

-

**LOS ANGELES COUNTY
CITIZENS ECONOMY AND EFFICIENCY COMMITTEE**

ROOM 743, HALL OF ADMINISTRATION 500 WEST TEMPLE / LOS ANGELES, CALIFORNIA 90012 / 625-3611 Ext. 64605

May 24, 1966

Honorable Board of Supervisors
County of Los Angeles
383 Hall of Administration
Los Angeles, California

Raymond Arbuthnot
John C. Bollens
Max Candiotty
Myron J. Carr, Jr.
Mrs. Wayne Licher
Kiyoshi Maruyama
Maurice McAlister
Harold C. McClellan
Lee McNitt
Ferdinand Mendenhall
Robert Mitchell
A.C. Rubel
Mrs. Benjamin Erick Smith
J.B. Roche
Executive Secretary

REPORT ON CIVIL SERVICE OPERATIONS

Gentlemen:

On November 16, 1965 your Citizens Economy and Efficiency Committee filed a preliminary report on the County's Civil Service system. Our study was initiated as a result of the extensive criticism of Civil Service practices which we had received confidentially from County department heads.

We proposed to obtain the services of two personnel specialists from private industry to assist us in a further study of this area. We also recommended to your Board and the Civil Service Commission that the examination for Secretary and Chief Examiner be conducted as an interdepartmental examination open to all qualified managers in the County.

Your Board adopted an order referring these recommendations to the Civil Service Commission. The Commissioners replied that they would welcome the two specialists and would work closely with them in analyzing the Civil Service system. The reply did not mention the recommendation for an interdepartmental examination. However, the Commissioners informed us that they

did not intend to act on this matter until we had completed our report. Accordingly, we immediately arranged for the services of the two specialists. They were:

Mr. J.R. Keeper, Staff Supervisor in charge of Employment Practices and Procedures, Pacific Telephone Company
Mr. A.B. West, Director of Employee Relations, Eastern Division, Southern California Edison Company.

With their assistance we have now completed our study. During the course of the study we conducted over 100 interviews with department personnel, employee association and union representatives, and the Civil Service staff. We also met on five occasions with the Civil Service Commission.

The Committee's recommendations are based upon the information gathered from these interviews and from relevant operating reports and documents. In the interest of brevity, considerable information supporting each of the Committee's recommendations has been excluded from this report. It is available in the Committeels files, however, if your Board, or anyone your Board should designate, wishes to review it. The purpose of this report is to define the broad guidelines for action which we believe your Board and the Civil Service Commission should take to correct the deficiencies in the present operation of the Civil Service system.

Although our study was initiated by criticism from department heads, it should be noted that we interviewed employees at

all levels of the County organization. As a result, we were impressed with the fact that an inefficiently operated Civil Service Department is just as harmful to the individual employee as to the top management of County government. We should also stress that nothing in this report is new, revolutionary, or experimental. It represents primarily an effort to bring the County's Civil Service system into the framework of well established and proven personnel practices.

I. Departmental Criticism

The Committee received 15 pages of comments from department personnel, most of them critical, on the Civil Service system, by far the largest response to any of our questions on County government. Following are typical examples of the departmental comments:

1. "The Civil Service system as administered under present Civil Service rules and regulations results in an extremely ponderous and slow-moving operation from our standpoint."
2. "We feel there is a real need for improvement in the management and operation of the Civil Service Commission and staff. It appears that the Commission spends considerable time and effort in details of departmental operations which should be the primary responsibility of the Secretary and Chief Examiner."

3. "Although we are apprehensive of implying indictment of the Civil Service Department, we firmly believe that this area is one of the major problems for County government. As presently functioning, Civil Service appears to be overly concerned with policing the merit system and to that end injects itself too much into the administration of departmental affairs."
4. "Our major management problem is the lack of cooperation from the Civil Service Department in recruitment and classification of personnel."
5. "The Civil Service system, as such, is sound. However, its actual management, administration, and operation leaves much room for improvement. It is too concerned with its own efficiency and facility of operation instead of the needs of the departments served."

II. Board of Supervisors Statement

Our findings for the most part substantiate the criticism by other departments of the internal management and administration of the Civil Service system.

We reviewed some of these findings with your Board at a meeting on January 25, 1966. As a result of that meeting your Chairman filed a statement with the President of the Civil Service Commission which contained two major recommendations of

our Committee. These recommendations and the findings which support them are summarized in the next section of this report together with additional recommendations developed during the course of our study.

Your Board's statement to the Civil Service Commission is attached to the report as Appendix I.

III. Committee Findings and Recommendations

In presenting its recommendations to your Board the Committee wishes to emphasize that it strongly supports the principles of a Civil Service system. No one can discount the major contribution which Civil Service has made toward honest government, throughout the country. There is a complete absence of spoils in Los Angeles County and for this the present Civil Service Commissioners and those who preceded them deserve much credit.

This section summarizes the Committee's findings and recommendations. The recommendations for the most part are directed to the Civil Service Commission for action. However, as the governing body of the County, your Board has the major responsibility for insuring that appropriate action is taken. We are confident that your Board and the Civil Service Commission will work together to achieve the reforms necessary to solve the problems described in this report.

In one case the Commission has already taken action. For the past ten years the Commission has employed a personnel consultant to act as an advisor to the Commission and the Civil

Service staff. Before we began our study the Commissioners had concluded that the relationship with the consultant should be terminated since he appeared to have made few significant contributions in recent years. The Committee's findings confirmed this conclusion and the Commission has now ended the relationship.

1. Secretary and Chief Examiner

The problems in the Civil Service Department are so severe, the morale so low, and the communications so poor that only exceptional action will bring it out of its present critical state. If such action is not taken, then all other recommendations advanced by your Committee are purely academic. No significant improvement in present operations can be made without establishing a framework in which effective and progressive management can operate at the top level of the Civil Service Department.

We have noted that, in previous instances where major reforms were required in a County department, your Board, with the cooperation of the Civil Service Commission, has appointed an interim department head charged with the responsibility of instituting the necessary reforms. We recommend that this procedure be adopted in the appointment of a Secretary and Chief Examiner.

Such an interim appointee should be judged primarily on his ability to accomplish the required reforms rather than upon his satisfying the appointing authority as to his qualifications

for permanent appointment. Consequently, he should be in a position to exercise optimum objectivity in making and implementing his decisions. In addition, should his performance prove unsatisfactory he could be more readily removed than if he were appointed on a permanent basis.

The interim appointee should be selected from within the County service but not from within the existing Civil Service staff. In our previous report on Civil Service operations we reported that we were impressed with the high quality of management talent throughout the County government. We therefore see no need to go outside the County service to select a candidate for this assignment.

Furthermore, a manager of proven ability within the County has a distinct advantage over any outsider, since he is already well acquainted with County departmental operations and administrative procedures and therefore need not spend time orienting himself within the County organization. On the other hand, it would be highly advisable that the appointee be free from any past internal associations and commitments which might limit his objectivity in directing the Civil Service operations. His experience should be such as to insure his viewing the problems in Civil Service without prejudice or defensive emotional involvement. We therefore strongly believe that he should be selected from outside the Civil Service Department.

In addition, we recommend that your Board and the Civil Service Commission jointly appoint a committee of three to five top level County officials to advise and assist the interim

Secretary and Chief Examiner during his tenure and to review all significant reform actions. The Committee's recommendations for reform in Civil Service operations will affect every operation in the County and many different interest groups. Consequently, the interim appointee must have available to him the best possible advisory talent within the County service to assist him. We suggest that one member of your Board and one member of the Commission, with the assistance of the Chief Administrative Office, submit for approval their recommendations for membership at a later date. - While we recommend that the membership of the advisory committee be composed of top level County administrators, the committee should provide for hearings from employee groups and other interested parties, if such course appears advisable.

When the advisory committee reports that the major reforms have been accomplished or are being implemented, it should be disbanded on the joint decision of your Board and the Civil Service Commission. At this time the permanent appointment for Secretary and Chief Examiner should be made.

For both the interim and permanent appointments to the position, the Commission should emphasize broad administrative experience at the department head, chief deputy, or division level as the key requirement rather than technical personnel experience. Such technical experience, however, may be considered as a desirable qualification.

Since there is an abundance of technical experience in the Civil Service Department now, a good manager will be able to

organize and direct it so that the best use is made of personal skills to achieve the necessary reforms. He need not be an expert in every technical field himself. At this level the Civil Service Department's primary need is that of a manager rather than a technician.

Recommendation: Appoint as a first step an interim Secretary and Chief Examiner to implement the Committee's recommendations. At the same time establish an advisory committee to assist the interim Secretary in accomplishing the recommended reforms. When major reforms have been accomplished or are being implemented, conduct an interdepartmental promotional examination for Secretary and Chief Examiner open to all qualified managers in the County. Write the requirements to emphasize broad administrative ability rather than technical personnel experience.

2. Role of the Civil Service Commission

One of the strongest criticisms of Civil Service by other County departments is directed at the Civil Service Commission's involvement in administrative detail. Repeatedly department personnel indicated that even the more routine acts and requests of the line departments require, or are felt by the staff to require, Commission approval necessitating burdensome formal reports and delays.

Our investigations support these statements. For example, examinations are delayed for approval on such routine matters as the method and manner of bulletining the examinations and

the requirements for the classifications to be examined. The Commission reviews all voluntary reductions in classification, approves advertising expenses amounting to more than \$100, and involves itself in wording on classification changes and other details which appear to be minor in nature.

In our discussions with the Commissioners, they pointed out with good reason that the Commission, as the official department head, is accountable for any mistakes made by the department. It, therefore, has to be well informed on department activities and has to insure that sound decisions are being made.

The key question is--how can the Commission insure that sound decisions are being made? The tendency of the present Commissioners is to resolve this problem by making the decisions themselves. Your Committee believes that this is not a workable solution since it is no substitute for effective top level management.

The Board of Directors of a corporation is responsible to its stockholders for the direction of the corporation. Few Boards, however, attempt to run the company on a day to day basis. Yet this is what the Commission, regardless of the reason why, has been attempting to do with the Civil Service Department. Our criticism of this practice is not that the Commissioners lack interest or dedication, but rather that they have attempted to do the impossible.

A Commission of three lay people meeting for a few hours one day a week cannot effectively administer the complex operations of a personnel system servicing an organization of 48,000 employees. This responsibility must be delegated to a full time experienced executive who is available on a daily basis to make the management decisions necessary for effective direction and control of the organization. It may be that the principal reason for the Commission's involvement in administration is due to a lack of confidence in the top level management of the department.

The duties of the Secretary and Chief Examiner are set forth in Rule 3, Section 3.04 of the Civil Service Rules. The section states that the Secretary shall be "the general manager and executive officer of the Civil Service Department, responsible to the Commission." Although the rules do not clearly define the authority relationship between the Commission and the Secretary regarding administration of the department, it is reasonable to presume that a traditional and accepted division of policy making and day to day management was assumed in the adoption of this Civil Service rule. This rule should be expanded to specify precisely the authority delegated to the Secretary and the authority properly reserved to the Commission. If this action does not prove effective, then -- as your letter to the Commission states -- your Board should sponsor a Charter amendment to insure that the proper division of responsibility between the Commission and the Secretary is formally established

in the County Charter. This would clearly identify the accountability of the Secretary and Chief Examiner for any administrative defaults which occur in the future.

It is important to note that the Commission's appellate and advisory role will be strengthened if it is divorced from daily administrative responsibility. Under the present system the Civil Service Commission functions as the operating head of the department directly responsible for the personnel services provided to other departments. As a result it is often placed in the position of acting on appeals from its own decisions. Divorced from daily operating responsibility, it will be in a more objective position both to hear employee appeals on disciplinary actions and to receive complaints from personnel in other departments.

Recommendation: Delegate to the Secretary and Chief Examiner clear and complete responsibility for daily administration of the Civil Service Department. Reserve to the Commission the formulation of top level policy and primary responsibility for final decisions regarding all appropriate employee appeals.

3. Personnel Responsibilities

The centralization of personnel responsibilities almost exclusively within the Civil Service Department is neither economical, efficient, nor workable. While in some cases centralization of certain responsibilities may be desirable, the County's system is so heavily weighted toward centralized responsibility

that it cannot react quickly and effectively to individual departmental requirements as they occur.

Many of the delays and much of the inefficiency in the present Civil Service system we believe is attributable to this heavy concentration of responsibility in the central agency. Such intensive centralization can only result in slow-moving decisions, the generation of needless paperwork and red tape, and the substitution of bureaucratic rules and regulations for individual human judgment at the scene of action. The request for decision must go up the line through the many channels of communication and coordination--often finally to a decision by the Civil Service Commission--before action can be taken. As a consequence misunderstandings occur, correspondence passes back and forth, meetings are held, reports are generated--and the decision is delayed. We believe much of this red tape can be eliminated under a well controlled program of decentralization. The key to effective operation is a proper balance between central direction and control and decentralized decision making.

We know of no private firm comparable in size to the County which administers its personnel activities solely from a headquarters agency. Generally, each major division of the company operates its own personnel department under the over-all direction and control of the headquarters staff. We recommend that the County follow a similar practice. It is recognized that this recommendation applies to the larger departments. Smaller departments must of necessity depend on the services of the central staff.

The principal responsibility of the central staff should be to set standards, train departmental personnel staffs, and conduct audits to insure equitable and uniform treatment of all employees. In addition, it should perform such direct personnel services as the recruitment of candidates for positions common to many departments, the administration of interdepartmental promotional programs, the conduct of County-wide classification studies, administration of the supervisory training and executive development programs, and assistance in all areas to the smaller departments.

Recommendation: Delegate more responsibility for recruitment, selection, and classification to the larger departments of the County.

4. Examination Systems

The County uses two types of examination systems to fill County positions: (1) the standard examination system and (2) the eligible register system.

In the standard system the examination is given on a specific date for all applicants. The ranking of candidates on the list then remains unchanged during the life of the list, which is generally one to two years.

The standard system is severely criticized by the departments for the amount of time it takes to produce an eligibility list. Most departments state that it takes at least three to four months from the time of their request to the receipt of the eligible list. In one department, for example, 34 examinations

were conducted during 1965. The average time to produce the eligibility list was three months and six days.

In ten recent instances at one hospital the average time was four months and twelve days. These positions included assistant master mechanic (7 months, 11 days), senior vocational nurse (6 months, 2 days), machinist (5 months, 13 days), and property custodian (4 months, 5 days). Even the lowest classified jobs at the entry level are sometimes subjected to these delays. As an example, it took four months and 13 days recently to issue an eligibility list for parking lot attendant.

As a result of these delays departmental programs suffer, unnecessary expense is incurred, and employee morale disintegrates. The delays deny to departments the capability of securing or retaining the best-qualified personnel for their positions. The better candidates, attempting to enter County service, tire of waiting for an examination or for the results and go elsewhere. In addition, a number of good employees leave County service because they cannot be appointed or promoted within a reasonable time to higher level vacancies, the duties of which they may actually be performing.

In contrast to the standard system, the eligible register system provides for examination of candidates at the time they apply. Their names are then incorporated in the order of their score in the list of candidates who have previously taken the examination. Although several types of eligible registers are used, the fastest and most flexible is the continuous daily

examination register. With this procedure applicants are examined, rated, and referred to departments within one or two days. When the jobs have been filled and an adequate register developed for the immediate future, the process can be suspended until recruitment again becomes necessary.

The departments favor the continuous examination system not only because it is much faster than the standard system, but also because it enables them to choose the best applicants available at any point in time. This system, however, is presently restricted to those classes where there is a constant need for qualified eligible to fill vacancies. As a result only 30 per cent of the appointments to County positions, including both entry level and promotional openings, are made through the continuous examination system.

Recommendation: Streamline the standard examination system to reduce the time required to establish eligibility lists. Extend the eligible register system wherever practical in the selection process.

5. Time Length for Eligibility Lists

Over the years there has been an increase in the number of standard examinations conducted which has added substantially to the Civil Service workload. In an attempt to limit the number of examinations being processed and thereby reduce delays, Civil Service top management decided to retain eligible lists whenever possible for a period of two years.

Previously examinations were ordered with the life of the eligible list set for six months or a year, depending upon the status of the labor market. At the end of the prescribed period the Civil Service staff canvassed the concerned departments. If they agreed the list was still useable, it would be extended. If the departments reported that the quality of the candidates was poor and a new list was needed, the existing list was allowed to expire. Under the current policy the departments are no longer consulted. The lists are established for one year and are automatically extended for the second year regardless of the quality of the candidates remaining on the list.

Two-year eligible lists have long been discarded by progressive merit systems as they often deny appointment or promotion to individuals of greatest ability in deference to the mediocre. Many competent employees meet the technical requirements of time and experience during the two-year period but cannot be considered until the old list expires and a new examination is given. To illustrate, one department presently has a list for engineering appointments which was extended for an additional year and includes candidates not recommended by the department for promotion. The department is now faced with the dilemma of either promoting persons they do not feel are capable of performing satisfactorily or leaving the jobs unfilled until a new list can be promulgated.

Recommendation: Permit more flexibility in the determination of time length for eligibility lists, with a general objective of shortening the effective period of the lists.

6. Promotional Evaluation

Departmental managers have long complained that they do not have sufficient voice in the selection of candidates for promotions within their own departments. In the examination process much more weight is given to written tests and oral interviewing by persons unfamiliar with the candidate's past performance than to an evaluation by the candidate's superiors.

Departmental managers complain that this approach violates a fundamental principle of good management. Since a manager can only get things done through the organization and direction of the people under him, a basic part of the task of management is the selection, promotion and discipline of personnel. Currently, the County Civil Service system seems too much influenced by the view that the last man to trust in the selection and promotion of his subordinates is the line manager in charge of the function.

If proper guidelines and controls are established, the Committee believes that an increase in managerial participation in the promotion of employees would substantially improve the selection process. This is especially true for departmental promotional examinations, where we have noted that the problem is most critical. In interdepartmental promotional examinations some machinery needs to be established to standardize ratings so that equally competent employees in each department receive comparable ratings.

Recommendation: Transfer more responsibility for promotional evaluation to departmental management,

especially in departmental examinations. Develop a procedure to standardize promotional evaluations for interdepartmental examinations.

7. Classification Procedures

Departments report that it often takes nine months to a year to obtain a classification change. On occasion the change may take several years if it involves more than one department and a large number of personnel. Where such changes cannot be studied, reported out and put into effect within a reasonable period of time, departments find it easier to circumvent established reclassification procedures by eliminating the positions in question and instituting new ones.

In addition, because of the slowness of the classification process, a number of employees are performing in one position--often a higher position--but being paid at the rate scheduled for another position. Certainly, this is unfair to the employee when he is performing the duties of a higher position.

Recommendation: Revise classification procedures to reduce the time between request for classification and inclusion of the change in the Salary Ordinance.

8. Investigation of Prospective Employees

In comparison with standard industrial practice, the County performs only a perfunctory investigation of new applicants for employment. With certain exceptions, there is no systematic checking of previous employment or educational background either by Civil Service or the line departments. Similarly, on

promotional examinations neither Civil Service nor the line departments in most cases check the applicant's qualification statements for consistency nor verify them through investigation of school records and previous work experience.

Civil Service rules require that all new employees be fingerprinted. This responsibility is delegated to the concerned department, but there is no effective auditing by Civil Service to insure that the requirement has been satisfied.

During its study the Committee uncovered a number of cases in which the County appeared to be particularly negligent in its screening of prospective employees.

Recommendation: Establish standard procedures for
investigating the education, work experience, and police
records of prospective employees.

In summary the Committee's recommendations for action by the Civil Service Commission are:

1. Appoint as a first step an interim Secretary and Chief Examiner to implement the Committee's recommendations. At the same time establish an advisory committee to assist the interim Secretary in accomplishing the recommended reforms. When major reforms are accomplished or being implemented, conduct an interdepartmental promotional examination for Secretary and Chief Examiner open to all qualified managers in the County. Write the requirements to emphasize broad administrative ability rather than technical personnel experience.
2. Delegate to the Secretary and Chief Examiner clear and complete responsibility for daily administration of the Civil Service Department. Reserve to the Commission the formulation of top level policy and primary responsibility for final decisions regarding all appropriate employee appeals.

3. Delegate more responsibility for recruitment, selection, and classification to the larger departments of the County.
4. Streamline the standard examination system to reduce the time required to establish eligibility lists. Extend the eligible register system wherever practical in the selection process.
5. Permit more flexibility in the determination of time length for eligibility lists, with a general objective of shortening the effective period of the lists.
6. Transfer more responsibility for promotional evaluation to departmental management, especially in departmental examinations. Develop a procedure to standardize promotional evaluations for interdepartmental examinations.
7. Revise classification procedures to reduce the time between request for classification and inclusion of the change in the Salary Ordinance.
8. Establish standard procedures for investigating the education, work experience, and police records of prospective employees.

RECOMMENDATIONS FOR BOARD ACTION

The Committee recommends that your Board take the following action:

1. Request the Civil Service Commission to proceed immediately with the selection of an interim Secretary and Chief Examiner in accordance with the recommendations in this report.
2. Refer this report to the Civil Service Commission for implementation of the other recommendations.

Very truly yours,

LOS ANGELES COUNTY CITIZENS
ECONOMY AND EFFICIENCY COMMITTEE

A.C. Rubel
Chairman

ACR:p

APPENDIX IBOARD OF SUPERVISORS STATEMENT

January 27, 1966

It is the consensus of the Board of Supervisors that the Civil Service Commission should delegate to a properly qualified Secretary and Chief Examiner clear and complete responsibility for detailed administration of the Civil Service Department. This delegation should be in writing, specifying precisely the responsibilities and duties of the Secretary. The Commission should reserve to itself the formulation of top level policy and primary responsibility for final decisions regarding all appropriate employee appeals.

If after a reasonable period, experience indicates that such delegation is not effective, the Board will sponsor a Charter Amendment prescribing that the Secretary and Chief Examiner be appointed by and report directly to the Board of Supervisors. The Civil Service Commission will retain its appellate and advisory powers but will not have command authority over the Secretary and his staff.

A majority, but not all of the Board agrees with the Committee that:

- (1) The key requirement in the selection of a properly qualified Secretary and Chief Examiner is proven administrative ability, and supports the recommendation of the Los Angeles County Citizens Economy and Efficiency Committee that the examination for

the position should be conducted as an interdepartmental promotional examination open to all qualified managers in the County.

- (2) The principal qualification should be broad administrative experience at the department head, chief deputy, or division chief level rather than technical personnel experience.
- (3) Any administrator at these levels is necessarily involved in personnel administration and he would, therefore have sufficient acquaintance with Civil Service policies and procedures to qualify him as a candidate for the position of Secretary and Chief Examiner.