There are only 14 states where, under the constitution, counties have the prerogative to draft and adopt local home rule charters. There are certain definite advantages to this arrangement. It does permit the maximum degree of flexibility. However, another approach which provides for the use of optional or alternative forms of county government can be equally effective. A county need not have a locally drawn charter to have a modern government. If it does not, it is absolutely necessary that adequate options be available. One of the advantages of the optional law approach is that the existing form of county government will always be included as one of the options and very likely it will be the option used. The difficulty is that the options themselves must provide a considerable amount of flexibility. In New Jersey, the optional municipal charter law is an extremely useful pattern to follow. Under the municipal optional charter law, it is possible for a city to choose from a variety of provisions. It may choose a method whereby the governing body is elected from the municipality at-large, or partly by wards. It may choose either an appointed or an elected executive.

Assuming that it is possible to make arrangements for county executives either by home rule charter or by optional laws, we next must look with extreme care at other aspects of county government. There is no special prescription on how to determine which of the presently elected offices should be changed to appointed positions. Judicial officers are excluded from this discussion because in fact they are a part of the state court system, not a part of county government. A good case can be made for dividing the sheriff's job in an urban county into two parts—one as servant of the court and the other as police chief. In this case, the latter may be an appointed official as he is in most cities.

Budgeting is a principal tool of modern executive management and thus finance officers should be appointed by the executive. In a modern integrated finance department, the same can be said for the assessor, the treasurer, and the tax collecting officer. Where the job is a central part of county operations—the service program, a part of basic management, and highly professional in nature—the office should be within the appointive authority of the executive.

Above all, there should be flexibility in the method of selection. To prescribe the method of selection of particular local officials in state constitutions puts the system in deep freeze and makes it difficult to make adjustments which are necessary to meet new demands. Details of county government organization should not be in the constitution.

It is not advocated here that we make a major change in the independent status of school systems around the country although a very good case can be made for integration of school programs with these programs of general government. However, this will not be done generally because of the long established independent status of the public schools. We do know that school programs and programs of general government must be carefully inter-related and we have seen great progress made in some states where county-wide school systems provide the pattern of operations.

In such a field as welfare or health or correction, or parks, or recreation, or for that matter libraries, it is difficult to justify an independent status for such functions. The executive must be in a position to present a coordinated, integrated budget for the whole range of county services. The governing body must be in a position

to consider an over-all financial plan and program.

The eagerness of a group of well meaning reformers, who advocate the establishment of an extensive recreation program or some other new program, to seek a special board in order to help sell the service to the community and to the politicians can be understood. More difficult to understand, however, is their motive when they say in fact, "keep it out of the hands of our responsible officials." Deprive governing bodies and executives of responsibilities for key governmental functions and you dilute their role and make it difficult for the citizen to know just who is the responsible public official.

Several guidelines have been mentioned: (1) variety is necessary because of the difference in the size of population or the magnitude of programs; (2) in any modern government it is important that we have both a responsible executive and a responsible legislative body, and that their roles be properly defined and differentiated; (3) it is contrary to sound, responsible government to assign numerous functions to independent elected officials or independent boards and commissions. In many cases the independent status of particular functions needs to be eliminated and these functions integrated with general government.

A paragraph from a recent editorial in the *National Civic Review* is to the point:

"To be most effective, counties must be flexible instruments. If county government can disentangle itself from restraints imposed by state law and constitutions and by official and civic apathy, and the indications are that it will, the prognosis for its future is good."

## EDUCATION FOR ADMINISTRATION IN HOSPITALS IN GREAT BRITAIN

Frederic C. Le Rocker

(From: *Hospital Administration*, Volume 7, No. 3, Summer 1962, pp. 20-31.)

This article is excerpted from the original. It is now some 27 years since the first course in hospital administration in an American university at a postgraduate level was established.<sup>1</sup> Today there are fifteen members of the Association of University Programs in Hospital Administration, and at least two applicant institutions. Several universities also offer some instruction at an undergraduate level.

European countries have, until fairly recently, administered their hospitals without the aid of specially educated personnel. There are signs, however, that before very long, formal preparation will be available in a number of them. (This is occurring despite some very different concepts of hospital administration held in Europe.)<sup>2</sup>

<sup>1</sup>University of Chicago, 1934.

<sup>2</sup>For discussion of these, see "Hospitals Without Administrators," by F. C. LeRocker, *Hospitals*, JAHA, January 1, 1961.

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There are now programs in Great Britain, France, Belgium, and Holland.

A part of the British hospital system was at one time quite similar to ours, and the secretaries of voluntary hospitals had responsibilities to some extent equivalent to those of an American hospital administrator. There have been, of course, substantial changes in organization since the inception of the British National Health Service in 1948. Nevertheless, the establishment of postgraduate educational programs<sup>3</sup> specifically for hospital administrators did not come about until a few years after the "Appointed Day" (as the date of the taking over of the hospitals is very frequently referred to in hospital circles in England), under the aegis of the Ministry of Health.

The National Health Service Act, for hospital purposes, divided the country into regions—now 15 in number—in each of which there was at least one teaching hospital. For each region, a body called the Regional Hospital Board was established, its

<sup>3</sup>For an account of programs other than postgraduate, see "Administrative Training in the Hospital Service--(ii)," by John Griffith, *Hospital and Social Service Journal*, February 10, page 153

members being voluntary, appointed by the Minister of Health. The major responsibilities of these boards have to do with the allocation of available resources to the hospitals within the region, the setting of standards of medical care, and the planning for new construction, improvements, rehabilitation, etc.

#### THE REGIONAL HOSPITAL BOARD

This board has a paid staff, headed by a Senior Administrative Medical Officer, a Secretary (who may have deputies and assistants), a Treasurer, an Engineer, and an Architect.

Regional boards do not directly govern individual hospitals. This is the role of the Hospital Management Committees, known familiarly as the "groups." There are a number of these in each region (the national total is 383) and they have responsibility for one or more—and it usually is more—institutions. The members of the Committees, like those of the Regional Boards, are volunteers and are appointed by the Regional Board.

The Committees also have employed staffs, which usually consist of a Secretary, who is the chief executive officer of the group, a Finance Officer, a Superintendent Engineer, a Supplies Officer and a group almoner (social worker). There may be others in the area of statistics, personnel, etc.

Financial and operating controls are largely handled at the group level. Here, also, appointment of principal department heads in each of the hospitals is made.

The direct administrative needs of each institution are handled by a Hospital Secretary—analogue (but not identical) to our "administrator." The Secretary may be, and usually is, shared by more than one hospital. He is appointed by the Hospital Management Committee but he is not responsible directly to them as a Committee—his superior is the Secretary of that Committee.

#### ONE POINT OF VIEW

It should be borne in mind that there has always been a strong element in the

English view of hospital management which does not coincide exactly with ours. This element looks upon administration as made up of three divisions—medical, nursing, and lay, or business, which divisions are essentially in an equal partnership.<sup>4</sup> This of course results in a much smaller area of responsibility, as compared to that of the American administrator.

An important thing to realize is that the regionalization described above now provides the possibility, in England, of an informal hierarchy of administrative posts within the hospital field. One might conceivably start as a deputy Hospital Secretary, move on to Secretary, then advance through the Hospital Management Committees secretaryship to the Regional Board.

#### THE NATIONAL TRAINING SCHEME

Formal programs other than refresher, or specialized courses, began in England in 1956. The same year, the Ministry of Health announced the establishment of the "National Training Scheme" which now provides for recruitment, and for a three-year training scheme, for twenty-four (originally 16) students each year.

The program developed by the Scheme embraces both theory and practice—the former at one of two institutions—the University of Manchester, or the Hospital Administrative Staff College—and the practice in a variety of organizations, with co-ordination the responsibility of the University or Staff College.

The twenty-four students are chosen by a National Selection Committee appointed jointly by the Minister of Health and the Secretary of State for Scotland. Candidates must be either university graduates or officers within the hospital service who have "an acceptable professional qualification." (This means possession of a certificate from a professional body, such as the Institute of Hospital Administrators.) Half of them are assigned to the University

<sup>4</sup>For discussion of this view, see Report of the Committee on the Internal Administration of Hospitals (Ministry of Health 1954), pages 6-8.

of Manchester, and half to the Hospital Administrative Staff College. All fees are paid by the Ministry of Health, and a stipend sufficient to provide a modest standard of living is made available.

### THE HOSPITAL ADMINISTRATIVE STAFF COLLEGE

The Hospital Administrative Staff College was set up in 1951 by the King Edward's Hospital Fund for London, which is a charitable foundation established for the support, benefit, or extension of London hospitals. The Staff College's principal objective is to provide refresher courses for senior administrative officers in the hospital service, to run training courses for younger men and women, and to engage in study and research in hospital administration. The National Training Scheme fits in with the second of these objectives.

The courses of study supervised by Manchester and the Staff College differ; some of this very clearly stems from the differing roles of the University and Staff College.

Manchester students spend the first two weeks of the course at the University, where they are given a broad orientation to the field of hospital administration, and to the course program. They are then assigned to general hospitals, which have been selected by the University, for a period of three months. The training consists essentially of observations, together with the preparation of a general essay on the hospital as an organization.

They then return to the University for a ten day period of lectures and group discussions. This provides an opportunity for a review of the work already covered, as well as some exposure to the subject to be encountered next.

### EDUCATION FOR ADMINISTRATION IN BRITAIN

This pattern is repeated with assignments being made in succession to the Hospital Management Committee (two months), regional board headquarters (three

months) and psychiatric hospitals (two months). At the end of the first year, the student spends two weeks observing activities of the National Health Service, outside the hospital service.

Staff College students spend the first eight weeks of the course at the College, where they attend a series of lectures by hospital and health service personnel, ranging from the Principal Medical Officer of the Ministry of Health to a hospital chaplain; these lectures are interspersed with visits to hospitals.

The next four weeks are spent at general hospitals, while they remain in residence at the College. This section of instruction is entitled "Introduction to the Hospital, its Staff and Departments." Following this, the students move to general hospitals and the committee organizations, for seventeen weeks of observation and study.

The thirtieth week brings them back to the Staff College for a six week stint, in which there are lectures on finance, catering, public relations, etc. In addition, they are assigned various group projects—for example, the preparation of a handbook for hospital administrative staff. At the end of five weeks, they are assigned to hospital groups for the summer months (during which they also take their vacations).

### THE SECOND YEAR PROGRAM

It will have been noted that in the first year, the difference between the two programs is not very great. While the University students spent much more time in the field, the course of study at the Staff College concentrates on the practical aspects of hospital operation. It is in the second year that the pathways really separate.

The University students go into residence and take six courses, chosen among the following three groups: social administration and social economics; statistics, law, and public accounting; personnel management, industrial relations, and industrial sociology. Along with the six, there



is a continuing seminar in hospital administration, which assists the students in applying the concepts and principles of the formal course work to the hospital scene.

The courses are regular university offerings, at a graduate level. The seminar is the responsibility of an instructor in the Department of Social Administration of the University, which department handles the administration of the program.

For the Staff College group, the second year pattern is very much like the first—assignment to specialized hospitals, and regional boards, with sixteen weeks spent at the Staff College. The subjects under study at the College continue to deal largely with operations—"Job Training," "Statistics and Planning," "Safety in Hospitals," "Communications," etc. A special "Work Study Appreciation Course" is given during the period.

### THE THIRD YEAR PROGRAM

The third year is identical for all. Each student is placed in a job in a hospital—usually it will be a secretary's job. The regular incumbent stays with the student for a brief period—approximately two to three weeks—and then the student is on his own. (The regular employee will, in most cases, be assigned temporarily to another hospital.)

During the year, the students return for one week to the University, or Staff College, for a very brief refresher course, and to have an opportunity to compare experiences, as well as discuss them with the faculty.

This last training experience is not to be compared with a residency. The student actually discharges the functions of the post he is filling, without any special supervision, after the introductory period.

The course ends in September of the third year, and the finished products may apply for positions in the hospital field. This is done on the basis of advertised posts. Placement thus far has been very satisfactory, although some graduates have had to

wait several months before a suitable post was advertised.

### THE WRITER'S IMPRESSION

A major question of interest for this American observer is whether there is a likelihood of either, or both, patterns spreading in England.

Although no consensus was obtained, the writer has the distinct impression that the university phase of the program will not be copied. There appear to be two reasons for this. In the first place, the very great majority of practicing hospital administrators are not university graduates. There is, consequently, no professional group in the hospital field which feels strongly that anything as elaborate and formal as postgraduate university education is required.

In this connection it should be borne in mind that the lack of university programs in hospital administration does not mean that the standards of hospital administration may not be very high. Mention has been made of candidates "with professional qualifications." In England, this refers to something very definite—the passing of a series of formal examinations, set up by a recognized body. It corresponds, in some respect, to the licensure examinations for certain professions in this country. The examination questions are extensive, detailed, and cover, in depth, all areas with which the English hospital administrator will have to deal.

### THE "CIVIL SERVICE" POINT OF VIEW

The second reason why postgraduate university education does not have many supporters is what might be called "the civil service" point of view. For centuries, the civil and colonial services have been recruiting university graduates (until fairly recently, almost entirely from Oxford and Cambridge) for a variety of specialized administrative jobs, both in England and abroad. It was, and still is, believed that if an individual possesses a first-rate liberal education, he may very readily

master any particular administrative job while doing it.

So, it is not believed there will be any large scale extension of the university segment as presently conceived. This is borne out by the possibility that regional boards are now empowered to set up local training schemes, and by the success of the Pilot Scheme in Hospital Administration at the University of Leeds (established in 1958 by the Nuffield Provincial Hospitals Trust). This scheme provides short courses to a variety of hospital personnel, much as does the Administrative Staff College, but with university supervision (by the Department of Adult Education) and some university faculty participation. There appears to be a much greater acceptance by the profession of this type of program.

#### CERTAIN ELEMENTS ARE LACKING

Finally, it must be stated that the program is lacking in certain elements which we in this country consider most essential. There is little or no formal instruction in the health environment, such as is furnished by courses in public health subjects. There is the possibility that the division of administration into medical, nursing, and lay areas eliminates this necessity—but it is doubtful. Without the kind of understanding that such studies bring, the gap between these three areas may be difficult to bridge. This writer believes that with the up-grading of the service through higher educational qualifications, and with the increase in the authority of the administrative personnel through regionalization, there will be a need to provide such a bridge.

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## INJUSTICE AND BUREAUCRACY

Lewis C. Mainzer

(From: *Yale Review*, Volume 51, No. 4, Summer 1962, pp. 559-573.)

This article is excerpted from the original. Man seems impelled to expect justice, despite his continuing experience of injustice. We judge the world and people, if not God, by the standard of justice. We have a deep expectation, echoing Job, that our adversaries should not be immeasurably stronger than we and that someone should appoint us a time to secure justice. Man alone is the victim of man organized. The form of association typical of our time, bureaucracy, is indelibly identified with the perpetration of injustice.

Bureaucracy pervades modern life. Government bureaucracy is widely considered a threat to the freedom of citizens, but the bureaucratic official in and out of government exercises a more immediate and continuous power over subordinates within his organization than over outsiders. Because justice is a basic standard for all human relationships, when men live so largely within bureaucracies two questions are fundamental: (1) Is injustice likely within bureaucracy? (2) How can one respond to injustice within bureaucracy?

If one inquires about justice within bureaucracy, one turns to the relationship

between ruler and ruled. Rule by one man over another is always in need of justification. Anarchists and pluralists, among the moderns, have felt keenly that political authority and the state cannot simply be taken for granted, and they are partly right. The bureaucracy, like the state, involves rule. Because bureaucracy involves rule, it poses the need to justify the authority of one man over another.

Not the existence of authority, an ineradicable condition for human living together, but the quality of rule needs continuous justification. The acceptance of authority within the family and the political system, if one stakes out its proper limits, is a reasonable price to pay for humanness and civilization. Bureaucratic authority no doubt permits the accomplishment of great tasks. Accepting the need for authority within bureaucracy, one must ask about the purposes for which it is used.

Whose ends does rule serve within bureaucracy? It was the hope of Mary Follett that business might so integrate the activities of its employees that each might achieve his important ends and contribute from his own knowledge and experience. Conflict between worker and management, between the individual's purposes and those of the organization, would be ended. The ends sought would include the

ends of all. One may be impressed with the decency of Miss Follet's vision, but her dream has not come true in any substantial degree. The individual's aims still count for very little, the organization's aims for very much.

Indeed, in a recent study Chris Argyris argues that formal organization is not compatible with "mature" behavior. Though his data relate largely to factory workers, his summary of evidence of the disaffection of workers with the regime of the formal organization is impressive. Only by such responses as formation of informal organizations, which restrict output, and apathy respecting one's work is a measure of sanity retained. To the extent that, as Argyris argues, the formal organization degrades the members, especially in the lower reaches, only a formal sort of equalitarian justice is possible. The organization members can be treated with uniformity and paid well to endure the degradation of meaningless, unsatisfying work. Trade unions can assure this; to fight organization, men organize, but their work remains dehumanizing.

One must add that many people, unlike mass production workers, engage in work which is inherently interesting and challenging, though they work within the formal structure of bureaucracy. Their situation is potentially satisfying and worthy of a human being. Much depends on the kind of authority to which they are subject. Under a just superior, the mere fact of bureaucratic organization may not prove degrading. The bureaucratic life may be made worthwhile by the quality of justice in the actions of the administrative superior.

What is needed to succeed in a bureaucracy? Obviously qualities differ among different individuals in different positions of power. One may advance as a result of seniority, character, luck, nepotism, popularity, or other qualities. Sheer ability certainly helps, but when one listens to the utterances of such successful organization leaders as heads of great corporations, military leaders, or president of universities, one knows that many of these men

are not necessarily wise.

Above all else what is needed to succeed in a bureaucracy is ambition. Mr. Lloyd George observed that there is "no generosity at the top." A kind of toughness and opportunism is as necessary at the top of a bureaucracy as at the top of a political system. Harold Lasswell's psychoanalytic analyses led him to conclude that driving administrators are basically like demagogic politicians. They simply found different career avenues "available for identification at critical phases of growth." The difference in the name of the function—administration or politics—misleads us, and the stereotype of the timid civil servant hides a lot of hard ambition. Only one who really wants to succeed and who will fight for success with all the tools at hand is likely to work his way, up. Save in quiet corners where a peaceful seniority system prevails, at every level superiors are likely to be a little tougher than subordinates.

Attitudes toward authority reflect basic elements of one's personality. In the use of authority, as in the reaction to it, irrational behavior is intertwined with deliberate calculation of effective means to carefully evaluated ends. The uses of power reflect the needs of the power-seeker who has part way succeeded. We are told that Jason said "he felt hungry when he was not a tyrant." Not every power wielder within a bureaucracy craves authority or is unjust, but insofar as the position calls to and molds character, it produces those in whom burns little passion for justice. Whether control over others or simply success is a central need of a man's personality, the quest for position and power may blind him to the ends of others. Friendship or love might conquer this unconcern for others, but these qualities have small place in hierarchical relations. To find justice in the family, where everyone counts, is hard enough; to find it in a bureaucracy, where no one counts, is infinitely more difficult.

In truth, the subordinate in bureaucracy becomes not a means to his own ends or even to the ends of the organization, but a

means to the ends of the superior. Because success of the organization is so closely related to his own success, the superior's motives may seem identical with the good of the organization. But if we can separate the good of the organization from the good of the superior, we find that the superior is really guided mainly by his own good. The only common form of deliberate executive self-sacrifice to the organization—hard work—is actually a means to furthering the career and using the energies of the executive. The executives who say that “work is my only hobby” are telling the truth. They work for themselves. The superior, however much given to the language of organizational loyalty, loves himself, not the organization; the organization is the field within which he operates, not the end itself. Let his rewards be blocked and his contempt for the organization becomes manifest. In sum, the subordinate, through the justifying language of the needs of the organization, is used to meet the superior's need for success—in terms of expansion of his program, reputation of his agency, high production, and the like. Hierarchical superiors regularly violate what Tillich calls “the absolutely valid formal principle of justice in every personal encounter, namely the acknowledgement of the other person as a person.”

Are there not controls to prevent the abuse of authority by bureaucratic superiors? It is tempting to say that those in authority will not abuse it because of “understandings” or “opinion.” We frequently encounter this train of reasoning in analyses of the British constitution, for this constitution seems to consist so largely of “conventions,” often “unwritten” at that, which are not legally enforceable. But to rely with confidence on “conventions” of morality and justice in a bureaucracy is to rely very largely on the sense of justice and self-restraint—never certain qualities among rulers. There is neither a body independent of the executive nor a majority with effective power.

Within a large organization there are generally many rules with which the official

must comply, however, and which guarantee the status of the subordinate. The public laws also provide protection against the misuse of authority. In the bureaucracies of government there may be the eyes of the legislature and the courts and of interest-group organizations and the press. All these help prevent abuse of authority.

Within the limits of what is legally or officially permitted, authority may be abused. The guarantee that authority must be used only respecting official matters breaks down in practice. The person who must handle human cases too quickly or harshly must give to each case less than he would of his wisdom and kindness.

The actions which superiors judge and control often involve moral judgments by the subordinates. In every instance of this sort, some conception of a good and a bad man and a good and a bad life is implicit in the action of the superior, though he is likely to talk in terms of being practical or realistic or of using necessary means toward good ultimate ends. Slyness may be praised, integrity contemned; superiors may reward bad actions and may punish good actions. Official matters are finally only human acts and they carry moral implications. The superior, in rewarding and punishing, may corrupt the subordinate by inducing him to do bad acts and to adopt wrong values; he may subject the subordinate to injustice. Of course the subordinate may impute injustice where it does not exist. Many people feel persecuted when they are being justly treated. This does not, however, diminish the importance of the problem.

What alternatives are open to the hierarchical subordinate within a bureaucracy whose superior is unjust in dealing with him? The individual unjustly treated must choose, deliberately or otherwise, a response. One of the old questions in political philosophy is whether a good man can be a good citizen of a bad state; the question has its analogue in bureaucracy. The obvious and probably most natural alternative for the subordinate is to fight back.

The subordinate is not powerless. In a real sense, authority comes from the sub-

ordinate, not from the superior. The bureaucratic subordinate may successfully engage in a good deal of disobedience. In every organization, many orders are ignored, just as many statutes are not enforced. The superior's lot is not a happy one if his subordinates are contemptuous of his authority. He depends on the subordinates, for if the subordinates do not do their job, the superior's mission is not accomplished. A continuous dose of threats and punishments by the superior is bad for morale and for real cooperation. The superior who cannot get along with his subordinates does not look good to those above and about him in the organization.

There is, of course, another side to authority. If one defies authority in a bureaucracy, one may be denied advancement or may be discharged. Surely this is the exercise of authority from above. The advantages are by no means all with the subordinate if he fights back. Formal authority, with whatever sanctions the organization possesses, rests in the hands of the superior, not the subordinate. The superior can, perhaps within limits, denounce, penalize, or discharge the subordinate. The whole power of the organization is on his side.

The weight of the bureaucracy is always against a challenge by a subordinate to his superior. The maintenance of the system of authority seems to require that the superior's judgments be upheld, in turn, by his superiors. The decision is less one of whether the superior or the subordinate is right than one of whether the authority of the superior is to be successfully challenged. This means that appeal over the head of the superior is usually unsuccessful. A successful administrator senses that he must ordinarily back those under him, even when they have made a bad decision; this creates confidence and preserves authority.

In sum, the subordinate may choose to fight, but he is likely to lose. Whether or not to fight is a practical decision, with moral implications, for the subordinate to make in each case. If injustice involves other victims, one may feel obligated to

fight on their behalf, and broader considerations enter. More often than not the subordinate will be defeated by the weight of the organization, which will be mobilized to preserve authority and the fiction of the wisdom which flows from above.

One may rebel against the injustice of authority within bureaucracy by adopting an extreme nihilism. If true values do not guide those with power, one may reason, then values have no real place in this system of living. Self-seeking—that is, personal gain or pleasure—or sheer destruction may be sought.

There is a second alternative. Rather than fight back, one may resign from the organization. More generally,\* it may be possible for an individual to earn his living and perform his other activities outside bureaucracies; for many people in our age, this is not feasible. If one resigns, one must join another organization. There are circumstances in which this is a satisfactory alternative, for by it one may escape from a bad situation.

Injustice is likely within any bureaucracy. By resigning one escapes from a bad situation but, sooner or later, one is likely to encounter another. Even if one finds a just superior, one cannot count on serving under him more or less "permanently." The difficulty with resignation from the organization, then, is that one may have to repeat the act any number of times. After a while not only has one lost one's vested position in successive organizations, one has a reputation for instability. Something must be wrong with someone who moves from organization to organization. Who would believe that the person who is prone to resignation has been seeking justice? Anyway, others would be right to guess that he is a bad risk to remain long with them. If an organization can demand one quality, it is reliability. Resignation, then, is not without its uses, and practical considerations of what is given up and what the alternatives are certainly must be weighed. If it implies, however, that elsewhere justice is likely, it only deceives.

Resignation of a different sort offers a

third alternative for one who suffers injustice in bureaucracy. This resignation is, however, not dismissing oneself from the organization but accepting the situation and dismissing its importance. It is apparently a somewhat "unrealistic" solution. Actually it may be quite realistic; it is based upon a true understanding of what the world is like.

Justice is not achieved within bureaucracies any more than within other human relationships. It is not impossible that one will be treated justly, but there is no reason to expect continued and consistently just treatment. Resigning oneself to the fact of injustice frees one from certain compulsions. So long as the rewards of the bureaucracy are the only rewards a man cares for, he is deeply engaged with the bureaucracy. If he is unjustly treated, he must either submit to his superior, in spirit as well as in form, or he must engage in combat or resign from the organization. In any case, he pays tribute to the importance of the bureaucracy and the superior.

No doubt it is difficult to believe that bureaucracy is not important, if one earns a living, and perhaps carries on other activities too, within a large organization. Is it not possible, however, to treat the bureaucracy as a fact of the environment and no more? If one lives in a very hot climate or in the midst of very foolish or bad people, it may be well not to make the climate or the people the center of one's existence. Of course one must continue to earn a living, and in accord with one's skills and training, and this may require working within a bureaucracy. If the bureaucracy is simply a fact of environment, however, praise or blame or reward or punishment from superiors become, if not totally unimportant, certainly a secondary aspect of life. One need simply have no interest in the judgments of superiors.

How can a man who works with a bureaucracy be unconcerned with the actions of his superior? He must not care too much whether he is praised and whether he is rewarded. If he does not care for praise and rewards, and if he can tolerate some extra

burdens and listen with equanimity to foolish things, he can take the sting out of the authority of the superior. Authority met with acceptance serves to get the action commanded but does not touch the spirit of the subordinate.

Either one must be without much ambition or one must adopt the standards expressed by those with authority within the organization or else one must live by other, equally demanding though different, standards. The crux of the possibility of philosophical resignation to the injustice of bureaucracy lies in the belief by the individual in a set of ethical standards not derived from the organization. One must have some firm ideas about what is good if one is to treat with unconcern one's fortune within the bureaucracy. If success is the only goal, one is doomed to worship the bureaucratic gods.

Is the attitude of the man in bureaucracy who is simply being used and knows it comparable to the attitude of incivisme attributed to the French? One gives service, but one's heart is never in the collective enterprise and one's confidence is never vested in those who have power. French incivisme, Philip Williams argues, does not mean that the French are bad citizens. It is, rather, an attitude of civic indiscipline or individualism, of resistance to power and its holders, a tradition of the negative, hostile response to a governmental demand. The man touched by incivisme is the reverse of the "organization man." Each gives service, but only the latter gives his heart and his conscience to the organization. Incivisme, the response to a history of the abuse of authority, is the response of a people with a good historical memory and a vigorous sense of individualism. If it saps strength from the collectivity at times, it may also retain vigor in the parts—which are men, the most important units.

Incivisme, then, can be treated as the admirable spirit of individualism and revolt against the abuse of authority, against the romanticizing of the state, or as the selfish and disenchanting way of the poor, grudging citizen. The concept is ambiguous

because the difficult question of proper behavior—of an attitude toward politics and power—is involved. Can a rational man serve the state well and love it? The political problem is analogous to the bureaucratic.

Resignation and detachment runs contrary to the urgings of those who, in some spirit of philosophy or psychology (wishing for us a good life or a healthy one) ask for the reconciliation of man to his work. This reconciliation, for many of those whose work is within a large organization, entails either degradation or ambition to succeed in the terms in which the organization defines success. To be spared the curses of slavery and opportunism of character, one may have to renounce the activities within large organizations as major sources of goals or satisfactions. The most obvious alternatives are the values of family and home and beloved possessions, the appeal to posterity for recognition, and the stoic goal, “the special happiness of the virtuous man in freedom from disturbance, in repose of spirit, and inward independence.” Any attempt at philosophical resignation to, and the draining of significance from, the organization entails difficulties.

Because sensible people often regard themselves as largely determined by their past, unless they turn to religious redemption, we always ask about our children and the paths they may still choose. What shall we tell our children, who will mostly work within large organizations; how can we help them to survive within organizations with their integrity intact? William H. Whyte tells them how to cheat on a personality test, so that they can move ahead in the organization. He would have them take on the “protective coloration” of the organi-

zation but secretly fight it. The fight, we should add, is for the good cause of individualism plus success within organizations, for “the bureaucratic way is too much with most of us” to renounce the quest for organizational success. It is an informed and wordly answer.

Any alternative answer requires that we teach virtue and the love for justice, as well as the wordly knowledge of the unlikelihood of justice. To learn how to succeed within organizations at any price is to unlearn justice and integrity. And love for justice without the wordly knowledge that justice is an unlikely quality, that one must be prepared for injustice in oneself and others, leads to inhumane systems and defeated humans. A bureaucratic life requires of a man qualities of character such that “the bureaucratic way” is not too much with him.

Philosophical resignation, which permits one to give honest service to a bureaucracy one does not love, takes different forms. One may turn from bureaucracy to home and possessions. One may seek to create or achieve in other, non-bureaucratic realms, perhaps accepting the judgment of posterity. One may, in fatalistic stoic style, accept everything that is, as according to nature. One may, through an other-wordly religious creed such as Christianity, turn away from this world. It would be absurd to suggest that a specific system of philosophy is the only one which permits philosophical resignation to the injustice of bureaucracy. Any philosophy which affords a man a measure of inward independence, so that he does not care too much for the praise of men with power, may assist him to endure bureaucracy, integrity intact.



## RESEARCH AND THE CHANGING FACE OF STATE TAX ADMINISTRATION

Chester B. Pond

(From: Tax Policy, Volume 29, No. 4,  
April 1962, pp. 3-8.)

This article is excerpted from the original. Modern emphasis on state tax research is one manifestation of the growing need for increased knowledge in all areas of governmental activity.

Under the mounting pressures of the decision-making process in both the executive and legislative branches of government, research is being relied upon increasingly to furnish the all-essential factual foundation. Changes in tax laws are seldom enacted, or even seriously proposed, without prior analysis of their probable economic and fiscal effects. The importance of research in supplying timely and accurate data can scarcely be overstressed. This is especially true in states where the balanced budget is mandated by long tradition or, as in New York, by the state constitution.

The 25-year span, 1937-1962 has produced the most sweeping changes in the structure of state taxation. In 1937, tax collections by my department (exclusive of motor vehicle fees and subject to some minor adjustments for comparability) were \$350 million and we had some 1,400 em-

ployees, 11 of whom were in the Research and Statistics Bureau. The current figures are \$2.1 billion in tax collections with 5,500 employees. The Research and Statistics Bureau employs 50 to 70 persons, depending on the variations in temporary help to meet peak workloads. In 1937 there were only 2 professionally trained staff members in the bureau. Today there are 13 positions in this class.

### RESEARCH AS AN AID TO ADMINISTRATION

As a staff agency, the research unit must accord top priority to the day-to-day problems of the department and its line bureaus. When these assignments arise in heavy volume, which is usually the case, opportunities for long-range research are greatly restricted if not eliminated. Yet the need for research beyond immediate problems is often driven home with embarrassing consequences. The tax research agency must think ahead and plan ahead, for when the crisis comes there is little or no time for fact-finding. Then, too, data can be obtained much more readily as by-products of administrative operation, which requires advance programming.

Certainly the most spectacular, if not the most significant, way in which research

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aids administration is in the broad field of revenue estimating. The range in the performance of this function is extremely wide; all the way from the annual estimate of the yield of the largest tax, to the most trivial proposal to amend the tax law.

Tax research has played an important part in New York in establishing norms for the selection of personal income tax returns for audit. The value of this application of statistical data, although suggested many years ago, was demonstrated when the backlog of audit work became overwhelming and selection of the returns with the greatest assessment revenue potential became virtually mandatory. But even under such conditions, research was required to demonstrate the difference in potential between the "selects" and the "rejects." As a result of this project, audit selection has proved itself, and the use of norms, or averages, as powerful administrative tools will find extended application in the years ahead.

Research may also play a vital role in the introduction of a new tax or in major changes in existing taxes.

In preparation for withholding and conforming the personal income tax to the federal Code, estimates of workload volumes, creation of withholding tables (including review of requests for special tables or machine formulas), revenue estimates of the major factors, and other assignments were given to the Research and Statistics Bureau. In the main, our estimates stood up exceedingly well under the impact of a complicated set of law revisions.

Our statistical studies of the hierarchy of the state taxes are intended primarily to furnish data essential for revenue estimating, although there have been many other uses. Not the least of these is for the research and academic profession with whom a considerable correspondence is maintained.

Twenty-five years ago, revenue estimating was a casual art compared with today's detailed statistical and analytical approach. The confidential nature of tax

returns has dictated that the basic studies be made within the department. By a long-standing arrangement, revenue estimates of the Research and Statistics Bureau and the collecting agencies are forwarded to the Division of the Budget as source material for their guidance in developing the annual budget message. The greatest care is taken to insure the highest possible degree of accuracy in the preparation of these estimates, for they represent the very essence of fiscal integrity.

#### ADMINISTRATION AS AN AID TO RESEARCH

The advent of the computer, with its rapid advances from the mechanical to the present stage of EDP or ADP has presented the researcher with a tool "with numerous applications" and the speed for extremely rapid and accurate handling of masses of data. But modern computers are costly and the comparatively modest budget of even a large state tax research bureau cannot justify incurring such costs unless they are part of a joint operation. In New York, efficient administration of the personal income tax with its 6.5 million returns and 3.5 million refunds fully justifies the use of computers and simultaneously produces a statistical by-product of the greatest importance.

Twenty-five years ago, most tax administrators, if they thought about it at all, saw little need for tax research. Today, few would question the need for such studies. In fact, through periodic conferences and daily cooperation as these studies progress, line and staff personnel have compiled an impressive record of cooperation and mutual assistance.

#### TAX BURDEN COMPARISONS

In general, the attitude of state tax officials in 1937 was that if taxpayers (corporate or individual) didn't like the tax structure, or any particular tax, they knew what they could do. Whether they did,

it was of little concern to these public servants.

Since 1945, the states have become almost belligerently competitive in seeking business expansion. State congressional delegations have been urged to plead for more defense contracts. Advertisements have been employed to lure industry and many states have offered tax exemption, a device sometimes referred to as "tax baiting."

Beginning around 1950, a rash of state tax studies broke out and the subject of interstate tax comparisons was catapulted to prominence. While most of these studies showed that taxes were far from being a major factor in business location or expansion, increasing emphasis came to be placed on the marginal nature of state and local taxes. In other words, taxes might be a deciding factor when the other factors cancelled out. There is some evidence in support of the view that some states, justly or unjustly, have received a "high tax" reputation. Thus taxes have attained a psychological importance often entirely divorced from economic reality. Careful evaluation of a tax environment calls for consideration of the services rendered by government in relation to the cost and for an appraisal of many related factors.

The phrase "tax burden" is too ambiguous to be used without precise definition. To the layman it means taxes paid and his consideration of the subject usually ends here. Indeed, impact is the important fact to the businessman. For ease of comparison and because of their business orientation, most studies of tax burden are really impact studies. The economist, however, prefers to construe burden as ultimate incidence, something which is difficult and often virtually impossible to ascertain. Beyond this, the inquiry probes into the ancillary economic effects. In any event, the use of the phrase "tax burden" too often implies that nontax costs are not burdensome, merely because taxes do not necessarily involve a definite quid pro quo. Tax costs have too much in common with other costs to justify this distinction. Per-

haps the best evidence of this tax marginality is the tendency of states to eschew higher business taxes in favor of those which rest upon a broader base, notably the retail sales tax. Indeed, reduction in business taxes has been a device for avoiding deleterious effects on a state's economy.

The recent heavy emphasis on the rate of business growth has resulted in adopting tax policies which would have been repudiated a generation ago, before the affluent society cast its shadow over the ability theory of taxation. As a result of the work of a Tax Structure Study Committee, changes in business taxation were enacted in New York in 1961 in the interest of improving the tax climate. Eternal vigilance will be required to keep pace with the times, and we may expect such studies to become a regular part of the research scene in the ceaseless struggle for survival in an expanding age.

#### COORDINATION

Since 1937, the states and their localities have moved to occupy, along with the federal government, most of the major tax sources. The federal government, while relying on an imposing array of selective sales taxes, has avoided the general retail sales tax. Nearly every form of tax is found in one or more of the 50 states. About two-third of them resort to retail sales taxation. The personal income tax appears in 32 states, while 21 states employ both. Revenue needs are stressing, even more forcefully than previously in the long and frustrating history of the attempts at tax coordination, the need for developing a truly national tax system.

As revenue pressures mount, this will become an increasingly fruitful field for enlightened tax policy. Tax diversification at all levels seems too well entrenched to allow much room for segregation of revenue sources, an ancient coordination device, but conformity of tax laws (such as New York's personal income tax which was closely conformed to federal law in 1959 and 1960) is a welcome relief to taxpayers and greatly

simplifies the problems of administration. Federal-state and state-local cooperation in tax administration have developed in recent years to the point where a firm foundation for accelerating use of this device has been established. Nor should the Advisory Commission on Intergovernmental Relations be overlooked. In the realm of death taxes it is seeking to promote the principle of coordination and the results of this approach will be watched closely to indicate what other taxes may be susceptible of similar treatment. Considerable research at federal and state levels is being channeled in the direction of tax coordination.

#### CONCLUSION

The last 25 years have witnessed a coming of age of state tax research and the

realization that it is indispensable to efficient tax administration. As we move into the era of the computer, the partnership between research and administration will be cemented further by the possibilities of joint use of computer equipment to their mutual advantage. The sheer magnitude of the tax collection figures will sharpen the need for accurate estimates of revenue effects and potentials while audit workloads will demand improved norms for audit selection. Finally, tax coordination, a subject of much discussion and little action, offers a vast potential for administrative cooperation.

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## STRESS AND THE MANAGER

John D. Porterfield

(From: Personnel Administration, Volume 25, No. 4, July-August 1962, pp. 29-37.)

This article is excerpted from the original. Stress and management are among the common phenomena of nature. In human affairs as well as in those of the so-called lower species, there may be quite fortuitous factors which determine who shall lead, who shall manage. And, since each individual is in any case a haphazard amalgam of qualities inherited through a heterogeneous collection of genes worked on by uncensored circumstance, one might expect that the exercise of managerial functions would inevitably produce a two-way stress, the stress of inadequacy and of incomplete domination over those who are managed, plus the stress created in those who are the recipients of management.

However, the larger evolution of our society, the managerial methods by which these evolutions take place, and the stresses accompanying them, are not entirely within the compass of this article. They are mentioned to illustrate the fact that the relationship between our 20th century managerial man and the stresses which he generates or receives in the course of his career are but a sub-species of the total

array of operational phenomena in this area which exist in the world surrounding him.

It is therefore necessary approximately to define what we mean by a manager and to come to grips with the problem of his stresses.

### DEFINING THE MANAGER

It is not desirable for the purposes of my title to define the managerial concept with great specificity because to do so would materially limit the amount of relevant knowledge which can be brought to bear on the problems of managerial stress. Words like manager, executive, leader, have sometimes been used interchangeably, and at other times have been made the subject of careful distinctions. However, the functions involved in the concept "executive" have been helpfully stated by Perrin Stryker of Fortune Magazine as including 5 activities: (1) helping to set the company's objectives and policies, (2) making or approving decisions that can significantly affect profits, (3) coordinating at least several major departments or divisions, (4) maintaining and developing an organization of trained subordinates, and (5) delegating authority and responsibility for control of performance.

Stryker submits that functioning in all 5 of these activities, not just some of them, is what characterizes an executive. However, it might be postulated that the exercise of any of these functions would qualify a person for consideration at the managerial level.

For the purposes of this discussion, it is assumed that anyone in public or private life who qualifies under at least one of Stryker's rubrics is by virtue thereof a managerial man. It should be noted that his definition carefully excludes the professional man as such. Understanding of the distinction is important because one of the significant sources of stress in large enterprise today stems from the friction which arises because of misunderstanding between the professional and the managerial group. This kind of stress, unless allayed, will tend to increase as large enterprise progressively engulfs a higher percentage of our total community activity.

### HEALTH AND THE MANAGER

In terms of public health, the approach to the managerial career, as one would expect, is in terms of survival and vigor; both with respect to what the manager does and the amount of stress within which he must function. And it would not have been surprising to us had we found these stresses sufficiently severe to result in appreciable health damage among the upper level of managerial talent in the United States.

One of the largest groups of executives given health examinations is the group of 3,780 persons examined at the Greenbrier Clinic.

Of the 3,780, about two-thirds had some abnormalities. Thus, 29.1% of those examined were classified as obese. This compares with a 21% prevalence of obesity (10% or more overweight) in the general male population of the U.S. at ages of 40 and upwards. Apparently obesity is one of the crosses of the executive life.

However, except for obesity, the executives seem to fare quite well in terms of health status. One study of 1,083 male

executives and 293 male non-executives showed that the incidence of hypertension was not greater among executives, and cardiovascular disease (generalized arteriosclerosis, arteriosclerotic heart disease, and myocardial infarction) was disproportionately low among executives.

Generally there is not too much evidence that executive health is particularly at hazard from the phenomenon of stress. Some study has also been made of emotional crackups among executives, with conclusions that at this time at least are quite moot. The difficulties of analysis spring in considerable part from the fact that work breakdowns are usually the final collapse, not the source of the trouble. For the executive, work usually has great therapeutic value, and only when some special stress intensifies the conflict in his own personality does there seem to be a relation between his work life and his crack-up.

### STRESS AVOIDANCE

While the studies cited cannot, of course, be considered as conclusive, it would be at least possible to assume from them that the major current of stress flows not toward the executive but away from him towards the non-executive groups in business and industry.

This inference, if true, is particularly interesting because our society's business, industry, and government are progressively becoming at least on the surface more and more persuasion-oriented and less and less autocratic. The leader-manager-executive of today exercises his skill not in compelling his subordinates to achieve pre-determined goals but to motivate and persuade them. He may attempt this through trying to make his orders palatable, but the real managers in this business have learned the arcane art of making it seem that the subordinate himself is making the decisions.

It must not be assumed from what has gone before that the life of the executive is relatively less stressful than that of his subordinates, although this is a possibility. Executives may show less evidence of

hypertension and arteriosclerotic heart disease than do their subordinates merely because they are physiologically or psychologically tougher than their subordinates. The struggle which leads to managerial preeminence undoubtedly exercises a selective force but, although it may well be that in this struggle there exist factors which select the physiologically and psychologically more fit, one cannot make this as a necessary assumption.

What is therefore more relevant to the relationship between stress and the manager is how he copes with stress in himself and how he relates himself to stress in others.

### STRESS-PRODUCING ELEMENTS

The standard elements of stress in the manager's own life are those related to the triad of experiences of all executives: promotion, success, and retirement. Promotion is a stressful experience because it has so many aspects of both anticipatory and subsequent anxiety. These include the entire complex of maneuverings which competitive striving for advancement implies as well as the efforts which are involved in securing the beachhead of a new position once it has been gained.

Similarly, success tends to isolate the successful individual from all his former worlds, the easy camaraderie of colleagues now become subordinates, the pleasant relaxation of domestic life now grown too time-consuming, the vacations often postponed and rarely completed.

Finally, the prospect of retirement, which is hell on earth to many successful people, tends to loom for them as a most critical period in which they feel sure that they will crack up.

Every successful manager has evolved his own methods of creating and alleviating stress in subordinates. Sometimes these techniques are quite unconscious; at other times they are very carefully devised. But in any case the manager will not orient all his efforts to the alleviation of stress among those managed because stress is a most useful tool in stimulating activity. On

the other hand it can also be a harmful force.

So far stress and the manager has been discussed in terms of the internal relationships that exist within a firm or agency. It appears that by and large the managerial class is able to support itself reasonably well under the kinds of stress to which it is exposed, this at least in terms of stress results which are subject to measurement. While no one would question the possibility that the survival and continuance of managers is due to a selective factor—possibly the fact that as a group they are tougher than their fellows—the fact remains that they do maintain themselves even though it would be quite logical to argue that they are subject to kinds of stress under which less tough individuals might readily succumb.

### THE MANAGER IN THE COMMUNITY

If we may assume that this toughness and resilience of mental fiber is a characteristic of management, would it be fair to assume that this ability to withstand stress should also be made use of for the community's purposes? There is a reason to believe that it would. As a matter of fact, such use is widely made and is indeed a part of the credo of management. It is the practice in many, if not most, communities to enlist the help of its managerial leaders to achieve the goals set by voluntary agencies in fund gathering, for appointments to trusteeships, in achieving good public relations, and the like. Moreover, the upper-level managerial members of the country's communities are frequently called on to staff the appointive posts in Big Government.

It is not so clear whether this use of managerial talent to cope with the daily urgencies of community management is sufficient.

While no one would suggest that the manager should be responsible for the entire task of community and national reorientation toward technological and social change, there is strong evidence that

his talents are urgently needed for its achievement. And, indeed, particularly the Executive Branch of our national government has made large demands on management skills of all sorts: in business, labor, education, the professions, foundations, and the like, for assistance in carrying out national missions. This has become the accepted practice in both Republican and Democratic administrations.

This acceptance is in spite of the stresses raised by differences in the management orientations developed in these various sources, commingled with the management concepts of government career workers. From its functioning has come a fairly widespread agreement by both private agencies and public institutions that not only does the outside recruitment of management talent by government further national missions, but that managers gain experience in government which is of real value upon their return to private life.

However, the stresses created by the transition from private to public life and back again are great. They include not only the personal upheavals involved, the problems of conflict of interest and the differences in orientation, but also the often tremendous disparities of public and private salary rates. Frequently the private manager cannot afford to accept the lower salary rates of government until fairly late in life,

after he has succeeded in acquiring a competence for himself and his family.

The converse of this proposition is that the movement of government-bred managers to private affairs is almost always irreversible. If their personal needs, however modest, exceed what they can earn in government, they leave it and rarely return. Also notable is the difficulty of transfer among the local, State and Federal career services.

The various frictions which prevent easy transferability of managerial talent are bad enough in themselves but, more unfortunately, they give rise to a serious stress situation between the various kinds of managers, which prevents the development of common concepts and goals and fosters divisiveness and strife.

Since the managerial talent plays so large a part in the development of the separate sectors of our society, it seems an almost inescapable conclusion that it should play a large role in harmonizing and effecting linkages between its sectors, whether they be public or private, profit-oriented or benefit-oriented. Even more inescapable is the certainty that effecting these linkages will, at best, be accompanied by tremendous stresses reflecting both upon the manager as an individual and on the community's disparate parts being managed.

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## STATE ADMINISTRATIVE RULEMAKING

Robert F. Will

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This article is excerpted from the original. Under our system of government, the State legislative power is vested in the legislative branches of State governments and cannot be delegated to other branches or agencies of State government; but they can delegate legislative functions for particular purposes. These legislative functions are most readily identified collectively as rulemaking, and the power delegated, as the rulemaking power.

### DEFINITION

Administrative rulemaking is the process of developing and enacting or adopting administrative legislation. Rulemaking in its proper sphere does not constitute sovereign lawmaking, even though rules may possess the force of law under legislative sanction. Administrative rules serve to "fill in the details" of particular statutes enacted by State legislatures. They may be grouped under two headings:

Rules of agency management, which identify uniform policies, practices, and procedures that an agency formally enacts or adopts for purposes

of internal organization and the control of its property, operating funds, and staff.

Rules of agency conduct, which identify uniform policies, practices, and procedures that an agency formally enacts or adopts to permit the lawful exercise of its delegated powers in doing its work. These rules may be further classified as local and State rules of agency conduct: local rules are adopted by local administrative agencies and apply only in the territory governed by these agencies; State rules are adopted by State administrative agencies and apply generally throughout the State.

This article is primarily concerned with State administrative rulemaking, particularly the making of rules of agency conduct. It emphasizes the importance of the rule-making powers of State administrative agencies that are responsible for the statewide direction and control of particular activities of local governments and private interests.

### NEED

Some insight into the complexity of law-making is necessary before we can understand the need for administrative rule-

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making. We should remember that State legislatures, in delegating administrative powers and duties, must guard against subordinating the rule of law to the rule of man, must provide prudential controls over the State taxing and spending power, and must provide safeguards to insure the maximum protection for and the proper use of public funds and property. When viewed in this perspective, the very foundations of democratic action are obviously dependent upon sound legislative determinations.

Why do State legislatures delegate rule-making powers to administrative agencies? Why don't they "fill in the details" of legislation during their sessions? There are a number of answers to these questions.

1. As a practical matter, State legislatures do not have the time or the capacity to "fill in the details" of statutes delegating duties to all administrative agencies of the State.

2. State constitutions invariably impose structural and functional checks that make it virtually impossible for State legislatures to usurp the administrative functions of State executive and judicial departments, public administrative agencies created under law for various purposes, and the private entities granted corporate status and powers under incorporation laws or special charters.

3. Individual members of State legislatures are not chosen to serve as professional or technical specialists or experts in particular fields or occupations.

4. Filling in the details of the law at sessions of State legislatures would require corps of full-time professional and technical specialists and experts possessing intimate knowledge of the operations of all administrative agencies conducting public programs within the State. A legislature with such a massive professional and technical staff would inevitably dominate all aspects of public administration and would make any constitutional separation of sovereign political powers a mere fiction.

## LIMITS OF POWER

The limits of rulemaking powers are decided by the courts. Since the courts recognize that rulemaking involves administrative determinations in prescribed areas of competence, they generally confine themselves to these legal or constitutional questions in deciding cases dealing with the application or enforcement of an agency rule: Does the rule violate any constitutional provision or conflict with any statute? Did the administrative agency, in making the rule, assume any powers not delegated to it under law?

An important consideration in answering the first question is whether or not the rule is "unreasonable" or "arbitrary." Amendments V and XIV of the Federal Constitution direct that no person in our Nation shall be deprived of "life, liberty or property, without due process of law." Rules that courts hold to be "unreasonable" or "arbitrary" are construed as violating the rights of individuals under these amendments.

The important consideration in answering the second question is whether or not the administrative agency has usurped the legislative power of the sovereign State. Since State legislatures cannot delegate their legislative power, they must provide what reasoning men can readily identify as suitable standards and limitations in statutes delegating rulemaking powers to administrative agencies. State administrative agencies, in particular, are seriously handicapped when they attempt to apply and enforce rules made pursuant to statutes that are vague or difficult to interpret.

## AREA OF CONFLICT

Rules of agency conduct made by State administrative agencies are, in effect, State administrative laws, and as such serve to centralize administrative authority for particular purposes. The people of the United States have always been suspicious of centralized administrative authority, particularly when it is used to regulate specific

activities of local administrative agencies and private interests.

The fact that centralized administrative authority is necessary in many areas needs little defense. Nonetheless, State administrative agencies created to direct and control particular activities of local administrative agencies and private entities have seemingly insurmountable problems in exercising the rulemaking powers delegated to them.

Most State legislatures now cognizant of these problems have enacted "State administrative procedures acts" to guide State administrative agencies that have been delegated rulemaking and adjudicative powers. State education agencies that have been delegated administrative powers to direct and control particular activities of local school districts and private educational agencies are subject to the provisions of these acts. State education agencies are required under these acts to file their rules as prescribed and to follow definite procedures in enacting and enforcing them. If a rule is not properly filed, it is void and unenforceable; if the procedures set forth are not followed, the courts may declare that the enforcement of the rule violated the constitutional rights of individuals.

#### COORDINATION AND STRUCTURE

Prior to 1900, States had need for few State administrative agencies to direct and control particular activities of local governments and private interests. Most legislation could be sufficiently detailed to establish what then was accepted as suitable standards of legislative control. State programs and services rarely required large staffs, and many could be administered—or so State legislatures believed—by a single public officer. State legislatures found it

expedient, under these conditions, to delegate nearly all State administrative duties and powers to public officials in the executive departments.

As States moved into the 20th century, it became increasingly evident that a more systematic approach was needed to coordinate the work of State government. Reorganization on departmental lines provided one key to coordination, but departmentalization, in turn, presented separation-of-powers complications that have not yet been fully resolved. In creating new departments for related State programs that did not fit into any of the existing departments, many legislatures chose to place them under single administrative officers who served directly under and at the pleasure of the chief executive officer of the State—the governor.

These practices have created many structural and organizational problems in State government. Those who have seriously studied these problems are divided as to the best means of solving them. Political scientists, for example, believe that State legislatures can overcome most separation-of-powers conflicts by providing statutory procedural safeguards. Even so, they do acknowledge the need for departmental boards to exercise quasi-legislative (rule-making) or quasi-judicial powers for special purposes. Educators generally hold that State education agencies should not be subject to the administrative direction and control of the governor. They believe that State education agencies should possess distinct legislative and executive components or parts to effect a complete separation of these powers at the administrative level. They believe that the legislative components, constituted as boards, should make the administrative rules and determine the policies that direct and control educational activities in the State.

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## THE MANAGEMENT SIDE OF PERT

Ivars Avots

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This article is excerpted from the original. No management technique has ever caused so much enthusiasm, controversy, and disappointment as

PERT. Within the past two years PERT or, to use its full name, Program Evaluation and Review Technique, developed originally for the United States Navy as part of the Polaris program as a mathematical method for defining the minimum time for completion of a complex project, has moved from the realm of production theory to the solid status of becoming a contract requirement in the nation's major defense programs.

It has also entered the business world where it is referred to not only as PERT but sometimes as "network analysis" and "critical path planning," depending upon the industry in which it is employed. Specific aspects of the PERT theory have become items of controversy and concern in management circles. In addition, hundreds of thousands of dollars have been spent only to find in some cases that a given approach to PERT was not feasible within the context in which its use was planned.

What are the reasons which have caused PERT to make an impact unlike that of any other management technique? What has management learned about the application and limitations of this technique? What can be expected of PERT in the future? These are some of the questions managers need answered if they are to avoid the cost of experimentation.

PERT burst upon the management horizon in 1958 when it became part of the Polaris program. It was developed for the Navy in order to coordinate the thousands of activities and individual processes required to bring to completion the complex project of creating a missile which could be fired under water. The obvious advantages of such a technique, its streamlining of production, its essential tidiness and economy, its promise of optimum use at all times of men and material have made it a "natural" for business use wherever and whenever practicable. It is these very factors which have contributed to management's enthusiasm for PERT and also provided background for some of its controversies.

Foremost among them is the change in basic management philosophy which characterizes PERT against other management techniques. While it is true that consider-

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able attention has been given in their day to bar charts, improvement curves, and other techniques, all of these were deterministic in nature. Planning resulted in a static system against which status was measured.

Introduction of PERT suddenly brought a change in traditional management thinking. The new technique did not look forward to meeting a schedule, but accepted uncertainty as part of the system. The effects of this change can be identified both in the enthusiasm for the technique as well as in resistance to it. Both conditions are often observed side by side even within the same organization.

### THE SELLING POINTS OF PERT

Writers in technical publications have cited a complete line of selling points for the PERT technique. High on the list is the system's ability to predict the impact of schedule status. While other systems record status at a given time and require separate analysis to determine its effect on program objectives, PERT readily provides this information.

Moreover, PERT is primarily an analytical planning rather than a control method, and therefore does not suffer from the stigma associated with some management control techniques. In fact, as much as sixty percent of the benefits of PERT have been ascribed to its planning function rather than to its use as a control media.

This is because PERT forces integration of planning and thereby shows significant benefits even before it is used as a control tool. In the control area, PERT format cuts across organizational lines, eliminating the effect of defensive interpretation of reports along the lines of responsibility. At the same time, however, activities selected for the network usually recognize changes in responsibility and form the basis for positive control.

### PREDICTIVE QUALITY

Let us take a closer look at each of these selling points. Four features of the

PERT technique give it the unique predictive quality which is not shared by other management control techniques. They are:

- Critical path analysis
- Program status evaluation
- Slack determination
- Simulation

The critical path is the longest series of activities which must be performed from the beginning to the end of the network. Obviously, there can be more than one critical path for a program, and, depending on the completion status of individual activities, the critical path may change.

### THE CRITICAL PATH

The advantage of the critical path is not only the fact that it permits determination of the effects of any schedule delays on program completion, but it also brings into use the exception principle focusing management attention to those areas where schedule maintenance is critical. When problems arise, critical path analysis highlights the areas where action must be taken to maintain over-all program schedule.

As work progresses and status information is obtained, the PERT technique shows the time required to reach any event in the network. Together with the critical path analysis, this feature permits rapid evaluation of program status.

### TIME TRADE-OFF

Time estimates are assigned to the activities in a PERT network on the basis of normal manpower assignment and resource allocation. When compared to the concurrent critical path, some activities require less time and therefore possess a certain amount of slack. Listing of activities having slack identifies the area of effort where trade-off in time, resources, or technical performance may improve the schedule along the critical path.

At any time during the program, the effect of proposed schedule changes can be easily simulated by the computer. This feature permits management to examine

detail activities, especially those critical to the program, for possible adjustments resulting in schedule or cost improvement.

### ANALYTICAL PLANNING METHOD

Observers have rightfully noted that for maximum benefits PERT application must start during or before the planning phase of a new program. The major reason for this is the fact that networking forces integration of planning and helps to discover innumerable conditions which, in a complex program, may easily be overlooked.

Traditional program planners are usually skeptical about any benefits the PERT technique may give them, and quite often there is open antagonism on their part to use of the technique. They maintain that phasing charts and master schedules have been refined to a point where they can sufficiently cover the programming of complex efforts.

However, in some cases where PERT has been applied to a going program, the planning incompatibilities which have been detected have staggered even the proponents of the technique.

PERT has pointed out beyond any doubt the serious weaknesses of traditional scheduling methods when applied to a program such as major missile development, manufacture, and test. In a PERT network, where each event must be preceded and followed by another event, complex relationships and interdependencies can be identified. It is the discipline of planning logic required to develop a network which forces a planner to take a new look at his task, and in the process, opens to him significant new horizons.

### NETWORKING

Events selected for a network must include those events which represent a change in responsibility for activities within the network. In other words, each activity needs to be identified with a particular organization. By comparison of actuals with activity estimates, the performance of each group can be evaluated, and causes for schedule

difficulties can be pinpointed to responsible organizations.

Another contribution and selling point which cannot be overlooked results from the fact that networking requires adoption of positive and unambiguous definitions of all events and activities. Getting everybody in a large organization to talk the same language can be a difficult task, and if this can be accomplished as a side effect of PERT networking, it certainly deserves consideration.

Early in the development of PERT, statisticians recognized that although the technique was superior to existing flow and bar charting techniques for program planning and control, it had basic mathematical weaknesses. They also recognized that because of these weaknesses, careful decisions would have to be made as to the scope and method of application of the technique.

### LIMITATIONS OF PERT TECHNIQUE

Some of the limitations of PERT application are very rudimentary. For example, because of its "time to completion" variable, PERT cannot be used when it is not possible to estimate the occurrence of events. This is true of any project in which there is a reasonable expectancy that a breakthrough in the state-of-the-art may change the sequence of events at any given stage of development. Alternate routes or paths are therefore required, both of which need to be followed to a point of no return.

Similarly, PERT cannot be used on activities which are under a recurring cycle, such as in manufacturing. PERT networks usually stop with the completion of the first production article at which point the traditional scheduling techniques or the line-of-balance method takes effect. This range of applicability is very real, and should be kept in mind throughout development of a PERT program.

### MILITARY PROJECT EXPERIENCE

From the standpoint of limitations, it is of particular interest that PERT has never

been implemented on a total weapon system. For example, on the Polaris program, certain portions were networked and reported on, but the Navy concedes that at no time did a total Fleet Ballistic Missile System network exist. The reasons for this are several:

#### Accuracy of the Model

The network model does not yield itself to the incorporation of computer checks, and there is no known method for verification of the logic of a network. For this reason, accuracy of the network depends on the process of preparing it. In practice, network development involves cycling through computer runs, progressive evaluation, and detection of possible inaccuracies, followed by revisions.

#### Data Handling

When network size exceeds approximately 5,000 events, it becomes difficult to maintain the purity of computer input and quick system response. A large number of people are involved in the processing of network data. Consequently, the exposure to error becomes greater. Time required for the PERT cycle also increases.

#### Computing Large Networks

Experience shows that it is almost impossible to manually calculate networks larger than 700 events. Therefore, larger networks, such as those for a major weapon system, require a computer. The number of events which can be economically handled by the computer depends on the amount of data which the computer can process in high-speed memory without extensive use of magnetic tapes.

#### Summarization and Integration

Large networks are awkward to handle. Summary networks need to be continuously updated to reflect changes in detail. Also, it is difficult to automatically assemble separate networks into a master network

and compute it. This can be accomplished only through a special computer program and extensive cross-referencing.

#### Reporting

As the size of networks increases, the technique of translating computer outputs into management information becomes more difficult. Theoretically, network outputs identify problem areas as well as indicate where trade-offs in resources may be desired. While this information can be visualized when networks are small, reporting techniques have not been developed to the extent that similar use can be made of large networks. This factor limits PERT as a management tool on major programs.

#### PERT AS A MANAGEMENT PROBLEM

The nature and the far-reaching effects of the limitations of the PERT techniques are such that the total problem cannot be left to the program planner or to an operations research man. Any large scale implementation of the technique has to follow careful analysis and soul searching and demands careful attention from top management.

When exercised apart from experience and existing knowledge of limitations, enthusiasm may cause unsound PERT applications which result in unnecessary cost, adverse psychological effect, and possible delay in the implementation of a workable PERT system.

The limitations also make it obvious that active adaptation of PERT in any company will cause a considerable amount of developmental research in the technique and may result in the support of particular approaches by various parts of the organization. For this reason, especially if the company is large, PERT is not a technique which, like most management techniques, can be turned over to the departments for implementation. It requires continuous top management attention and guidance during the implementation period.

If this is not done, time and effort are lost when several departments attempt to solve similar problems, and the situation is even more serious when, upon implementation, it is discovered that the system will not work in total or includes portions which are incongruous with the over-all system.

Top management involvement in PERT is not restricted to over-all guidance and policy formulation. Whenever more than one PERT application takes place in a company, certain technical problems immediately become apparent which need over-all coordination.

### PERT TECHNICAL PROBLEMS

Typical of the PERT technical problems, on which management attention will continue to be centered, are matters of system networking, scheduling, and reporting to management. Here are some of the facts concerning each of these problems.

#### System Networking

The usual approach to PERT on a major program starts with an overall master network. Critical program areas cannot always be determined from a broad master network without actually computing a critical part. If functional areas are selected and networked in detail, interfaces between such functional networks are not readily apparent and integration of such networks may be extremely difficult. Even if integration is accomplished, such networks may not yield correct results and yet, because of the inability to check the network's logic, the computations have to be taken at face value.

An alternative approach is to expand the master network in subsystem areas only and to use the master network for all computations. While such network would not have detail coverage in specific critical areas, it is believed to give a more dependable picture of the overall program.

Although PERT was developed basically as a planning and control tool, attempts have also been made to use it as a scheduling

technique. Theoretically, PERT networks are a convenient base for preparation of bar charts and detail schedules. Networking should precede any bar charting of the program from the top down and may, in fact, eliminate the need for most bar charts and master schedules. When networks are established at proper detail, they can be used for end-to-end scheduling.

#### PERT as Scheduling Technique

While this theoretical approach is feasible on relatively simple programs, it breaks down when the complexity of the program is large, as in the case of major missile efforts. To utilize PERT as a scheduling tool on a complex program would require networking of hundreds of thousands of activities. Even at our advanced stage in computer technology, it is not practical to handle such vast networks. As the pressures arise to include more and more detail into the networking effort, management must recognize the limitations of the technique and draw a line.

A definition as to what PERT application should accomplish must be made and the level of detail to which the technique should be extended must be outlined. The Boeing Company has come to the conclusion that in the present state of development, PERT techniques cannot be used for detailed scheduling of large programs, and their application to such programs should be limited to planning and control purposes.

#### Reporting to Management

The principal objective of PERT reports is to call management attention to situations requiring decisions and action. In small, manually computed networks, status information can be reflected on a bar chart or some other easily visualized form. When larger programs are covered, the reporting output necessarily is in machine print-out form which does not have the visibility required for analysis.

The situation is almost paradoxical since large programs which demand quick action



by top managers, necessarily generate a greater amount of reporting paper. Since there is no method to summarize networks automatically, the process of extracting data, analyzing, and then displaying these data requires progressive evaluation and permits some defensive interpretation along the way.

### The Big Picture

In approaching any of these problems, management must avoid focusing on a small number of exceptions and give all its attention to the workability of the total program. It should always be kept in mind that one of those features which makes PERT excel over other techniques is the fact that it cuts across organization lines and looks at the total program. Detail logic and accuracy may have to be overlooked in order to arrive at a workable PERT program. The network should not be expected to be perfect in every detail to make it complete. As a mathematical model, the network should be sufficiently true to reality to yield practical solutions through exercise of its predictive quality.

### Cost of PERT

Extensive application of PERT techniques obviously is expensive. Skilled technical personnel are required to plan networks, and engineering and operating men must take time to explain activities to planners and to make time estimates. Data processing and computer costs are impressive, to say the least.

The Special Projects Office of the Navy estimated it cost them \$200,000 a year in computer time to conduct bi-weekly analyses of the Polaris program. While one contractor has priced its contractual PERT requirements at \$300,000, other firms feel that PERT can replace a portion of the traditional planning tasks and that very little additional cost is involved.

This, of course, depends on the complexity of the program and the level of detail which may be handled within the limi-

tations discussed earlier. The Air Force has estimated that PERT costs average 0.5 per cent of total cost on research and development programs and 0.1 per cent of major programs generally.

To date, insufficient consideration has been given to the costs of large scale PERT applications. There is no doubt that only small applications can claim to offset these costs with savings in planning and scheduling. It is also true that on some programs, especially in construction, critical path planning can yield immediate tangible savings. In most applications of PERT, however, the dollar savings are not quite so tangible. Costs, nevertheless, are real and should be considered in determining an optimum level of application for PERT.

### OUTLOOK FOR PERT

During the first two years of PERT, discussions on the subject were limited to technical journals and companies where the technique was being applied. Early in 1961, the technique suddenly emerged as a major selling point of several management consultants. Courses on the subject were announced. American Management Association organized a briefing seminar, and the Aerospace Industries Association formed a PERT task group.

The Department of Defense initiated efforts to achieve some standardization in PERT requirements of the military services. All these activities affected the growth of the technique, shaking out some of the marginal features, such as three time estimates and computation of variance, and advancing the extension of PERT to resource factors.

Incorporation of resource factors, especially cost and manpower is currently the immediate problem in PERT development. From a theoretical standpoint, resource incorporation is not a serious problem. However, the issue becomes clouded when the methods of data collection and assignment to activities come under consideration.

Until the problems of planning and control nature are successfully solved in PERT applications to large programs, the incorporation of costs, manpower, reliability, etc., cannot take place. These factors should be incorporated only on smaller networks where PERT technology has been sufficiently developed.

From a long-range standpoint, the potential of PERT extends even beyond resource incorporation. In the past few years, both industry and government have recognized a growing need for a general systems theory which would consolidate the existing scientific management methods and thereby extend the field of management sciences. Russell D. Archibald of Hughes Aircraft Co. has pointed out that PERT may be an important step toward the development of such a theory, at least in the area of project-type programs. When all business is viewed as a system of interrelated and integrated systems and subsystems, PERT networking technique can serve as one of the necessary catalytic agents.

The PERT technique is a logical refinement of planning and control techniques. Its theory is deceptively simple, and the poten-

tial appears unlimited. Experience, however, has shown definite limitations of the technique, particularly in regard to application on large programs. Application of the technique has in some cases resulted in disappointment. This has been a reflection of overenthusiasm, lack of sufficient experience, and the basic weaknesses in the technique when applied to large programs.

Until such time when PERT becomes as common as the bar chart, top management attention is required to coordinate those aspects of PERT which have management and broad technical implications. Experience gained in other companies must be translated in relation to the requirements of each new application, keeping in mind the limitations of applicability, size and accuracy of networks, technical approaches, and cost.

As the technique matures and further experimentation takes place, PERT can be expected to include elements of manpower distribution and cost. The resulting tie-in with operating budgets may bring management a decade closer to the overall control system which it has been seeking.

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