

SIX MONTHS OF STATE MERIT SYSTEM PROGRESS

ALBERT H. ARONSON*

THE AMENDMENTS TO THE Social Security Act requiring the establishment and maintenance of personnel standards on a merit basis in State social security agencies became effective on January 1, 1940. During the following 6 months, it may be said, the State public assistance and employment security agencies took notable steps toward the establishment of sound career systems for their personnel. It is too early to speak of achievement, but the State administrators have laid the foundation for such achievement. The dual function of the Federal Government in setting forth standards and offering consultative services should not obscure the fact that the systems are State administered and that the progress is attributable to State action. Many of the State agencies were already operating under State civil-service laws or under administrative merit systems when the Social Security Act was amended to provide for merit standards. In some of these States the amendments directly stimulated the extension and improvement of the systems. Most of the State welfare departments, however, had not previously had merit rules and regulations for the selection of their personnel. The problems connected with programs administered at the county level, and in many cases through county welfare departments, complicated the adoption of merit standards; and the State and local boards and administrators had the task of developing, at the county as well as the State level, understanding of the new requirements under the Social Security Act and of the elements of sound merit-system administration.

After the enactment of the merit amendments in August 1939, the Social Security Board spent some time developing a statement of personnel standards under the act, consulting with various interested groups including State welfare and employment security administrators. This statement of standards, issued on November 1, 1939, embodies basic principles for the establishment of merit systems. The standards are rather general in language and leave many optional points for determination by the State agencies in their

rules and regulations. The Board statement does, however, outline the requisites of a merit plan, along traditional civil-service lines but adapted to the needs of the employment security and public assistance agencies. The standards provide that, in the States where there is not a State-wide civil-service system, the State agencies should adopt rules and regulations for the administration of the merit system. The general supervision of the system is to be placed under a merit-system council, an impartial body of citizens appointed by the participating agencies or by the Governor on recommendation of the agencies. This council is to develop public support and understanding of the merit system and to consider the general problems of interpretation and relations involved in assuring applicants and employees of the agencies full and fair treatment under the rules and regulations. Actual administration of the examining program in each State is to be the responsibility of a merit-system supervisor.

It was recommended, but not required, that a single State merit system serve both the employment security and the public assistance agencies. Most of the merit systems established during the 6 months' period have been established as joint systems for these departments, and in many cases the systems also include the health departments administering programs under the Social Security Act supervised by the Children's Bureau and the Public Health Service.

The Social Security Board recognized the impossibility of having merit systems in full operation by January 1, 1940. The Board, therefore, required by that date only the legal minimum which could be considered as compliance with the provisions of the Social Security Act as amended. The States were asked to adopt rules establishing the basic framework of the system in accordance with the standards or, if this were not feasible, to adopt the principles embodied in the standards and to indicate in a schedule when the rules were to be adopted and the subsequent steps to be taken to implement them. The schedules were to be worked out by each State in the light of local conditions.

The legal necessity for action by the States in compliance with the amendments so that the

* Chief, State Technical Advisory Service, Office of the Executive Director.

Board could certify grants after January 1940 left but a short period for negotiations after the issuance of the standards and did not permit the deliberate consideration which both Federal and State officials would have preferred. All the States accepted the standards under the act, and by July 1, 1940, the initial drafts of rules and regulations had been completed in practically all States; in most of them, rules in conformity with the standards had been approved and the actual installation of the merit system initiated.

As permitted under the standards, most of the States, in their regulations, elected to give two types of preferences to employees appointed prior to the adoption of the standards. These preferences are a waiver of the minimum qualifications of education and experience for admission to examinations, and a stipulation that such employees may be retained if they receive more a passing mark on the examinations; they are not required to place at the top of the eligible list. A few States, however, elected to have open competition for incumbents on the theory that if the incumbents with the benefit of their experience could not prove themselves to be better than other applicants they were not entitled to retention as against such applicants. Two types of reactions toward the qualifying examinations developed. Some employees, including many who had been serving satisfactorily for a long period of time, objected to the necessity of demonstrating their qualifications in an examination. This objection was based partly on the fear that such examinations would not be practical and a fair test of their qualifications for the job. There was also some apprehension that even a practical, valid test might bring the employee into jeopardy during the period of probation if the State, as it might, elected to have incumbents serve a new probationary period. On the other hand, there was some evidence of protest against the qualifying examinations as favoring a particular group of "ins" and of advocacy of open competition to permit a larger proportion of persons not in that group to obtain positions by attaining places at the top of an eligible list.

Questions concerning the establishment of appeals procedures for employees on dismissal arose in a number of States. Most States elected to have an appeal to the merit-system council, with the council exercising recommendatory powers

only. In a number of States, the employee unions proposed that power be given the appellate body to reinstate employees after a hearing. In general, the employee unions criticized the Board's standards and the rules and regulations of the States as not containing sufficient assurance of merit administration on a strict basis.

In some instances, questions also arose concerning the certification of eligibles. The Board took the position that appointments should be made from certification of the three highest eligibles, although, in accordance with this rule, certification might be made on a county or district basis for positions in the local offices. The certification of three was based upon the prevailing merit-system practice.

Another problem which arose in a few States concerned recognition of the status of employees appointed under the merit system of the United States Employment Service. The Board ruled that, since that system was a comparable merit system, employees who had been appointed under its regulations should not be required to take a new examination for their positions.

The merit councils appointed in the various States seem of an almost uniformly high caliber. In most States distinguished civic leaders were selected, prominent in the community and successful in their own fields of work. In the appointment of merit-system supervisors, most of the States found a more difficult problem because of the lack of persons with experience in merit-system administration. The most usual recruiting field for merit-system supervisors was the State colleges and universities, where persons with academic backgrounds in tests and measurements and public administration might be found. In States where merit-system staffs to assist the supervisors are needed, they are being selected from existing registers or pending examination under merit rules.

During these 6 months many States made progress in the analysis of their positions and the development of classification plans. As a basis for other personnel actions these plans establish classes of positions which involve like duties and call for like qualifications. The minimum qualifications in such plans must be realistic and designed to admit to the examinations only applicants with a reasonable chance of passing. These qualifications are set by the State agencies in terms of local conditions and the supply of qualified appli-

cants. The development of classification and compensation plans which may be applicable to the county set-ups as well as to the State staffs calls for cooperation of officials at both levels of government.

The most important problems with respect to the administration of the merit system relate to the adequate planning, construction, and conduct of examinations. A merit system, being based upon the principle of competition and selection of the best, cannot succeed unless it meets these problems. One of the dangers is that the examination program will be rushed before adequate preparations are made. The anxiety of the present staff to be qualified and receive full merit status is one of the factors in the impetus toward undue haste with respect to examinations.

In constructing examinations, many States will be faced with difficulty in obtaining persons who have adequate training and practical experience with relation to the jobs in the agency as well as those with knowledge of test techniques. The incumbents of the jobs will not, of course, be able to participate in preparing examinations for themselves and their fellow workers; and often there will be few, if any, other persons in the State with a knowledge of the practical problems of State public assistance and employment security agencies. The Social Security Board has prepared certain sample examination materials which are made available to State merit-system agencies on condition that the materials are adequately reviewed and adapted in the State and that other measures are taken in the State to relate the examinations to the particular conditions and positions in the State and to make them in every sense State, rather than Federal, examinations. In rating training and experience and in conducting oral examinations, likewise, the necessity for consultants who know the field of work is apparent; and the supervisors of examinations have been advised to confer with appropriate professional groups to obtain qualified assistance.

To the extent of its resources, the Board has made available technical assistance in the development and installation of classification plans and the planning of the examination programs. The technical staff available for this service is relatively small in relation to the problem and the number of States asking for consultation, and assistance has often had to be deferred.

The American Public Welfare Association, the National Civil Service Reform League, and the Civil Service Assembly have been much interested in the development of the merit systems under the Social Security Act and have advised with State administrators and merit-system councils and supervisors on the problems with which they are confronted. The League of Women Voters and the Junior Chamber of Commerce, which have national programs supporting merit systems, have been instrumental in many States in obtaining public support and understanding, and other civic organizations have also been helpful.

One of the byproducts of the merit system is better understanding of and increased confidence in the administration of the public assistance and employment security programs. The establishment of a career system will further assist the operating agencies in the attainment of other objectives, not only by assuring selection on a merit basis and the retention of qualified personnel but also by releasing administrative heads from pressure of job seekers and by promoting sound public appreciation of the programs.

Among the administrative problems which will have to be faced after the initial installation of the merit system will be to develop an adequate service-rating system, to make effective the probational period for appointees, and to establish a sound system of promotions and orderly and fair procedures for handling reductions of force, dismissals, and appeals. While these matters have received some attention in the rules and regulations adopted, the administrative agencies have had to defer, in most instances, the development of actual practices and procedures because of the urgency of the installation of the classification and examination programs.

In days of national emergency, civil preparedness, as well as military preparedness, is essential. The State agencies, in developing functioning merit systems, are meeting the challenge of making effective the administration of a democracy. If the promise of 6 months of progress is borne out, these agencies will be looked to as leaders in developing efficient administrative machinery, adapted to the nonpartisan personnel management which is an integral part of effective governmental operation geared to the important needs of a critical time.