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ORGANIZATION AND METHODS PRACTICES
IN THE GOVERNMENTS OF CANADA AND THE
PHILIPPINES: A COMPARATIVE STUDY

by

Perfecto L. Padilla

A thesis submitted to Carleton University in
partial fulfillment of the requirements for the
degree of Master of Arts in Public Administration

School of Public Administration
Carleton University
Ottawa, Canada
October 8, 1965

PREFACE

A great deal has been written on the theory and practice of organization and methods (O and M) in the government. The chief purpose of this study is not to expand the mass of literature on the principles of O and M but to present a comparative description and analysis of the trends, development and growth, and practices of O and M in the governments of Canada and the Philippines.

Canadian and Philippine experiences will be compared in the light of significant basic issues involved in the government O and M function. Considering that the leading exponents and practitioners of organization and methods analysis in the two governments are their central management staffs, logically our comparative discussions will concentrate mainly on the operations and practices of these central O and M agencies, with occasional references to departmental and local government units. It is hoped that this study will be of value mutually to the governments of Canada and the Philippines, and most especially to O and M practitioners in the civil service.

In view of the meager published information on organization and methods in the Canadian Government, oral interviews with knowledgeable civil service officials supplemented the material that could be obtained. In connection with his internship programme as a Colombo Plan trainee, this author had the fortune of having been attached to the Organization

and Management Analysis Divisions of the federal Civil Service Commission and to some O and M units of the provincial governments of Ontario and Saskatchewan. This experience provided him an opportunity to have a general observation of O and M practices in the Canadian Government.

This author was handicapped by the understandable difficulty of obtaining information on the Philippine side. He had to communicate with the Philippine Budget Commission for the shipment of the material used; communications were also sent to some officials soliciting their responses to specific queries. In addition, the experience of this author as a management analyst of the Management Service, Budget Commission has been of immense value.

In the planning and inception of this study, thoughtful advice and guidance were given by Dr. R.O. MacFarlane, Director of the School of Public Administration, Carleton University. To him I am truly grateful. I wish to express also my deep appreciation to Prof. A.M. Willms of the Department of Political Science, Carleton University, for guiding me in the preparation of this work. His valuable suggestions and constructive comments have been of immeasurable help. The discussions I had with Messrs. H. Laframboise and H. Baird of the Civil Service Commission and with Mr. C.J. Gardner of the Treasury Board yielded enlightenment on controversial issues of the subject under investigation. My heartfelt gratitude also goes to Mrs. A. McCallum for her commendable and highly efficient services

in typing the manuscript and looking after the clerical needs. The officials of the Philippine Budget Commission and my colleagues at Management Service who provided necessary material, too, have my sincere thanks. I am equally thankful for the use of the library facilities of Carleton University and the Civil Service Commission of Canada; the staffs were most gracious and accommodating when I was doing my research.

This study, as well as my graduate program at Carleton University, has been under the auspices of the Colombo Plan Program. I am eternally indebted to the Canadian and Philippine governments, more especially to the former, for the financial assistance.

P. L. Padilla

Carleton University
Ottawa, Canada
October 8, 1965

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"Society is a body in a state of improvement,
humanity a changing scene, in which nothing
is, or ought to be permanent; what appears
to be good may be superseded by something
better tomorrow."

Alexis De Tocqueville

CHAPTER I

INTRODUCTION

In a constantly evolving society, change is an inevitable continuing process. This contemporary world of ours is characterized by conditions of ideological disorientation, political upheaval, socio-economic mutation, and revolution in technology. Whether it has achieved tremendous economic and industrial expansion or is struggling at the threshold of development, a nation is undergoing some process of change.

Improved transportation and communications, increased volume of commerce and trade, the rise of industrial and business enterprises, emergence of greater job opportunities, higher living standards, growth of population, the transformation of clans to city states, and the transition from rural agrarian areas to urban industrial communities - all these indexes of economic and industrial expansion make up the evolutionary progress that is taking place. Associated with these social and economic aspects of change is the basic reform in governmental structure and operations. Administrative revolution is part and parcel of social advancement and industrial growth.

In illustrating his idea that in the progress of applied science government is inescapably faced with basic administrative problems, a public administration writer has made this observation:

Before the days of the automobile there was no need for policemen to direct traffic. Before our population had multiplied and become concentrated in congested urban areas, sanitary inspectors were not so necessary as they are now. Before the development of large-scale business enterprise, the sale of securities required no supervision by the government. ¹

It is almost axiomatic that any economic or social progress is associated with political development. Hardly is there a major change in society that is without government intervention. This is tantamount to saying that as society advances, governmental administration correspondingly becomes more complex. As people demand the satisfaction of their increasing needs they seek a strengthened administration for providing these needs. Thus, in any major change that occurs in either a developed or developing country, the participation of the government is direct and immediate. The involvement of public administration is imperative, be it in the provision of incentives to manufacturers and producers, large-scale use of electronic data processing systems, the formulation of social welfare programs, or the promotion of good management-labour relations.

Political systems have to respond to the demands of institutions and the public. With the application of specific

1. F. Morstein Marx, ed., Elements of Public Administration (New York, 1946), p. 57.

governmental policies, or authoritative measures, they deal with these demands by satisfying, minimizing, controlling or absorbing them, depending upon their gravity and magnitude.¹ In satisfying these public wants and in coping with the fundamental changes of a dynamic society, government tends to expand organization-wise, becomes subject to technical change and has to adopt new administrative techniques. This administrative evolution means the emergence of enormous organization and staff, the rise of massive bureaucracy, and the consequent need for competent administrators.

In the last twenty years, government has enlarged to a size of almost unwieldy proportions. A striking evidence of big government are the burgeoning departments, many of whose units and personnel complements may not necessarily have a valid reason for existence. Apparently it has become a fad in administrative organizations to "build empires" and keep accumulating tasks, and absorbing additional staff. The increasing bulk has its adverse results. There is too much proliferation of government agencies. Organizational programs and objectives become obscure. Coordination of units and functions becomes difficult. The social distance between top management and the ranks makes it almost impossible for the poor fellow at the base of the hierarchy to come in personal contact with the man at the apex. Tasks duplicating other tasks, forms similar

1. S.M. Bisenstadt, "Bureaucracy and Political Development", Bureaucracy and Political Development, ed. by Joseph La Palombara (Princeton, N.J.: Princeton Univ. Press, 1963), p. 100.

to ones existing are created; the volume of paperwork staggeringly increases. Methods and procedures, which have become obsolete, continue to be performed because nobody bothers to review them to determine their usefulness.

As the government becomes bigger and operations for conducting public business become more complicated, inefficiencies occur, administrative errors result and resources are wasted. The recourse is to conduct a periodic stock-taking and evaluation of the organization to ascertain how it responds to the process of change and to the scale and tempo of social and economic progress. The system of examining and analyzing and improving the structure and procedures of an organization is called "organization and methods", or commonly labelled "O and M" for short.

As the largest enterprise in the state, government is engaged in many diversified economic ventures. It performs myriads of functions and activities and it serves the vastest clientele ever. Considering the huge amounts of money and manpower that government expends, it is logical that a pattern of systems and procedures must be devised to secure optimum efficiency, economy and effectiveness in the use of its manpower, money, and materials. Experienced men in the public service as well as in business and industry have realized that efficient, economic and effective administration in government can be attained only through a methodical and objective examination of an organization and its modus operandi in an effort to seek ways of improving them. This view was expressed

by the Parliament of Great Britain in its 1946-47 session when it defined the purpose of O and M as being to secure "maximum efficiency in the operation of the Government's executive machinery, and by the expert application of scientific methods to organization, to achieve economy in cost and labour."¹ Basically, O and M is an advisory function which seeks to institute a rational organization and a system of procedures best to achieve the objectives of that organization. By rational organization we mean one that adheres to a set of policies consistent with the purposes for which it has been created, is so structured as to facilitate effective coordination and control and permits the free flow of communication to all points in the organization. Improved procedures may consist of a simplified division of tasks, records disposal schedules, forms design and control, mechanized procedures, etc. Obviously, the ultimate end of O and M in securing efficiency in administration at minimum cost is better and greater service to the public.

Organization and methods analysis is the reconditioning of the management machinery to get things done more economically and effectively. This is accomplished through the application of tried and tested management principles and techniques that have to do with plans, organization, methods and control by which the

1. Great Britain, Parliament, Select Committee on Estimates, Fifth Report, Session 1946-1947, p. vii.

day-to-day business of government agencies is conducted. The benefits derived from organization and management improvement may be the reduction of requirements for funds, personnel, equipment or materials, or may be reflected in ways which cannot be quantitatively measured, such as more streamlined organization and procedures, better quality of employee performance, higher personnel morale, and greater and more satisfactory service to the public. How O and M is practiced will be discussed at greater length in one chapter of this paper.

Historical Development of O and M

Organization and Methods is based on the philosophy that an organization is a living organism that is capable of growth and improvement; a corollary to this is the truism that any job can be improved. This concept could have motivated public administrators and management experts to have organized a body of techniques, such as O and M, designed to be used for improving an organization and its operations.

Scientific techniques used by modern management to solve organization and administrative problems originated from the organized and systematic research studies and investigations made in the 1880's by Frederick Taylor and many years later by the Gilbreths, Mogensen, and other industrial engineers. The achievements of these pioneers in management engineering have been translated into an organized

movement which we call scientific management, and known in the management field by a variety of appellations.

The systematic study of organization and procedures understandably had its original application in industry. But its usefulness in the government service was recognized in Great Britain as early as 1919, when a special Committee (the Bradbury Committee, because it was headed by Sir John Bradbury) set up to inquire into the "Organisation and Staffing of Government Offices", recommended measures to be taken "to secure better organisation and to effect economies in numbers and cost and to prevent overlapping."¹ The Committee also recommended the operation of an Establishment Division in the Treasury and a special section that came to be known as the Office Machines Section whose main objective was to advise departments on the use of labour-saving machinery.² The Establishment Division from which the term "O and M" originated, carried on a large-scale programme of organization and methods improvement during and after the second world war. Realizing the considerable value of O and M in promoting efficiency in the public service, the Select Committee on Estimates 1946-47 supported the augmentation of the staff of management officers in the British civil service.³ Today there are

1. "O and M - How it all Began", Public Administration, Vol. 27 (Spring 1949), p. 45.

2. Ibid., p. 46.

3. Select Committee on Estimates, op. cit., p. xxv.

about 375 O and M officers in British government, 67 of whom are with the Treasury and 308 with 17 departmental O and M branches.¹

Organization and methods analysis in the United States had its beginnings in the latter part of the nineteenth century, but it was in 1921, when the Budget and Accounting Act was passed creating the Budget Bureau, that its emergence in the federal government took shape. One major function assigned to the Bureau was the promotion of management improvement programs.² Management consciousness in the government was widely manifested as the two Hoover Commissions, in 1947 and in 1953, were set up to conduct a complete revamping of the Executive Branch for purposes of improving the organizational structures, operations, and policies of its various departments, bureaus, offices and instrumentalities.³ Being the central O and M agency, the Budget Bureau was strengthened by having been charged with the responsibility for implementing the recommendations of the Commission.

In Canada the use of O and M in the government was formally launched in 1946 with the appointment of a handful of management officers in the Civil Service Commission.

-
1. T.D. Kingdom, Improvement of Organization and Management in Public Administration, International Institute of Administrative Sciences (Brussels, 1950), p. 43.
 2. M. Afzal, Management Analysis: an Emerging Staff Function, a doctoral dissertation (Cornell University, 1962), pp. 61-64.
 3. N. MacNeil and H.W. Metz, The Hoover Report 1953-55 (new York, 1956), p. 9.

The recognition of the need for an organized approach to organizational and operational problems of departments and agencies was motivated by the belief that:

If there is to be progressive improvement in the quality of administration, the structures, systems and methods of government departments must be re-examined in the light of proven management techniques.¹

Thus the Commission thought it advisable to set up an Organization and Methods Division in order

to foster throughout the Public Service a greater interest in all aspects of management, and to offer practical assistance in the study of current problems.²

That small group of management officers was the nucleus of an Organization and Methods Division that in 1948 became a unit with a personnel complement of 22 officers. The Division then was attached to the Organization and Classification Branch of the Civil Service Commission, which branch was involved in position classification and establishment control. Basically an advisory body, the Division had the primary mission to afford practical assistance to departments and agencies of government through the systematic examination of the structure and operations, and the procedures and work methods employed in their various branches, divisions, and sections, and to engage in such other related studies as will contribute to the progressive improvement

1. Canada, Civil Service Commission, Annual Report, 1947, p. 12.

2. Ibid.

of public management as a whole.¹

In the reorganization of the Civil Service Commission in 1960, advisory functions including O and M were integrated into the newly created Advisory Services Branch. The O and M Division was divided into two units, the Management Analysis Division and the Organization Division. (Delineation of the functions of each will be discussed later.)

O and M practices in the Philippine Government may be traced back to the creation of the Budget Commission in 1935 by virtue of Executive Order No. 25² issued by the President on April 25, 1936. The order, among other provisions, authorized the Commission to

investigate and make a detailed study of the departments, bureaus, and dependencies of the Government and with a view of securing greater economy and efficiency in the conduct of the public service, to recommend from time to time to the President the changes that should be made in the organization, activities and methods of operation of such departments, bureaus, and dependencies.³

In recommending that the continual readjustment of the personnel, structural units, and activities of the Government be one of the major responsibilities of the Budget Commission, the Government Survey Board theorized that:

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1. Canada, Civil Service Commission, Annual Report, 1948, p. 19.
 2. Executive Order No. 25 was issued in pursuance of Commonwealth Act No. 5, December 31, 1935, which created the Government Survey Board to recommend needed reforms in the organization of the Philippine Government. The establishment of the Budget Commission was one of the recommendations of the Board.
 3. Executive Order No. 25, April 25, 1936, para. 5.

A governmental institution is inherently dynamic; and an agency for continuous planning and control must carry on, in steady, detailed, and practical manner, the task of reorganization. 1

Responsible for this service of the Commission was the Service Inspection Division which consisted of a staff of 15 members whose position titles were inspectors and examiners. According to the Annual Report of the Budget Commission for the year 1936, the Division was to

observe, inquire, examine and secure data on the operation of the different services of the Government with a view to ascertaining whether or not any unnecessary activity and duplication or overlapping of activities, as well as any excess or wrong assignment of personnel, and red tape exist. 2

The inspectors conducted surveys of different offices, submitted recommendations on the creation of new offices, abolition of existing ones, classification of positions, salary determination; the examiners processed personnel appointments before submission to the office of the President. Vested with broad functions, the Service Inspection Division performed functions somewhat similar to those of the Organization and Classification Branch of the Canadian Civil Service Commission under which the O and M Division was formerly placed: both were involved in establishment control and classification.³

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1. Commonwealth of the Philippines, Report of Government Survey Board (Manila: Bureau of Printing, 1938), p. 11.
 2. Budget Commission, Annual Report for 1936 (Manila, January 18, 1937), p. 2.
 3. Information on the Service Inspection Division was also supplied by a questionnaire sent to former staff members of the Division: Mr. Placido Manalo (retired); Mr. T. Flores and Judge E. Taccad, both officials of the Budget Commission.

The authorization given the Budget Commission for organization and methods improvement in the national government was enhanced by the passage of the Revised Budget Act of 1954, Republic Act No. 992. The law placed upon the Budget Commission not only the responsibility for budgetary administration, but also for organization and management improvement in the Government.

The Budget Commission, when directed by the President, shall make a detailed study of the departments and establishments for the purpose of enabling the President to determine what changes, with a view to securing greater economy and efficiency in the conduct of the public service, should be made in (1) the existing organization, activities, and methods of business of such departments or establishments, (2) the appropriations therefor, (3) the assignment of particular activities to particular services, or (4) the re-grouping of services. ¹

In the reorganization of the Executive Branch of the Philippine Government in 1954 under Republic Act 997, an Organization and Methods Division was proposed to be created in the Budget Commission. The Service Inspection Division was abolished and in the latter part of 1955 a permanent organization and methods agency was formally established. Upon implementation of the Reorganization Plan on Budgeting and Accounting under Executive Order No. 279, series 1956, Management Service was formally adopted as the name of that branch of the Budget Commission charged with organization and methods work.²

1. Philippines, Republic Act No. 992 (1954), Sec. 6.

2. See Management Service Manual (Management Service, Budget Commission, 1958), Sec. 301.

It can be noted that in Canadian administration, organization and methods work has been extensively performed by a formally established entity since 1946. In the Philippine Government, although investigation and examination of agency procedures had been done by the Service Inspection Division of the Budget Commission, it was upon the inception of Management Service in 1956 that a more extensive and organized application of O and M studies was effected.

Relevant Aspects of the Two Governments under Review

One can easily realize that a meaningful comparison of organization and methods work in the governments of Canada and the Philippines cannot be made without examining the essential features of each country's political system. The political nature of the authorities responsible for management improvement, the organizational structure of government, and the fundamental relationship between administration and politics determine to a large degree the effectiveness of an organization and methods programme. Inextricably linked with the problems of O and M are the constitutional and political factors that influence the operation of the Executive Branch. The conduct of administrative improvement programmes is affected by organizational structure of government and machinery of administration. Furthermore, the political and administrative behaviour of officials, which is determined by the constitutional arrangements characterizing the type of government they serve, may either enhance or retard

efforts to improve the management of an organization. It is for these reasons that we will attempt in this chapter to examine selected relevant aspects of the governments of Canada and the Philippines.

In the latter part of this study wherein the problems of O and M are discussed, significant implications of the differences between the two governments may be further appreciated.

The constitutional governments of Canada and the Philippines, although both operate in a democratic setting, adhering to the same political ideals and ideological concepts, differ strikingly in form and operation.

A tremendously vast country, Canada is a federal state, with governmental powers being divided between the federal and provincial governments. Obviously, the inherent feature of federalism is the high degree of autonomy in the provincial level. Although the federal government is the source of nation-wide policies, administrative action takes place mostly in the field. Each provincial government, functioning within the sphere of authority defined in the British North America Act, follows a pattern of operations which are completely independent from federal control. Each province in the Federation establishes its own executive organization, civil service policies, systems of financial control and administrative improvement programmes. In a study made by D.M. Lyngseth on the use of O and M in Canadian government, it was disclosed that some of the provincial governments, notably Ontario, Manitoba and Saskatchewan, have well-established

central O and M units. The other provinces do not have formally established management staffs, but, nevertheless, they are engaged somehow in management reforms. A provincial government may have its Department of Finance or its Civil Service Commission performing management functions.¹ The initiative and enthusiasm for management improvement being generated among provincial authorities may be the logical result of their autonomous position.

Contrasted with the geographical vastness of Canada and its federal system are the small area of the Philippines and its unitary form of government. As a unitary state, executive powers automatically become concentrated in the apex of the organizational hierarchy. This accounts for the highly centralized character of Philippine public administration. Centralism is manifested in the dominance of local governments by the national government and in the administrative control exercised by executive departments over field offices. The greater portion of the powers and functions of municipal governments are actually derived from the central government. The direct relationship between the centralism of Philippine administration and O and M practices in the local government sector may not be clearly established. But it can be inferred that where administrative decision-making is a centralized executive function, local government administrators or regional directors would not be

1. D.M. Lyngseth, "The Use of Organization and Methods in Canadian Government", Canadian Public Administration, Vol. 5, No. 4 (December, 1962), pp. 460-464.

inclined to introduce any organizational or precedural changes that would need the approval of or involve the national government. Any improvement, for example, in the system of remitting municipal revenue collection to the national treasury is likely to be initiated or should be effected by the Department of Finance which exercises control and supervision over provincial treasurers' offices. Likewise, if there is any proposed change in the organization of a regional office, say, of the Department of Agriculture, the approval of the latter is required. The concentration of authority in national offices tends to discourage local government officials from recommending any improvements in their systems and procedures. It is for this reason that O and M is not a formally recognized function in the provinces or municipalities. A few big city governments, however, like Manila and Quezon City, maintain units, which though they may not be called O and M staffs, perform at least some functions partaking the nature of O and M but affecting only internal structures and operations.

The two governments under study differ in another respect: Canada has a cabinet or parliamentary type of government, while the Philippines' is congressional or presidential.

For purposes of this study a few salient points on executive powers of the Canadian government will warrant attention. Although from the constitutional standpoint, executive authority resides in the Governor-General, as a representative of the Crown, the executive powers of the government are actually exercised by the Cabinet with

the headship of the Prime Minister. The Cabinet virtually "for all purposes is the real executive", says R.M. Dawson. "If a political system can be said to have a centre of gravity, that centre of gravity is most certainly the Cabinet, for the whole weight of the government is in a very real sense concentrated at that point. Abolish the Cabinet or remove any part of the primary functions and the entire balance of the existing political structure could be destroyed. The Cabinet is a link between the Governor-General and the Parliament."¹ Consisting of ministers who are also members of Parliament, the Cabinet is responsible for developing legislative programmes and carrying out executive policies. The fusion of legislative and executive powers is the essence of Canadian Government, as it may be true of any parliamentary form. And this feature which means the synchronization of policy formulation and policy execution, can perhaps be a stimulus to the unification and development of management improvement programmes.

The Philippine Government, a presidential or congressional system, modelled after that of the United States, functions within the framework of a written constitution. The three branches, whose powers are clearly defined in the Constitution, operate on the doctrine of separation of powers and system of checks and balances. At the head of the Executive Branch is the President who has control over all

1. R.M. Dawson, The Government of Canada (Toronto: University of Toronto, 1962), p. 197.

departments, bureaus and offices. The Cabinet, which is composed of department heads and designated top-ranking officials in the Office of the President, serves as top advisory body to the President on various matters of executive and legislative policy. As distinguished from the Cabinet in Canadian Government, which wields executive authority, the Cabinet in Philippine Government is the official family of the President whose powers are mostly advisory and recommendatory.

Another striking characteristic of Canadian Government is that it is based on the doctrine of collective and ministerial responsibility. The Cabinet is an aggregate of department heads; each minister is responsible to the Cabinet and for the actions of his departmental staff and for the actuation of the department heads. It is part of his duty to justify - especially during question time in the House - every act of commission or omission by his ministry that is brought to his notice. Sampson's comment on the role and responsibility of the British minister can be said of the Canadian minister: "The minister embodies the whole public personality of his ministry; he must defend and explain his department to parliament and he alone is blamed for its public faults."¹ This administrative accountability of ministers could influence strongly their performance as administrators. Aware that they have to account to the Cabinet and Parliament and to their colleagues for the administrative action in

1. J. Sampson, Anatomy of Britain (New York: Harper, 1962), p. 233.

their departments, their uppermost objective would be to insure efficient departmental management, one that is free from public censure. Furthermore, their good performance as departmental administrators could enhance their chances for re-election to the House.

In a presidential system like that of the Philippines in which executive power may be regarded as being exercised by a single authority, imposing executive orders for management improvement upon departments by a super-department like the Office of the President would be possible. But this would not work in the Canadian Government in which executive authority is exercised collectively by the Cabinet. It should also be pointed out that the imposition of management improvement ideas upon departments by officers in the Office of the President could perhaps be done in a small government but not in one with a massive administrative structure.

The practice of interdepartmental cooperation, which is an effective device for achieving government-wide management improvement is most adaptable in a system of government like Canada's that operates on the principle of collective responsibility of ministers. A super-interagency Committee on Administrative Management, for example, that is analogous to the Government Organization Committee in Great Britain, would function more effectively in Canada than it would in the Philippines or perhaps in the United States. This Committee in Britain is composed of permanent secretaries of departments with the

permanent secretary of the Treasury as chairman. Both a policy-forming and executive body, it lays down programmes of organization review and also directs investigations into departmental functions using the Treasury O and M as^a task force.¹ In the Philippines there has been established the Council of Administrative Management, a top advisory body to the President on management improvement. Composed of officials (mostly political appointees) named in the law creating it, the Council performs functions that are primarily recommendatory and has no executive authority.² No criticism is meant on the usefulness of the Council, but one essential factor is that it cannot have the effectiveness of an interdepartmental committee in a cabinet government, wherein that Committee derives its strength from the solidarity of the Cabinet to which it is responsible. Perhaps it would be relevant to mention that the Truman Advisory Committee on Management Improvement and the Eisenhower Advisory Committee on Government Organization, after which - it could be assumed - the Philippine Council of Administrative Management was modelled, were a failure.³

The theory of political and administrative responsibility does not apply in the Philippine Government in the sense that it does in the Canadian Government. The department heads in the former are not members of the Legislature and therefore are not elected officials.

1. J.R. Simpson, "Improving Public Management", Public Administration Review, Vol. IX, No. 2 (Spring 1949), p. 106.

2. More about the Council in Chapter II.

3. See Afzal, op. cit., pp. 102-104.

Except for devotion to public duty, which is to be expected, but not presumed of them, they do not owe any political allegiance to the electorate. Upon their own initiative or upon the request of either House of the Congress, department heads appear before that House to answer any matter pertaining to their departments. But the responsibility to account to the Congress for their administrative acts is not inherent in their position as it is in a responsible government such as Canada's. In other words, the principle of ministerial responsibility as it operates in the practice of government in Canada, does not apply in the relationships between the Philippine Executive and Legislature. The stability of their tenure is not so much dependent upon their performance as upon the President's whim and wish and the current of politics. A rare bird is the department head who has been fired for inefficiency. It is not uncommon that a Secretary who did not make good in one department may be appointed to another Cabinet post not so much to give him another chance to prove his administrative ability as to accommodate him because of his strong adherence to the political party in power.

The realization among Canadian ministers of their role in the operational scheme of a responsible government is an acceptable basis for the assumption that management consciousness in the Canadian officialdom could be greater than in the Philippines.

Bringing forth the above observations on certain features of the two governmental systems being compared is premised on the theory that the practice of organization and methods is influenced

by the political setting in which it operates. Many of the problems of O and M stem from the patterns of administrative behaviour of officials, that not only are motivated by human nature but also influenced by organizational environment.

CHAPTER II

ORGANIZATION AND MANAGEMENT OF O AND M

The primary responsibility for management improvement rests with the head of the agency. It is said that "the surest way of getting improvement in organization and management is through the manager himself and it is better to select a good manager than to try to make a manager good."¹ While it is true that conscious efforts toward improvement are demanded of the agency head or manager and that organization reforms can best be achieved through his energetic leadership, this does not mean that the subordinate officials should forego active involvement in programmes that result in change for the better. The responsibility for management improvement should be shared by anyone who directs the work of others. Inasmuch as the success or failure of the organization depends upon the collective accomplishments of the individual units, management improvement is everybody's business. Every component and every supervisor have so much at stake, and therefore should take the initiative in planning and instituting appropriate improvements. But does this suggest that they should go about their own way,

1. Kingdom, op. cit., p. 8.

disregarding the advantage of seeking guidance from a central management staff?

This chapter aims to explain the need for a central organization and methods unit, discuss its organizational location and how it should be set up, managed and staffed. In the light of these issues we shall analyze the organization and management of the central O and M agencies of the two governments.

Need for a Central O and M Staff

Organization and methods work may be performed by all levels of the organization in varying means and degrees. This does not rule out, however, the need of having a central unit in the organization to coordinate the management improvement activities of the different sections.

The question of maintaining a central management staff has provoked arguments pro and con. G.E. Milward points out that a large enterprise should be examined in various angles.

No single investigating staff, however large, could be set up to deal with them from the centre, even if the problems were not so diverse and difficult as to prevent the emergence of such an overspecialised monstrosity. ¹

This is implying that a central management staff is probably not capable of coping with the scope and variety of management problems placed in its lap. Neither does it possess all the skills and

1. G.E. Milward, Organization and Methods a Service to Management (London, 1959), p. 258.

techniques of handling these problems. Nevertheless, coordination and strategic control, the same author counters, are essential; otherwise, two or more sections might be encroaching upon each other's jurisdiction, investigating the same problem. This is a duplication of efforts resulting in mutual hostility between the two sections as well as harassment to the line people who are subjected to the same interview questions. Guides and standards on the systematic approach to an O and M study must be provided by a central staff. Those who are not sold on the idea of centralized management services cast doubts on the competence of O and M analysts to probe into the workings of the organization, considering that they are detached from its internal operations. Another common argument is that it would be costly to maintain an O and M division or branch in addition to the other service divisions such as Accounting, Finance, Internal Audit, Administrative Services, etc. Why cannot these services also perform management analyses?

The benefits to be derived from maintaining a separate specialist staff would far outweigh the advantages supposedly to be gained by doing away with one. While management improvement, as we have asserted previously, is the primary concern of the executive head, this does not mean that he has to do the operational phase of O and M work himself. He is responsible for maintaining efficiency in a going concern, but this responsibility is discharged through the delegation process; i.e., he must authorize a body of specially

trained men to study the management problems of his agency, which it is humanly impossible for him to handle personally. This group of experts has all the time to do the job. As expounded by T.D.

Kingdom:

O and M work is exacting work but the O and M officer, by definition, is somebody with the time to make a close and careful study of the problems before him, undistracted by the ordinary succession of office worries: he operates in waters that are protected from the daily ebb and flow of the administrative tides. ¹

There are some other reasons for maintaining a full-time separate Management Staff. The O and M officers will look at the problems of the organization with much more objectivity than an operating unit; they can have a fair appraisal of a unit in the organization because they are not involved in its operation. Furthermore, an O and M staff is less likely to be involved in intramural feuds and likely to be more detached from inherited traditions and conventions.

Walter Bagehot's classic remarks on the issue of appointing department ministers from without may be applicable on the question of having a separate management staff. Upholding the virtue of the outsider's point of view, he declared:

The intrusion from without upon an office of an exterior head of the office, is not an evil, but . . . on the contrary, it is essential to the perfection of that office. If it is left to itself, the office will become technical, self-absorbed, self-multiplying. It will be likely to overlook the end in the means; it will fail

1. Kingdom, op. cit., p. 50.

from narrowness of mind; it will be eager in seeming to do; it will be idle in real doing. An extrinsic chief is the fit corrector of such errors. 1

Both the Canadian and Philippine Governments recognize the imperative need for a central O and M staff to coordinate the management improvement activities of the different line agencies. We shall now examine the organization and machinery for O and M in each jurisdiction.

Organization for O and M: Canada

As we mentioned in Chapter I there are two divisions in the Advisory Branch of the Civil Service Commission that are engaged in organization and methods work: the Management Analysis Division and the Organization Division.

The Management Analysis Division was formerly the O and M Division performing organization and methods work from 1948 until 1960 when the Civil Service Commission was reorganized. In the reorganization the O and M Division was renamed Management Analysis and the present Organization Division was created.

The Organization Division conducts organization studies in various government agencies. Organization analysts examine the organization as a working entity in order:

- (a) to relate objectives to their legal origin and to specific programmes;

1. W. Bagehot, The English Constitution and other Political Essays (New York: Appleton Press, 1908), p. 176.

- (b) to assess the suitability of the organization structure to meet the objectives;
- (c) to plan, document, and support such organizational changes as may be required in: the grouping or division of functions, and the authority patterns of positions; the formal and informal means of direction, control, programming, coordination consultation and development; . . . 1

The Management Analysis Division provides a management consulting service for all government departments and agencies. It performs the following activities:

- (a) make surveys of management problems in various fields including organization structure, work measurement, procedures mechanization, electronic data processing, paperwork management, financial procedures, purchasing systems, operations research and general office services;
- (b) give training courses in management techniques for the improvement of management at all levels in government;
- (c) conduct research and produce guides, manuals, and other publications on the use of scientific management techniques; maintain an information centre where books, periodicals, articles and reports pertaining to O and M are classified and indexed for ready reference. 2

Organization for O and M: Philippines

The administrative machinery for organization and methods in the Philippine Government, as we have intimated in the previous chapter, has a clear and express legal sanction.

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1. Organization Division, Civil Service Commission, Organization Analysis, a brochure, April 1965.
 2. Management Analysis Division, Civil Service Commission, Annual Report, 1964, Canada, p. 1.

In accordance with the recommendations of the Government Survey and Reorganization Commission¹ which were approved by the Congress and implemented by the President by means of executive orders,² the Council of Administrative Management and the Management Service have been created.

Constituting the membership of the Council are the Secretary of Education, the Executive Secretary, the Commissioner of the Budget, the Dean of the Graduate School of Public Administration, the Commissioner of Civil Service, the President of the University of the Philippines, and the Secretary of General Services.

As the top advisory body to the President on the improvement of administrative management in the Executive Branch, the Council has the following specific functions, inter alia:

- (a) formulate and recommend to the President management improvement policies, programs and studies to effect efficiency and economy in government;
- (b) review management improvement programs undertaken by government entities for purposes of determining their effectiveness;
- (c) recommend to the President specific needs for legislation and changes in administrative policies, objectives and practices required to effect better organizational procedures;

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1. Created by Republic Act No. 997 (June 9, 1954), as amended by Republic Act No. 1241 (June 9, 1955) to conduct a thorough reorganization of the Executive Branch.
 2. Executive Order No. 339 (1959), provided for the implementation of the Reorganization Plan on Management Practices which recommended the creation of the Council of Administrative Management and the Management Service of the Budget Commission. Executive Order No. 279 (1957) provided for the implementation of the Reorganization Plan on Budgeting and Accounting which also recommended the creation of the Management Service.

- (d) when such appointments are advisable in the opinion of the Council, request heads of major entities to appoint management assistants responsible for studying and improving management techniques within the entity. 1

With no staff of its own, the Council in attaining its objectives and discharging the above functions, utilizes the technical personnel and services of the Management Service, on which most of our discussion on central O and M in the Philippines will centre. The Management Service, therefore, in addition to its main functions, which will be discussed subsequently serves as the operating staff of the Council.

The Management Service of the Budget Commission is the central organization and methods agency of the Philippine Government. Its principal aims are to achieve efficiency, economy, and effectiveness in the management of government operations; promote streamlined organizations and simplified procedures in the administration of government services; coordinate the management improvement programmes of government agencies. Working toward these objectives, the Management Service performs, among other things, the following functions:

- (a) perform continuing research and study of problems involving the effective organization and administration of government services;
- (b) conduct studies of the organization structures, procedures and operations of government, agencies and submit appropriate recommendations;
- (c) assist in the development and installation of agency staffing patterns, work simplification programs, reporting systems, forms design and control, and the like;

1. Executive Order No. 339, ibid.

- (d) provide technical advice and assistance to agencies in the development and administration of training programs; conduct training courses for management analysts of government agencies;
- (e) prepare comments on legislation\$ relating to the creation or reorganization of offices. 1

Organizational Location of
Central O and M Staff

We have identified the principal agencies responsible for organization and methods work in each government. One observation that readily comes to the fore at this juncture pertains to the organization and location of each O and M staff. That one is attached to the Civil Service Commission while the other to the Budget Commission merits critical attention.

The comparative study made by Kingdom on organization and management improvement in selected countries of the world disclosed that the central Organization and Methods Staff may be located in a financial department, a Civil Service Board, in an agency for general administration, in the office of the Prime Minister, or in the Federal Chancellery (as in Austria and Switzerland).² Two of the leading exponents of organization and methods practices, the United States and the United Kingdom have their central management staffs located

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1. Management Service, Budget Commission, Management Service Manual (Manila: October 1958), Sec. 304.02.
 2. See Appendix A (compilation of Answers of Selected countries to Questionnaire), Kingdom, op. cit.

in a fiscal agency. The Management Services Group of the United Kingdom Government is in H.M. Treasury. It consists of an O and M (General) Division, O and M (Machines) Division, Training and Information Division, and Management Services (General) Division. In the United States, the Bureau of the Budget is the principal staff agency of the President in reorganization matters. Its Division of Administrative Management is concerned with government organization improvements. The O and M functions of Brazil, Netherlands and Puerto Rico are performed by their budget bureaus. Norway and Venezuela have O and M divisions in the Ministry of Finance. In Belgium and Denmark, management services are aligned with general administration. France has Le Comite Central d'Enquete sur le cout et le Rendement des services Publics (The Central Investigating Committee on the Cost and Efficiency of the Public Services). In Australia the Public Service Board is responsible for O and M work.

If this variation in the locations of various countries' central O and M units proves anything, it is that it illustrates the contention that no fixed rule can be established to determine where in the government structure O and M operation should be logically placed.

The question as to whether the government's central O and M body should be logically placed in a personnel agency or fiscal agency is persistently a two-sided issue in administration. O and M service, it is argued, is closely related with the problems of staffing and classification, which are major factors in the organizing process;

hence it should be aligned with personnel management. Many of the barriers to management improvement may be attributed to the incompetence of personnel, which is brought about by poor selection and/or inadequate training. It is for this reason that staff development is advocated as the key to management improvement. In addition to these arguments it is the view of many from the Organization and Management Analysis Divisions of Canada that organization and methods work, being advisory, should not be associated with a control function such as budgeting or financial management. This is one of the possible reasons for the objection that could be levelled against any proposal of transferring the Organization and Management Analysis Divisions to the Treasury Board. But along this reasoning, it can be argued that the Civil Service Commission also exercises some kind of control, having a regulatory authority on personnel selection and promotion, efficiency rating schemes, classification systems, employee discipline - all of which could be a "powerful force, for good or evil, in the field of organization and management."¹ This regulatory character of the Commission's functions, which is inherent in a central personnel agency, has not in any way affected the consultant-client relations between the Organization/Management Divisions and departments, nor has it undermined the effectiveness of the former.

Another contention is that if the Divisions would be associated with the Treasury Board, their services might not be

1. Kingdom, op. cit., p. 34.

voluntarily sought by the agencies. The apprehension stems from the somewhat strained relations between the departments and the Board because of the alleged excessive control by the latter over departmental expenditures. It is feared that the control of the purse might be used injudiciously as a tool to enforce changes in a department.

Lessons can be learned from the set-up of O and M in the United Kingdom. The British Treasury has tried to overcome the possibility of the O and M officers being taken for "staff inspectors" whose role is to control manpower in the civil service, by operating the O and M Division purely as an advisory body whose services are kept detached from the budgetary function.¹ While it is attached to an agency that exercises administrative control of establishment, the O and M Division in Great Britain for all practical purposes is "autonomous and its autonomy is almost as much respected as that of a court of law." O and M officers, who have no part in the budgetary work, do not have even a theoretical power of imposing their ideas on a department through the control of expenditure.²

In the United States, the budget process is closely linked with O and M work. The results of studies made by O and M officers of departmental organization and procedures are used as criteria for determining the justifiability of departments' estimates of proposed

1. Kingdom, op. cit., p. 33.

2. Afzal, op. cit., p. 263.

expenditure.¹

The attachment of the central O and M unit to the Treasury, Finance Department or Budget Bureau has its logic and merits. Inasmuch as one of the objectives of organization and methods work is to effect economy in an agency's operations, it is logical that O and M should be connected with the Budget Office, which is concerned with establishment control and the regulation of government expenditure, or with the Finance Department, which is responsible for the supply of financial resources. The budgetary process is a most effective device for securing inter-departmental coordination of policy.

From Philippine experience, the control aspect that is being associated with the connection of Management Service with the Budget Commission is more of an aid than an obstacle to organization and methods work. Management analysts and budget examiners strive to coordinate O and M review with the examination of budget estimates. When a department, for example, proposes the creation of new positions, the matter is usually referred to the Management Service which tries to ascertain whether the need for additional positions is justified. In another instance a management analyst may, on the basis of his study, recommend changes in organization which necessitate the increase or reshuffling of staff. He has to confer with the Budget Operations Service on the necessity of incorporating the desired new positions in the budget proposals for the particular agency. (This will be dealt with again in the

1. Kingdom, op. cit., p. 27.

chapter on O and M modus operandi.) The close coordination between the two functions - budgeting and O and M - is of utmost importance and both the Budget Operations and Management Service people have realized this in many cases involving recommendations on establishment changes and realignment of functions. The advisory character of the O and M assistance provided to line agencies can be retained and at the same time the semblance of control caused by the attachment of Management Service to the Budget Commission can be used to enhance the effectiveness of the former's job. Kingdom theorizes that:

The external forces that can lead a department to improve its organization are usually not mandatory but influential. Of these forces, the first and generally the most important is the power of the purse, making itself felt through the budgetary process. ¹

This author personally feels that the Organization and Management Analysis Divisions in the Civil Service Commission of Canada should be with the Treasury Board in view of the present functional relationships between the divisions and the Board as regards management improvement. Plans for changing the organization structure of a department, which necessitate increase of establishment, are submitted by the deputy head to the Treasury Board for approval.² In addition to this authority to approve organization plans, the Board may also initiate organization studies, in which it can utilize the technical skills of the organization analysts in the Civil Service

1. Kingdom, op. cit., p. 23.

2. This is covered in sections 15 and 19 of the Civil Service Act of 1961.

Commission. Inasmuch as both bodies are working toward the same objectives - efficiency and economy in governmental operations - why not have them under one roof? Lyngseth is of the opinion that close coordination with budgeting, which is a function of the Treasury Board, can be an aid to a successful management improvement programme.¹

The Royal Commission on Government Organization (also referred to as the Glassco Commission) recommended the creation of an Administrative Improvement Division in the Treasury Board to be responsible for:

The initiation of policy on administrative procedures, promotion of improvement within departments and agencies, and coordination of inter-departmental and common service matters. 2

Apparently, the Commission intended the Division to be basically a policy-making body. It recommended, for example, that the promulgation of an executive policy governing the creation, retention and disposition of public records and the proper documentation of government business should be made by the Treasury Board upon the advice of the Administrative Improvement Division.³

The Commission recommendation conforms with the establishment in the Board of a Management Improvement Division, whose primary function is to initiate, produce and recommend for approval, policy statements, regulations, procedures and guides to be issued from Treasury Board to departments for promoting improvement in organization

1. Lyngseth, op. cit., p. 469.

2. Royal Commission on Government Organization, Management of the Public Service, Vol. 1 (Ottawa: Queen's Printer, 1962), p. 515.

3. Ibid., p. 516.

and management services. Composing the Division are eight advisors who are specialists on various phases of management.¹

It is believed that, by integrating central organization and management services in the Treasury Board, the enunciation of policy on and the initiation, development, and undertaking of management improvement projects and activities throughout the government would be better coordinated.

One significant feature of the present arrangement in which the Organization/Management Divisions are located in the Civil Service Commission is their independent character, the Commission being administratively responsible to Parliament. But this apparent advantage could also be taken as a weakness. A central O and M body is supposed to be a staff arm of top management, to provide technical support for executive control and direction; its work is for the use of the Executive and not for the Legislature. Therefore, O and M should be part of the Executive Branch. The Civil Service Commission may not be regarded as such. To quote the Glassco Report:

The Commission - even though it exercises managerial authority - has no managerial responsibility. It cannot be held accountable for effective performance of any of the tasks of government, since it is, in fact, an independent watch-dog responsible directly to Parliament itself. 2

On the other hand, the Treasury Board, which is a statutory committee of the Queen's Privy Council, is a top policy-making body where major executive decisions are formulated. Thus,

1. Interview with Mr. C.J. Gardner.

2. Royal Commission on Organization, op. cit., p. 254.

basically it is part of the management structure.

Casting aside the debatable question of location, the general feeling among some officials in the Organization and Management Analysis Divisions is that the placement in either agency - the Commission or Treasury Board - would have little practical effect upon their operation. Perhaps the significance of the question as to whether the central O and M staff should be located in the Commission or the Treasury Board cannot be appreciated in Canada because both agencies are possessed of attributes that could promote the effectiveness of organization and methods work. The Canadian Civil Service Commission enjoys considerable prestige and the Treasury Board wields vast authority and power, which though not openly imposed upon operating agencies, are felt nonetheless. It seems it hardly matters whether the Organization and Management Analysis Divisions should remain with the Commission or be transferred to the Treasury Board. Either way, they could be just as effective, so it is thought.

In the Philippines, the question as to which agency should management analysis be aligned with - the Budget Commission or the Civil Service Commission - becomes academic, because from any standpoint, the preference would be to have the central O and M staff with the former. We have cited the advantages of connecting the O and M function with the budget process and have mentioned the coordination done between budget examiners and management analysts. A number of other reasons explain the assumption that the Budget Commission should be the logical location of the Management Service. The

responsibility for the study of organization and methods in departments to effect economy and efficiency has consistently been assigned to the Budget Commission by law - Revised Budget Act of 1954 and Executive Order No. 279 relating to the reorganization of the Commission. Since it became an organized governmental activity, O and M has always been associated with budgeting. With the creation of the Service Inspection Division in 1935, organization and methods had been performed by an entity in the Budget Commission even before the establishment of Management Service.

In choosing the location of the central O and M staff, one essential factor that comes into play is administrative leadership in the agency with which the staff is to be connected. Milward asserts that the "choice of the function with which it is to associate . . . is less important than the choice of the head of that function."¹ If the Finance Director in an organization or the Director of Services or the Personnel Manager is strong and influential enough to get things done, if he can elicit the cooperation of line officials with the force of his personality and because of trust in his capability, he may be the right executive for ^{the} O and M function. This theory applies to a situation in Philippine administration where at the time of the reorganization, the then Bureau of Civil Service was wanting in effectiveness as a central personnel agency. Its organization was not adequately responding to the needs of the civil service and

1. Milward, op. cit., p. 236.

administrative leadership was weak. Hardly could there be a valid justification for placing the responsibility for central government-wide O and M operation in the Bureau (Commission) of Civil Service instead of the Budget Commission.¹ If the factor of administrative leadership had to be taken as the criterion for determining the organizational location of the central O and M staff in its embryonic stage, the Budget Commission was easily the choice. There is no denying the fact that the incumbent head at the time was an outstanding man of executive ability and dynamic leadership.²

Internal Organizations of Central O and M Agencies under Review

Let us now examine the structural and functional organizations of the central O and M agencies under study. The Management Analysis Division is composed of: 21 O and M officers (complete establishment is 29) who hold the official title of Management Analyst with varying grades and salary ranges; two draftsmen; and a small typing unit. There are three formally organized specialist sections in the division, each unit with a responsible head: the Electronic Data Processing and Mechanization Group; Management Sciences Group (specialists in operations research and the use of statistical and mathematical techniques in planning

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1. Even the Wage and Position Classification Office which performs a function - the classification of positions - that basically belongs to a central personnel agency was at its inception placed in the Budget Commission. See Personnel, A Report by the Government Survey and Reorganization Commission to the President (Manila: Bureau of Printing, 1955).
 2. This is attested by the report of Louis J. Kroeger and Associates, Public Administration in the Philippines, 1959, pp. 64-65.

and operation); and the Work Measurement Group. Analysts who have the appropriate professional training and technical skills are assigned to these groups, while the rest of the officers are considered generalists. This organization by specialization, however, does not preclude the assignment of an analyst to any project should the need arise.¹

A relatively small group, the Organization Division consists of the chief and six organization analysts, all of whom are at a senior class of Civil Service officers. The Division obviously does not warrant an organization by specialization.

The Philippine Management Service is organized on a specialist basis in the sense that it is divided into four branches: Organization and Manpower, Physical Resources, Work Simplification, and Training. These branches are supported by a Technical Staff and an Administrative Staff.

The Organization and Manpower Branch provides technical advice and assistance on organization structure, delegation of authority, accountability patterns, staffing patterns, manpower distribution, workload trends, manpower cost analysis, and related matters.

1. Information on the internal organization of the Division has been obtained in interviews with Mr. H.E. Baird, Chief of the Management Analysis Division, and Mr. B.L. Guselle of the same division.

The Physical Resources Branch provides technical advice and assistance on space management, purchasing, equipment utilization, conservation of materials, equipment cost analysis, and related matters.

The Work Simplification Branch provides technical advice and assistance on work processes, reporting systems, forms control, administrative issuance procedures, administrative communications, and related matters.

The Training Branch provides technical advice and assistance on agency training programmes on management practices and O and M analysis, maintains liaison with the Graduate School of Public Administration, the Civil Service Commission, and other entities on training activities. (See organization charts in this chapter.)

While the Management Service maintains functional expertise in the branches, the whole Service is considered for operational purposes as one pool of management analysts who may be given any type of O and M assignments. On certain occasions the idea was being considered to reorganize the Service into a pool of four or five groups of analysts with no designation of specialization. This means that any available team may be called upon to handle a survey project and is expected to solve any problems identified, be they on organization or procedures. But the idea has not materialized; it is believed that the present organization is adequate and effective under prevailing circumstances.

Adapted from Organization of the Government of Canada, January 1962 (Ottawa: Queen's Printer, 1962), p. 38.

ORGANISATION CHART
BUDGET COMMISSION
PHILIPPINES
(December 1963)

ORGANIZATION CHART OF THE MANAGEMENT SERVICE, BUDGET COMMISSION
(December, 1963)

In studying the organization of central O and M services in Canada, one is prone to ask why there are two separate entities, the Management Analysis Division and the Organization Division. This is a fair question considering the close affinity between organization and procedures. Many problems on procedures, for example, arise because of defective organization structure or functional relationships. Poor staffing, which is an area in the field of organization, is often the cause of job breakdowns. Sometimes it is difficult to establish performance standards - one of management objectives - without first simplifying the work. All these illustrate the fact that in the study of an agency and its operations, procedural problems may be hard to divorce from problems on organization. It is, therefore, an anticipated possibility that the studies made by the Organization Division may overlap with those by the Management Analysis Division.

But the separation has well-founded arguments on its side. The Organization Division avers that in conducting a study, its purpose is to review the organization of an agency and its functions as a whole and, therefore, is concerned not with detailed descriptions of jobs but broad questions of policy: how functional relationships reconcile with the over-all objectives of the organization.¹ Most of its studies cut across several branches or are concentrated within two-to-three levels down from the Office of the Deputy Minister. If in the course

1. Interview with Mr. H.L. Laframboise, Chief of the Organization Division, C.S.C.

of a survey, the organization analyst, who is not supposed to get involved in problems on procedures, comes across defective methods, he may recommend a separate procedures study or he refers his findings to the departmental O and M unit.

This author is inclined to agree that while the organization analyst is trained to look at problems with a broad and integrated view, the methods analyst tends to develop the capacity for analyzing details, such as the steps in a procedure. The former may not have the latter's patience and the latter may not have the former's breadth of perspective. A good organization man may not necessarily be a good procedures man, or vice versa, for one has a different training and aptitude from the other's. Consider the difference in emphasis that may be given on the qualifications to be required of an organization analyst and those of a procedures analyst. While positions for both may call for similar level of education or equivalent experience and similar personal attributes, one position may give more emphasis on experience in a certain field. For the position of organization analyst, for example, a degree in public administration and/or equivalent administrative experience in the government service would be more appropriate than a management engineering and/or experience in private industry. The latter would be more related to procedures study. In fact the Organization Division has the general policy of taking in men who have good background in governmental business, while the Management Analysis Division does not necessarily give emphasis to the matter of whether

the candidate is a civil servant or comes from private industry; premium is placed on his experience in procedures and methods work.

The internal organization of the Management Service may be analogous to its Canadian counterparts in that an Organization and Manpower Branch exists apart from the Work Simplification and Physical Resources Branches. The two Canadian Divisions report to the same head, the Director of Advisory Services; the Organization and Manpower Branch and the other branches also report to the same Chief of Management Service; thus, the two arrangements are comparable. But the comparison ends here because while the Organization and Manpower Branch may engage in inter-departmental or inter-bureau studies,¹ it performs also such functions as developing staffing patterns, determining staffing requirements of agencies, developing performance standards and other phases of organizational study in the section or unit level. This is where confusion occurs; a team of management analysts from either branch may encounter problems which are both organizational and procedural in nature.

If the Organization and Manpower Branch confined itself to inter-bureau studies or to organization problems at the divisional level and up, the problem of overlapping would be minimized. Likewise, if the Organization Division (Canada)

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1. Examples of the projects by the Branch under this category: preparation of an organization chart of the Executive Branch of the Philippine Government depicting all the departments, bureaus, commissions, boards, and various instrumentalities including corporations; making of a manual on the organization of the Philippine Government.

embark on a larger scale of government-wide studies and continues to deal with organization problems within middle management and up, then its separation from the Management Analysis Division is justifiable.

While some management authorities may see little profit in it, the setting up of a separate organization unit is not altogether undesirable. In fact, as we intimated earlier, the O and M Division of the Treasury in Great Britain has branched out into a special field called the machinery of government. From time to time the Government Organization Committee directs a task force from Treasury O and M to investigate the allocation of functions to departments, their interrelationship, and the integration of departments in the organism of government as a whole.¹ The United States Bureau of the Budget also has a Government Organization Branch which is responsible mainly for studies on the over-all management and organization of the Federal Executive Branch.²

Departmental O and M Units

It is generally accepted that the need for a central management staff in the government is imperative. The relevant question that comes up is whether it is necessary to establish departmental O and M units. In other words, should O and M services be decentralized or

1. Simpson, op. cit., p. 106.

2. Afzal, op. cit., p. 110.

should they be handled entirely by the central staff for the whole government? Each set-up has its advantages as well as disadvantages. If the central staff has to tender services for the entire Executive Branch, then it has to expand considerably, and inevitably it must be organized on a specialization basis. The larger the unit the greater is the development of specialization.¹ The analysts would also acquire a wide variety of experience as they encounter a challenge of multifarious organization and administrative problems. Working for a large organization, they can have better opportunities for career development in the O and M profession. Where there is one large central Management Staff, it would be possible to adopt a consistent pattern of approach to departmental management problems (although this is not always advisable, for administrative situations may call for different methods and techniques). Another advantage is that the central O and M staff will have a fresh unbiased viewpoint - the traditional argument of objectivity.

Those who advocate decentralization contend that an agency management staff, being familiar with the operations of the department including its management problems, can readily take action on trouble spots in administration without going into a tedious fact-finding as may be required of the central O and M. A departmental management unit can do a continuing review of the organization and its operations while the central O and M staff conducts its study intermittently and upon being requested.

1. Lyngseth, op. cit., p. 470.

T.D. Kingdom recognizes the inability of the British Treasury O and M Division "to give to every department in its 'parish' the detailed attention to matters of lesser importance that a department could expect to get from an O and M branch of its own."¹ Such minor studies, for example, as handling mails, or assistance in forms design, may be done by a methods officer in the agency.

The central O and M staffs of Canada likewise recognize the essential role of departmental units in organization and management improvement programmes. As the former chief of the Management Analysis Division, C.J. Gardner, pointed out:

If the work can be done more effectively in the department, that's where it should be done. Now I know that is not the case completely because there are certain things that we are in a position to specialize on much more than could be done in any one departmental O and M, because we have a knowledge of what goes on in a number of departments. Another thing is that there are certain inter-departmental surveys that are probably best done by an inter-departmental O and M. 2

Drawing attention to the importance of having sound standards and practices on office procedures and facilities, the Royal Commission on Organization recommended the creation of a central focus for management services within a department or agency.³

1. Kingdom, op. cit., p. 44.

2. C.J. Gardner, Introduction to the O and M Service, Civil Service Commission (1956), p. 10.

3. Royal Commission, op. cit., p. 627.

In line with this advocacy for decentralized management services, the O and M divisions have encouraged the establishment of departmental management staffs. At present there are thirteen federal departments¹ in the Canadian Government which have stable full-time management staffs or designated O and M officers. The O and M units of some of these departments have been created upon the recommendation of the Organization and Management Analysis Divisions. The biggest of these units and probably most active are the Standards and Methods Division of the Unemployment Insurance Commission which has 21 management officers, and the Management Engineering Units of the Department of National Defence (Army, Air Force, and Navy) each with a staff of at least 50 professional men excluding technicians. The National Revenue (14 O and M workers), Transport (9), Citizenship and Immigration (8), Public Works (7) and Post Office (6) Departments also have fairly big O and M establishments. Among the crown corporations with well-organized O and M services are the Canadian Broadcasting Corporation, Central Mortgage and Housing Corporation, Air Canada, Canadian National Railways.²

All of these above-mentioned management staffs, some of which this author had the opportunity to visit, are engaged in

1. Agriculture, Citizenship and Immigration, Defence Production, Finance-Comptroller, Mines and Technical Surveys, National Defence (Air Force, Army and Navy), National Revenue (Customs and Excise Taxation), Post Office, Public Printing and Stationery, Public Works, Transport, Unemployment Insurance Commission and Veterans Affairs.

2. Most of these data have been obtained from the study of Lyngseth, op. cit., p. 451 and pp. 457-458.

full-scale organization and methods improvement programmes, mainly on forms design and control, work measurement and electronic data processing. The Standards and Methods Division, Technical Services Branch of the Unemployment Insurance Commission, for example, has done a noteworthy job in work measurement studies. Establishing performance standards for various post-offices is a noteworthy accomplishment of the Methods and Standards Section of the Finance Branch, Post Office Department; a separate Systems and Procedures Analysis Section conducts studies in forms control, directives management and electronic processing. The Air Force, Army, and Navy specialize in industrial engineering. One spectacular accomplishment of the Royal Canadian Ordnance Corps (Army) was the work study programme its officers conducted a few years ago which resulted in the reduction by 15 per cent of the existing establishment of the central ordnance depots and the cutting down of about 1.75 million dollars in salaries.¹

In addition to these agencies enumerated, there are others engaged in some kind of O and M activity which, though it may not be performed by a management officer, pertains to administrative improvement.

Like its Canadian counterpart, the Philippines' Management Service is embarked on the project of promoting the establishment of departmental O and M units. Unable to provide an intensive and

1. Lyngseth, op. cit., p. 454.

detailed review of organization and management in the whole government and recognizing the inadequacy of its manpower to cope with the flood of requests for surveys, the Management Service has to encourage departments and bureaus to institute their own management improvement programmes on a self-help basis, while it will continually lend its technical assistance. One of the agencies in which success has been achieved in instigating the creation of a relatively large management staff is the Bureau of Internal Revenue of the Department of Finance. The Unit started with eight appointed management analysts; as of Fiscal Year 1962, the staff expanded to 15 members. With the assistance of consultants from Management Service, they have undertaken a number of studies on the Bureau's organization and procedures - office layout, records control and disposition, handling of delinquent accounts, collection system, etc. Other agencies which have fairly large units:¹ Department of National Defense - Armed Forces Headquarters (13); Agricultural Productivity Commission (7); Bureau of Customs (11); and Commission on Elections (6). Other jurisdictions have smaller memberships: Bureau of Lands (3); Department of Labour (3); Office of the Secretary of Agriculture and Natural Resources (3).

1. Data have been obtained from the Annual Budget for Fiscal Year 1962 of the Republic of the Philippines (Manila: Bureau of Printing, 1962). A tabulation of management analyst positions has been furnished to this author by the Philippine Budget Commission. Information on agency management staffs has also been obtained from the Project Report of B. Mercado, Assistant Chief of Management Service, which was submitted to the University of Manchester, England on May 15, 1964 in connection with his Colombo Plan Training in public administration.

Many of these management units have been established as a result of the recommendations of the Reorganization Commission. In its Report on Management Practices, implemented under Executive Order No. 339,¹ the Commission proposed the establishment in each major entity an Organization and Methods Division, or appropriate staff unit to provide technical assistance in the promotion of departmental efficiency and economy.²

Where there are no formally organized management staffs, management analysts are appointed and assigned in the office of the Head or Administrative Services Division. Some officials bearing such position titles as administrative officer, personnel officer, budget officer or comptroller perform O and M work or related activities by special assignments. Of the 25 government-controlled corporations, only five have management staffs firmly established: Government Service Insurance System, National Waterworks Sewerage Authority, Philippine Coconut Administration, Social Security System, and Manila Railroad Company.

In the preceding discussion we have pointed out the need for establishing O and M units in departments. But what would be the basis then for an agency to set up its own O and M branch? In a relatively small department where an organization and methods study may not have to be continuous and immediate, it would be unwise

1. See footnote 2, p. 29.

2. Government Survey and Reorganization Commission, a Report on Management Practices (Manila: Bureau of Printing, 1956), p. 21.

to establish a staff whose maintenance might not be worth the volume of work to be done. Most likely it would be more economical for that department to make avail of the services of the central O and M unit. In the case of a relatively large and complex department, a full-time Management Staff is necessary whose officers will have a working knowledge of the operations and ramifications of that agency. One point to be borne in mind is that the O and M Branch, to be effective, must be of a certain minimum size and must have a Head whose position in the hierarchy is prestigious and influential enough to command respect and cooperation from the line people. Nottage thinks that O and M work demands a team of two or three people and that the lone O and M officer operates at a grave disadvantage.¹ In determining the desirable size of an O and M unit, no definite formula can be applied, for several factors have to be considered, such as the composition of the agency's staff, the predominant nature of jobs performed, ^{the} magnitude of the organization, and the policy on how O and M is to be used (whether for initial or continuous review). However, a workable ratio, suggests Nottage, may be one for every 500-600 personnel (operational and technical men).²

Many agencies in both countries carry just one or two positions of management analysts in their payrolls. It is doubtful how they can be effective and whether they can really do any substantial improvement for the agency. More often than not, they are helpless and their actions are hamstrung by lack of authority.

1. R. Nottage, "Organization and Methods in the Smaller Public Authorities", Public Administration, Vol. 32 (London: Summer, 1954), p. 150.

2. Ibid.

Location of the Departmental O and M Unit

In an earlier section in this chapter we pointed out that the central O and M staff may be located in the personnel or fiscal agency or may be in the organization performing administrative services. The alignment of O and M activity with the budget process has its advantages just as it has if associated with the personnel function. Although on certain considerations the preference was to have organization and methods connected with the budget office, we signified subscription to the theory that the central O and M staff must be located at a prestigious position in the hierarchy to be able to exercise a great deal of influence upon line agencies.

The same criteria and arguments may be invoked in determining the location of the O and M unit in the department. H.L. Laframboise says that the "farther down in the organization the O and M unit is placed, the more insignificant will be the problems it will be asked to study."¹ The unit must have a status if its counsel is to be given credence and weight. The departmental O and M unit in the United Kingdom is directly responsible to the Director of Establishments and Organization who is the third ranking official in a department. "It is through this connection, and not by powers of arbitrary interference at lower levels, that the departmental

1. H.L. Laframboise, "Administrative Inspections and Methods in the Department of Veterans Affairs", Canadian Public Administration (December, 1959), p. 201.

O and M Branch properly derives authority."¹

In Canada, the location of the agency management staff varies. Of the 16 federal agencies studied by Lyngseth, five have management staffs connected with personnel management, three with fiscal management, four with administrative services, and the rest with other functions. Most of them are located three or four steps from the top executive. Some are mere sections within divisions and others are of division level. The Departments of Citizenship and Immigration, Transport and Post Office typify an organization and methods unit of a division level whose head reports to a Branch director who in turn is responsible to the Minister through the Deputy. In big departments with assistant deputies, the O and M unit is located one step farther down.

In the Department of National Revenue, for example, the chiefs of organization and methods (Customs and Excise and Taxation) are four ranks below the Minister; they are directly under the Director of Administration, who reports to the Assistant Deputy, who in turn is responsible to the Minister through the Deputy.

Without casting aspersions on their effectiveness, I feel these departmental units are too far removed from top management. In such a position, they appear to be part of ^{the} operational function and they lose their capacity as advisory bodies to all branches and divisions of the organization. Maximum benefit could be obtained

1. Kingdom, op. cit., p. 47.

by placing the O and M function at a higher level, under the supervision of an officer who reports directly to the administrative executive - the Deputy Minister.

How do the departmental O and M units in the Philippine Government compare with those in Canada as regards organizational location? For one thing, some of those agency management staffs mentioned are loosely organized. Quite a number of management analyst positions exist in departmental establishments, but many of them are not cohesively grouped. A management analyst or two may be on detail at an operating branch rendering assistance on an off-and-on consultation basis. In those agencies which have firmly established units like the Bureau of Lands, Bureau of Customs, Bureau of Internal Revenue, Department of National Defence (Armed Forces) and Government Service Insurance System, and others, ^{the} O and M function is associated with budgeting, administrative services, and management planning, and is located two steps from the bureau head - the Director. (This is in the case of decentralized O and M services where the bureau has a management staff of its own separate from the staff in the department.) Take the Bureau of Internal Revenue, for instance: the management group is located in the Management and Planning Division whose head reports direct to the Commissioner of Internal Revenue. Similar chains of command exist in the above-mentioned bureaus and agencies.

Some departments, like Agriculture and Labour, have management staffs located in the Office of the Secretary. While

these units, whose heads report direct to the department Secretary, may have the necessary prestige and influence, their possible handicap is that they have to "compete for the time and attention of an agency head often hard pressed by program and policy problems."¹ Furthermore, that the management staff is under the immediate control and direction of a political appointee, like the department secretary, is not conducive to promoting the stability and continuity of a management improvement programme. The location of an O and M unit should not be so far down as being practically reduced to insignificance nor so high that its programmes are likely to get de-emphasized by the compelling importance of other matters requiring the chief executive's attention. The United States Bureau of the Budget suggests that an O and M unit would be most effective in the second level or when reporting directly to an official who is primarily concerned with internal management problems. It is my opinion that in the Canadian Government, the management staff should be in an establishment reporting direct to the Deputy Minister and, in the Philippines, the staff should be in an office reporting direct to the Undersecretary. This arrangement is true of the departmental unit in the United Kingdom which is under the Director of Organization and Establishments, who in turn reports to the Permanent Secretary.

1. United States, Bureau of the Budget, Management Analysis at the Headquarters of Federal Agencies (1959), p. 22.

Relationships between Central and Departmental
O and M Staffs

One more important point that may be raised in any discussion on establishment of departmental O and M units is their relationship with the central management staff. The Organization and Management Analysis Divisions and the Management Service are supposed to coordinate management improvement throughout the government and, therefore, they coordinate O and M activities of agency management staffs. Aware of this responsibility, neither of the two central O and M organizations has the authority to direct the work of a departmental O and M unit. And experiences of both show that neither has attempted to assume the power to control or direct departmental O and M activities.

Management Officers in the Civil Service serve as consultants to agency management staffs, providing them with special technical services when requested. The O and M Unit of the Department of Citizenship and Immigration, for example, has solicited the assistance of the Management Analysis Division in several projects, such as the installation of electronic data processing. In the conduct of management surveys made by the central O and M officers, the services of the departmental staffs are being utilized in the gathering of data and also in the development of recommendations.

Training courses for departments' administrative officers are conducted periodically by the Civil Service Commission and the analysts from the Organization and Management Division serve as lecturers and resource persons. The relationship between the two

sectors is also manifested in the mutual exchange of ideas, information, skills and experiences, which is an essential feature of a well-integrated government-wide programme for management improvement.

Similar working relationships exist between the Philippine Management Service and agency management staffs. Budget Circular No. 75 issued in 1959 by the Budget Commissioner defines these relationships, providing that the central agency would mainly serve as technical advisor to the agency staffs with no authority to control or direct them. In the management improvement programmes of the Bureau of Internal Revenue, Management Service analysts tendered technical assistance to the B.I.R. staff in the study and improvement of certain procedures, such as mentioned earlier. The latter performed the operational details, while the former planned and outlined the project areas, developed the management appreciation training courses for revenue supervisors and at the same time served as resource persons. When evaluative studies were conducted in certain agencies to determine how the recommendations of the Reorganization Commission had been implemented, the O and M staffs in those agencies served as task forces and purveyors of information to the analysts from Management Service.

These are a few illustrations of how the central O and M staff work with departmental units without any imposition of authority by the former upon the latter.

The actual relationships between central Management Staffs and departmental O and M units in Canada and the Philippines amply reflect the essence and substance of the "O and M Charter" underscoring the relations between the Treasury O and M Division and departmental branches in the United Kingdom. The Charter defines the duties of departmental O and M Branches as follows:

- (1) to undertake planned reviews of the divisions, branches, and sections of the department; and
- (2) to advise on O and M problems, in particular on the planning of new work;

and those of the Treasury O and M Division:

- (1) to provide staff for O and M investigations in departments with no O and M branches;
- (2) to assist the departments with O and M branches, at their request, on particular assignments; and
- (3) to organise the central study of O and M problems and to maintain a common information and training service.¹

Staffing O and M

It is almost trite to emphasize the need for men in the Organization and Methods Staff who are possessed of qualifications and personal attributes required for the O and M job. The Swiss

1. United Kingdom, Treasury O and M Division, "O and M Charter", a formal document issued as a Memorandum by the Treasury on January 8, 1945 and reaffirmed by a high-level interdepartmental committee in 1953.

critic, Amiel, has said, "Institutions are worth no more than the men who work them." This adage could be no more applicable than in an organization, like the Management Staff, the success of whose work is attained chiefly by the proficiency and expertise of its men. Operating agencies would not hesitate to call on a central O and M unit for help if it is reliable, skillful and competent.

For these reasons O and M units have to establish fairly high and appropriate standards of personnel selection. What are the qualifications required of an O and M man? Generally, there are no specific fields of academic training that are prescribed, although in the recruitment process, preference is given to such fields as public administration, business administration, political science, industrial management, management engineering, and the like. In most instances, selection is made for the job of a general O and M practitioner; the main idea is to recruit a man who has the potentialities for O and M work and the capacity to respond to training.

The Classification Guide of the Civil Service Commission of Canada provides the following basic qualifications of a management analyst:

1. Graduation from a university of recognized standing.

OR

2. An acceptable combination of academic training (minimum completion of secondary school) and experience considered to be equivalent to the above in developmental value.

3. Other: Suitable personality, mental attitude, tact and judgment; evidence of potential for development in the field of management analysis or management generally.¹

In evaluating a combination of academic training and experience, the total required related experience has to include the number of years needed to match paragraph 1 of the basic qualifications plus additional years to match the specific experience designated for the grade.

These are the basic qualifications for a management analyst in the general field. For some positions specific training or experience in a specialized area may be prescribed.

It can be noted in the qualifications guide that graduation from a university is not an absolute requirement. This differs from the academic qualifications of management analysts in the Philippine Government, in which a college degree is a basic requirement. This accounts for the fact that all the members of Management Service hold degrees in various disciplines. Of the twenty-seven analysts, nine are graduates of law, seven in public administration, five in business administration, and the rest in industrial management, engineering, and economics.

In the Canadian O and M service, a university education is given no more emphasis than training and experience. Of the total twenty-one officers of the Management Analysis Division, 65% are

1. Pay and Standards Branch, C.S.C., Amendment to Classification Guide (Ottawa: June, 1963), p. 38.

graduates in varying fields: commerce, public administration, engineering, economics and political science, with two or three post-graduates. Of the seven officers of the Organization Division, five are degree holders. Those who are not university graduates have had extensive experience in administration or in management analysis. As far as the factor of experience is concerned, the Management Service is at a disadvantage in that fifty per cent have joined the organization without any experience in management analysis work.

H. Larnder of the Defence Research Board observed that the staff of the Management Analysis Division is not balanced, with a definite lack on the mathematical side.¹ This is also true of the staff of the Management Service, ninety per cent of whom have degrees in the social sciences.

We have been describing the academic qualifications and work experience required of analysts. What about personal qualities that are demanded of the O and M man? An interesting answer to this is a very apt verse, the "O and M Man", written by a man called Tressillian:

Alert, relaxed, of ear attentive,
Voice persuasive, manner warm,
Memory the most retentive,
Pleasing both in face and form.
Unobtrusive but commanding,
Gracious, but of purpose fixed,

1. H. Larnder, "Management Analysis and Operational Research", a memorandum prepared January 21, 1964 by the author after an observation of the work of the Management Analysis Division.

Unassuming, but demanding,
Craft with tact adroitly mixed,
Approachable, of brain incisive,
Silver-tongued, demeanor firm,
Reserved and calm, of mien decisive,
Skin like any pachyderm. 1

One very essential aspect of staffing is training.

Considering that no institutions in Canada or in the Philippines offer comprehensive and formal courses in organization and methods, most O and M units, including the Organization/Management Divisions and Management Service, have to resort to on-the-job training schemes. One advantage of the former over the latter is that they can attract people who have acquired useful experience and skills in management work; all that is needed is to further the experience, upgrade the skills and gear them towards the purposes of the O and M agency.

In the Canadian Federal Government, departments send participants to the management analysis appreciation courses sponsored jointly by the Management Analysis and Staff Development and Training Divisions. Similarly, agencies of the Philippine Government make use of the training course for management analysts conducted by Management Service. O and M officers are also sent to other countries to take short training courses in management and systems and procedures. Seventy-five per cent of the staff of the Philippine Management Service have been to the United States, Canada, England and Australia to undergo training in organization and

1. Complete information on source could not be obtained.

management under various foreign-aid programmes.

We have endeavoured in this chapter to give a comparative description of the organization and management of O and M services in the two governments under review. Both governments recognize the need for establishing a central organization and methods agency and departmental units and thus have set up these organizations that function and operate along very similar lines. Divergence exists mainly in their organizational locations. We have pointed out the advantages of placing O and M in the fiscal agency and have also considered the merits of aligning it with the personnel function. But we hesitate to draw a definite conclusion as to which arrangement begets the more effective results: the Organization and Management Analysis Divisions being in the Civil Service Commission or the Management Service being in the Budget Commission. The difficulty is owing to the fact that in the appraisal of each situation certain relevant factors have to be taken into account - the administrative leadership in each agency, its independent status, and authority and prestige, which could influence the determination of the location of central O and M services. On the basis of these factors, as we have shown, the Budget Commission and the Treasury Board, the Civil Service Commission of Canada and the Civil Service Commission of the Philippines differ to a great extent.

The view has been maintained that although organization study and procedures analysis are linked with each other, some value could be gained by setting up an organization branch apart from the

procedures branch in a central O and M agency.

Fully aware that the best organizational location and most streamlined structure of an O and M unit would be worthless without competent personnel, we have advocated the supreme importance of staffing an O and M organization with carefully chosen and trained people.

The significance of our comparative discussion on the organization and management of the two central O and M establishments will be further shown as we examine the modus operandi of each in the next chapter and as we shall analyze the problems of O and M in a later chapter.

CHAPTER III

MODUS OPERANDI OF O AND M¹

There are two major areas of discussion in this chapter:

- (1) a review of the basic steps of conducting an O and M survey; and
- (2) exposition of significant issues and problems involved in the modus operandi of O and M, with comparative illustrations from Canadian and Philippine experiences.

Outline of O and M Survey Procedure

In the conduct of a management survey or study of organization and administrative problems, the central O and M staffs of Canada and the Philippines follow more or less the same pattern. Similar techniques of doing a preliminary study, of fact finding, fact analysis, and formulating and reporting recommendations are used. There are only a few differences in some aspects on the use of these techniques. Following is a brief review of the fundamental stages of a management survey:

1. The Survey Request and Acceptance. A survey comes about usually upon the request of an agency to the central O and M Staff.

1. Much of the material in this chapter has been drawn from interviews with officers of the Organization and Management Analysis Divisions and from the experience of this author as a management analyst.

Following the decision to do the survey, one or more analysts are assigned to the job. A preliminary study then is conducted.

2. The Preliminary Survey. At this stage the groundwork for the project is laid, phases of the undertaking are planned. The magnitude of the study is ascertained and terms of reference clarified. To acquaint himself with the structure and functions of the agency, the analyst has to read pertinent documents, such as statutes, administrative orders, annual reports, etc. Most essential is that he should assure himself that the personnel are officially informed of the study - its purposes, mode of operation, and expected gains.

3. Getting the Facts. It is axiomatic that in solving a problem, sufficient facts must be obtained about that problem. The management analyst can come up with valid recommendations only when he has adequate information at his command. Guided by the adage that his judgment is no better than his information, the analyst endeavours to get a vivid picture of the organization or system being examined. And this job entails the perusal of relevant records and charts, the observation of job operations, and the interviewing of knowledgeable officials and employees. One cardinal rule that the analyst must live by in fact gathering is that he must have an open, probing mind and questioning attitude and should be able to distinguish fact from opinion.

4. Analyzing the Facts. The data thus obtained are sifted, analyzed and synthesized. From them the management analyst extracts

logical conclusions. His intelligent analysis of the facts will give him an accurate appraisal of the problem and thus enable him to formulate appropriate recommendations.

5. Developing Recommendations. Armed with sufficient knowledge of how the organization functions or how the system works, and having evaluated the facts he has collected, the O and M officer proceeds to build up conclusions and develop proposals to improve the organization or procedures being examined. To test the validity of his recommended solutions, he may submit them to departmental officers and to his office colleagues for critical appraisal.

6. Writing the Report. Although recommendations may be presented verbally to department authorities, a written report may be necessary for documentation purposes. The written report, which may be a tentative one that is prepared in the course of the survey and/or a final one that is submitted upon completion of the survey, will also serve as a handy reference guide during the implementation. Other uses of the written report are obvious.

7. Implementing the Proposals. The analyst's job does not usually end with the submission of the final report. It is part of his advisory responsibility to assist in translating to action what he has recommended. The installation of recommendations may be done by the management advisors, by the operating people, or jointly by both.¹ (The question of responsibility for implementation is discussed

1. A great deal of literature has been written on how to conduct a management survey and analyze organization and procedures, and discusses principles of fact-gathering, fact analysis, developing and implementing recommendations, etc. Of great help in this discussion and subsequent ones are: N.N. Barish, Survey Principles and Techniques: Systems Analysis for Effective Administration (New York, 1951); W. Gill, Survey Principles and Techniques, Reprint from Issues of Modern Management, January - November 1949, published by the American Society for the Advancement of Management.

in greater detail in the latter section of this chapter.)

Let us examine how these standard procedural steps are observed in the central O and M agencies being compared. Expounding the areas of dissimilarity and likeness, we shall also bring up - and try to resolve - a number of issues involved in the above-described modus operandi of an O and M study.

Must a Survey Be Conducted Only
Upon Request

As a general rule, both the Organization/Management Analysis Divisions and the Management Service go into a survey only upon request; they give advice only when it is sought. The Philippine Budget Commissioner, however, may, upon instructions of the President or on his own initiative, direct the Management Service to look into the organization and operations of an agency without its request. Sometime in 1959, the Presidential Committee on Administration Performance Efficiency under the Office of the President, directed several management survey teams, memberships of which came mostly from Management Service, to study and investigate the operations of a number of selected agencies and come up with specific recommendations for improvement. No requests came from the agencies concerned.

The question as to whether the then Organization and Methods Division of the Civil Service Commission should force a management study on the departments was brought up at the Standing Committee on Estimates of the Canadian House of Commons in 1959.

The Committee was of the opinion that

the present procedure, which only permits a department to come under the scrutiny of the Organization and Methods Division on the invitation of the department head, does not satisfy the principle of providing an analysis of the growth trends and efficiency of individual departments. It is our view that in addition, surveys should be initiated by the Commission, thus maintaining some assessment of those departments who are reluctant to invite such an examination.¹

In other words, the Committee recommended that the Commission should initiate an organization and management survey on its own volition and upon the instance of a department. Endorsing this suggestion of the House Committee, one member of Parliament remarked:

If the results [of the work of the Organization and Methods Division] are good, then should these good results only rest on the basis of the departmental administration asking for them? And if another department does not ask for them, would it not be good policy on the part of the Commission to try and get those departments who are not using this service to use it, in the interest of the over-all efficiency of the department? ²

The Estimates Committee seemed to have ignored the advisory character of an O and M survey; in essence, it was advocating a "management audit", which is an unsolicited investigation of an agency to detect flaws in its organization and operations.³

The idea behind the policy of acting upon the solicitation of agencies is to insure that cooperation is expected from them. It

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1. Canada, Proceedings of the House of Commons of Canada, No. 113, July 2, 1959, Standing Committee on Estimates, Fifth Report (Ottawa: Queen's Printer, 1959), pp. 647-648.
 2. Canada, House of Commons, Second Session, 24th Parliament, 1959. Standing Committee on Estimates, Minutes of Proceedings and Evidence No. 20, June 4, 1959 (Ottawa: Queen's Printer, 1959), p. 459.
 3. Apparently the proposal of the Committee has not materialized inasmuch as the Organization and Management Divisions still adhere to the policy of going into a survey only when requested.

would not be difficult to implement recommendations that will result from the survey conducted at their instance. If agency officials voluntarily ask for assistance from the central O and M staff, that means that they seek improvement and, therefore, are willing to accept reasonable proposals for improving their organizations. On the other hand, advice that is uncalled for or investigation that is foisted upon the operating people is likely to be met with resistance and hostility. C.J. Gardner cautions that "[management officers] should not go sticking their nose into other people's business."¹

Defining Terms of Reference

Following our outline of survey procedure, one of the initial steps upon acceptance of the survey job is to define the terms of reference. The policy in both the Organization and Management Analysis Divisions stresses the importance of clearly and concisely setting forth these terms, i.e., outlining the nature, scope and purpose of the study. An analyst would not get on ^{with} the job unless the terms are carefully drawn and the magnitude of the study clearly defined, otherwise he might be investigating everything except what is really wanted. Established right at the beginning, the terms of reference are in writing, confirmed by the party interested, and channeled through the Deputy Minister.

1. C.J. Gardner, Organization and Methods Service, mimeographed (Civil Service Commission, December 13, 1956), p. 13.

Related to the policy on clear definition of terms is the emphasis on the minimum duration of a survey and the speed-up of its completion. Officials in the Organization/Management Divisions adhere to the theory that the greatest number of problems come up at the first stage of the survey and that recommended measures are likely more acceptable when problems are at a critical phase. As the survey drags on, the drive diminishes. "Strike the iron while it is hot", so it is said.

The duration of a study and the time required for its completion can be approximated by means of the agreed terms of reference.

Survey: One-Man or Team Job?

The assignment of one man to a project is almost always the practice of the Organization Division. This is also favoured by the Management Analysis Division. Assigning only one officer to a project is advantageous in that fixed responsibility can be established, the progress of the survey can be easily followed through, and consistency of recommendations can be maintained. There are studies, however, handled by the Management Analysis Division in which more than one analyst may be necessary. If the study involves the operations of one large department, a team may be required to be composed of one analyst from the Division and two or three officials from the department. In a project that involves one

agency but deals with specialized areas, a generalist and a specialist (maybe an electronic data processing expert or operations research man) would be needed. The scope of the survey may be determined through the terms of reference stipulated in the letter of request or established upon conferring with the agency executive making the request.

The practice of assigning one man to a project and the delimitation of the scope of a survey should be strongly encouraged in the Management Service. The usual procedure followed when a survey project is undertaken is to constitute ^a two- or three-member team of management analysts drawn from one branch or from two or three branches. One member will be appointed as the project leader. From the client agency a counterpart team is designated to work with the Management Service group, serve as resource persons, give the needed information, and help in the formulation of proposals. As a side comment: these counterpart members, if they are not with the department management staff, are key supervisors in the agency who are being handicapped by having to divide their time between survey work and regular office duties. The original composition of a team may still tend to increase as some specialized areas are being encountered in the course of the survey.

A survey team composed of management analysts from the Work Simplification Branch may, for example, be reinforced by an analyst from the Organization and Manpower Branch if problems on organization and staffing exist, or by one from the Physical Resources

Branch if the problem of office machines is involved.¹ The undertaking of a study on a team basis is a carry-over practice from Reorganization times, when task forces had to be constituted to deal with over-all revamps of departments. Unless the survey has to be confined to specific areas, which can be determined in the terms of reference, the team system has to be resorted to. Most of the projects undertaken by the Management Service cover the general areas of organization and procedures. This accounts for the inevitable result that many of its surveys protract to an unreasonably long period. If the study drags on, as we have intimated, the desire of the client for change may fizzle out, while the enthusiasm of the analyst for creativity on ideas of improvement may subside.

Problems of Organization and Procedures May Overlap

So far we have gone through the initial stages - acceptance of the project, designation of the officer/s to do the job, and definition of terms of reference. In the next phases - gathering and analysis of information - there are hardly issues of controversy and the O and M agencies under review hardly differ, as far as techniques used are concerned. At this point, however, the question of separating organization study from procedures analysis, which was discussed in the preceding chapter, has to be dealt with again, for this problem arises in the course of fact gathering.

1. Attention is invited back to our discussion on the internal organization of the Management Service, p.43 .

The close association between organization and methods analyses was explained earlier. During the survey, situations often arise wherein the management officer encounters problems of organization as well as of procedures. An analyst from the Management Division at times may have to go into organization analysis besides doing procedures study. If he encounters any problems that pertain to organization, he does not pass them on to the Organization Division but resolves them himself. In the other situation, an organization analyst may come across an area of procedures; he refers it to the Management Analysis Division or recommends a separate study. To be able to come up with appropriate recommendations to solve the procedural problems referred to him, the management analyst may have to consider such areas as allocation of responsibilities, flow of authority, division of work, etc.; thus, he has to retrace the steps treaded on by the organization analyst.

On the other hand, the organization analyst, in aligning tasks and functions and fitting them homogeneously in appropriate units, may have to know, though not in detail, how the particular jobs are performed. In either case, it is argued, overlapping and duplication of efforts occur.

These instances seem to imply the assumption that an organization analysis is a requisite to a good procedures study, and vice versa and that the two functions complement each other. We intimated in the previous chapter that the separation of the Organization Division from the Management Analysis Division is not

indefensible. As long as the former concentrates on broad organization studies and as long as it confines itself to the upper two or three levels of a department - which the Organization Division officers claim they do - the dichotomy of organization and methods study would not pose a serious problem.

This question of demarcating between an organization study and methods analysis is related to the matter of determining the locus of improvement in the hierarchy. According to Milward, an efficiency study - which basically deals with procedures - should begin in the lower level of the organization. Its first task is to ascertain facts on job operations, not to argue about the workings of policy. An organization study may be started at the top by reviewing the policy in force and correcting the alignment of the organization's basic objectives and functions.¹

Management Logic vs. Problem Solving

In the next phase - developing recommendations - a few problems may confront the O and M officer. As he develops his proposals, he is expected to apply the body of principles governing organization and methods analysis which he is supposed to be conversant with. His knowledge of such traditional concepts as delegation of authority, span of control, unity of command, homogeneous

1. G. Milward, Organization and Methods a Service to Management (London, 1959), p. 266.

assignment, etc., comes into play as he devises an improvement of the organization under his review. The O and M officer's job

is much more than merely re-casting procedures or improving existing arrangements; it requires exploration of other possibilities based on tested knowledge and experience in similar fields before arriving at what is the best known way for the case under review. 1

In improving office procedures he has to make use of such principles as those on office layout, work distribution, materials utilization, and so on.

One question comes to the fore: to what extent must these principles be observed in the formulation of proposals? The management analyst is placed in a dilemma - and this is commonly experienced by the Canadian O and M people as well as those from the Philippines - when his proposals that may be based on both logic and principle are not acceptable to the chief executive. H. Laframboise realizes the difficulty that the analyst is faced with in this situation.

Certainly if the analyst believes that his proposals, taken together, are significantly superior to alternative solutions which are acceptable to the chief executive, he can hardly change them without, at the same time, losing his integrity. 2

There are occasions when the management man may have to deviate from certain traditional concepts and basic principles of organization and management, if only to get his proposals accepted. As one officer from

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1. Organization and Methods Division, H.M. Treasury, The O and M Assignment (mimeographed), United Kingdom, February 1951, p. 21.
 2. H. Laframboise, "Techniques for Analyzing Organization Problems", Canadian Public Administration, Vol. V, No. 2 (June 1962), p. 229.

the Management Analysis Division said, "It is better to have part of your recommendation accepted than the whole of it rejected." In one study, for example, it was recommended that the typists of the agency were to be pooled. There was an agreement in principle on the soundness of the proposal but the chief of the office did not want to part with his secretary. Rather than allowing the recommendation to be debunked completely, the analyst simply let the boss retain his secretary.

Another illustration of how management principles would conflict with the practical solution of a problem situation: the administrative officer (in charge of office services) of an agency that is involved mainly in legal work was found to be incompatible with the chiefs of the operating divisions (who were mostly lawyers). The division chiefs, who felt they were superior to the administrative officer complained about the way he controlled the provision of office supplies and services. Management-wise, his actions may be upheld, but there was a problem to solve and in this particular instance management logic would not work. The recommendation was to appoint from the lawyer division chiefs a senior officer (who was to be called a "superordinate") to whom the administrative officer would report. To this the agency head agreed and the problem was solved.¹

This writer got the impression that the Organization/Management Analysis Divisions are not opposed to alternate inferior

1. These illustrations were cited by officers interviewed in the Organization/Management Divisions.

recommendations, if that is the only way to solve the problem. For after all, as the Chief of the Organization Division maintains, the principal end in any management study is to solve a problem. The Management Service agrees to this; in fact, one standing policy of the office is to compromise on minor issues.¹

In the building up of proposals, one thing that the management analyst should guard against is the tendency to change the status quo of the organization without considering whether the change will bring about advantageous results. On the general trend of the recommendations of the Glassco Commission, one professor remarked that if the operation is centralized, they recommend that it be decentralized; if it is decentralized, it should be centralized. Change should be proposed not for its sake and there should be no hesitation in giving a department or a bureau a clean bill of health where it is deserved. The cost of change-over should always be counted.²

Too Much Emphasis on Report Writing

In the course of ^{the} study it is essential that the framework for the implementation must be laid down. Agreement of the operating people affected by the proposed system must be won and acceptance at

1. Sec. 405.05, Management Service Manual, op. cit.

2. Simpson, op. cit., p. 103.

the executive level must be assured. It is the observation of the Commission that in studies made by the Management Analysis Division too much emphasis is made on reporting and too little on the value of preparing the ground for implementation.¹

This is equally true of the modus operandi in Management Service, in which reporting is too formalistic a procedure; so much meticulous attention is given to the writing, review, editing and approval of the report that by the time it is released from the Management Service, the enthusiasm of the agency officials for the recommendations has ebbed; thus, the ground for implementation is weakened. Just a little elaboration on this: The recommendations formulated by the Survey Team have to be discussed and cleared with department officials before they are incorporated in a formal report. Knowing the rigid review procedure that the report has to go through, the analyst cannot afford to submit a shoddy, haphazard material. Thus, a great deal of man-hours are spent on the writing of the report. It has to be reviewed by the project leader (or Branch Chief, if it is a branch project), by the Assistant Chief and Chief of Management Service and then submitted to the Technical Staff for editing. The report is forwarded to the agency with a letter of transmittal signed by the Commissioner of the Budget and initialed by the Chief and Assistant Chief of Management Service. The writing of the report, the string of reviews, and the signing and counter-signing usually create a long idle lag from the time the recommendations were discussed to the time

1. Royal Commission on Government Organization, op. cit., p. 629.

the report is officially handed in to the department.

A firm of management consultants which conducted a general evaluation of public administration in the Philippines commented that while the reports [of Management Service] are useful records of what have been done and proposed, they in themselves are not self-executing.¹

Responsibility for Implementation

We come to the implementation part. "The moment of truth for a management survey," according to T.H. McLeod, "comes not when the final report is signed, but when a reasonable proportion of its recommendations have survived, in recognizable form, the withering fire of installation."²

But one may ask: Who should be responsible for the installation? In his study of systems and procedures responsibility in selected American companies, P. Thurston found out that a firm followed either of these methods: (1) systems planned and installed by specialists; (2) systems planned and installed by operating people; (3) systems planned by specialists and installed by operating people; (4) shared responsibility for planning and installation.³

On this issue of responsibility for installation, no consensus has been reached. H.O. Dovey observes that practices vary in the degree

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1. L.J. Kroeger and Associates, Report on Public Administration in the Philippines (1959), pp. 73-74.
 2. T.H. McLeod, "Glassco Commission Report", Canadian Public Administration, Vol. 6, No. 4 (December 1963), p. 390.
 3. P.H. Thurston, Systems and Procedures Responsibility (Boston: Harvard University, The Riverside Press, 1959),.

of participation of the management officer in the installation of his recommendations.¹ At one extreme his responsibility ends after his proposals are accepted. At the other extreme he actively participates in the implementation part. It is the general opinion in the Organization and Management Analysis Divisions, and was expressed by the Chiefs of both units, that the line executive is entirely responsible for deciding whether the proposals should be implemented and, if he decides that they should be, he has the primary responsibility for implementation. This is expressly provided in the memorandum of the Chief of the Organization Division to his staff in April 1961. The former Chief² of the Management Analysis Division maintains that the O and M man's job is to give the department advice that will enable the staff to go ahead on their own. "If we start implementing our recommendations, we're going to get entangled with departmental operations. It's none of our business; we've given our advice and then we should finish." This he qualifies, however, with the advice that the advising staff, in order to check effectiveness of its work and determine areas for further assistance, should make a follow-up on what is being done with its recommendations.

Theoretically, the Management Service agrees that the installation of recommendations shall be done by agency personnel.³

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1. H.O. Dovey, Handbook of Organisation and Methods Techniques, International Institute of Administrative Sciences (Brussels, 1951), p. 53.
 2. C.J. Gardner. See his Organization and Methods Service, mimeographed, (Ottawa: Civil Service Commission, December 3, 1952), p. 16.
 3. See Management Service Manual, op. cit., Section 417.

But in a number of projects, analysts have not only tendered advice but actually put into operation the proposed system. They initiated, for example, and continually checked on the progress of the installation of the production control system in the Bureau of Printing, prepared a manual on purchasing for the Department of General Services and supervised the installation in that agency of improved procedures on equipment utilization, laid out the mechanical details of records control and maintenance in the Bureau of Internal Revenue.

The basic assumption to remember is that the Management officer is a member of a specialized body, acting in an advisory capacity and in no theoretical way responsible for the execution of O and M work.¹

On the advisory character of O and M and the attitude of the department official, Mr. Hooley makes the following observation:

Several officers will devote their whole attention for months and perhaps years to a particular job And they produce a full report built up on [we hope] closely reasoned arguments in favour of changes to be made. This they respectfully submit to the department concerned, who give it a cursory glance and say, 'Thank you very much but we don't think we will bother'.²

Need for Follow-Up

Although the assistance is advisory, and casting aside the question of responsibility for implementation, the consensus is

1. Dovey, op. cit., p. 6.

2. Megan Hooley, "O and M: Advisory or Executive?", O and M Bulletin, Vol. VI (October, 1957), pp. 28-29.

that an appraisal of the value of service rendered is essential. It behooves the management advisors to ascertain the extent of, or problems regarding, implementation by making a systematic follow-up.

From time to time the Organization and Management Analysis Divisions conduct a persistent follow-up of their completed projects. One effective device used by the Organization Division is the use of a follow-up sheet which tabulates the recommendations in a given project and indicates the status of each.

The Division maintains a periodic correspondence with the client agency in which the former keeps tab of the progress of implementation by inquiring which recommendations have been implemented, which are not and why. This writer has been shown a number of communications from agencies giving reasons for the non-implementation of certain recommendations. Copies of directives by agency heads requiring their operating staffs to implement proposed reforms are furnished to the Organization Division. Of great advantage also is the occasional follow-up and inquiry made by the Treasury Board in a project it is interested in.

Compared with the Organization and Management Analysis Divisions, the Management Service needs a more aggressive method of following up its completed projects. Many a recommendation, otherwise accepted with enthusiasm and approved by the agency executive, has gone to desuetude because of the failure of the Service to make a continual follow-up.

The O and M Man Approach

The final point we will discuss in this chapter is the attitude and approach of the O and M man. More often than not, the manner in which he goes about his job and his relationships with the officials to whom he tenders counsel, will spell out the acceptance or rejection of his advice.

The O and M officer's advisory status means that he must secure approval of his recommendations from the head of the unit under review: If that approval is not forthcoming, the work, however good, of the O and M officer will have been largely a waste of time. He must therefore spare no pains to secure the collaboration of the head of the unit: it is the acid test of his personal qualities.¹

Both countries unequivocally maintain that O and M Service is essentially advisory. It is their standing policy that the analysts must assume a benevolent but self-effacing role and that, as we have mentioned, they take no responsibility for the installation of the management improvement they recommend. Constantly aware that they are only advisers, the O and M specialists from either government never attempt to impose any formal instructions upon the operating people, lest they make "O and M simply another executive superimposed on the existing framework".²

A related cardinal policy in both the Organization/Management Divisions and the Management Service is that the analyst

1. Dovey, op. cit., p. 8.

2. Milward, p. 242.

must strive to build rapport with the agency personnel and elicit their cooperation.

Laframboise's men abide by the following piece of thought which he has written:

Because he cuts across the administrative spectrum, the O and M man cannot be expected to be a specialist in every field in which he works. If he is to succeed in his work, he must create an atmosphere of mutual confidence and collaboration in the unit that he is studying. ¹

Likewise, analysts from Management Service seek to build a bridge of confidence at all important points of the agency organization; and endeavour to create the atmosphere of being welcomed and accepted. ²

It is axiomatic that a work improvement undertaking is likely to succeed if it proceeds from the willing cooperation of all concerned. This is expounded by Kingdom:

There is . . . a doctrinal element in the teaching that is given about the way in which the O and M man can best go about his job of investigation and advice, and particular stress is laid upon what may be called the diplomatic character of the work It is important . . . that the [operator's] confidence should be won from the start and that he should not regard the investigator as a hostile critic who earns his pay by bringing to light the inefficiency of others. ³

A good psychological technique to enhance enduringly cordial relations with client agencies is to allow them to claim

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1. Laframboise, "Administration Inspections . . .", op. cit., p. 195.
 2. Management Service Manual, op. cit., Sec. 405.05.
 3. Kingdom, op. cit., p. 41.

credit for improvements. Nothing can be more elating to them than being made to feel that they share paternity of the novel system. Both organizations under review buy this approach. Their reports, for example, do not bear authorship. Referring again to Section 405.05 of the Management Service Manual - it requires the analyst to observe that 'passion for anonymity'. Consistent with this slogan is R. Nottage's view that "O and M gets the best results if it is allowed to carry out its work unobtrusively and without the distractions of fanfare or spotlight."¹ The analyst does not have to seek recognition for his work. If his service is satisfactory, prospective clients may eventually get to know about it.

1. Nottage, op. cit., p.142.

CHAPTER IV

EVALUATING O AND M

Perhaps the most difficult phase of any study on organization and methods work is evaluating the accomplishments of the O and M Staff. The difficulty stems from the impossibility of accurately costing management improvements in terms of dollars. Popular is the opinion that the effectiveness of a management staff is gauged by the tangible improvements it has instituted. Does this mean that the success of the management staff is determined solely by the quantity of its recommendations implemented? This is rather an unfair and drastic way of measuring the success of the O and M Staff. While it would be very significant to evaluate the accomplishments of the Staff on the basis of its implemented recommendations, this is not the sole gauge.

How else then shall we assess the work of the Organization/Management Analysis Divisions and that of the Management Service? At the outset let us look at the accomplishments of and actual services provided by each.

Activities of the Central O and M
Staffs under Review

The main activity of the Management Analysis Division is the conduct of management surveys. Since its formation in 1948, the Division has conducted about 500 studies. To have a rough idea of its annual average number of surveys: 26 were completed in 1961 and 24 new ones started; 27 were started in 1962 and 25 in 1963. In the same year (1963) about 105 minor surveys, taking from one to twenty man-days, were completed.¹ These surveys dealt with a variety of areas: organization and methods in general; records management; electronic data processing, office mechanization, purchasing and storekeeping; work measurement and standards; financial procedures; operations research and related mathematical and statistical techniques.

The Division estimates that in recent years about eighty per cent (taking the average) of its proposals have been accepted, ten per cent under consideration, and ten per cent completely rejected.² (See Table.)

ACCEPTANCE OF PROPOSALS

Management Analysis Division
as of December 3

	1959	1960	1961	1962	1963
Recommendations accepted	86%	85%	88%	85%	57%
Recommendations under consideration	3%	2%	2%	3%	40%
Recommendations Rejected	11%	13%	10%	12%	3%

Table is based on Annual Report of the Management Analysis Division, 1963.

1. Figures obtained from the Annual Report of the Management Analysis Division for the year ending December 31, 1963.
2. Ibid.

It can be noted that the 80% refers to accepted, not necessarily implemented, proposals. As we mentioned earlier, the Division does not take responsibility for the implementation of its recommendations.

The chief activity of the Organization Division is also conducting surveys - purely organization studies. This is in line with the major purpose of its creation which is to take a periodic review of every government department.

To date the Division has carried out about 45 surveys of various government departments.¹ These studies covered organizational problems of varying type and nature. Several interdepartmental studies have also been undertaken, like those on construction engineering, public health engineering, and on mapping and technical surveys. Of the total organization studies, about 65% have been implemented, 10% not implemented and 25% partially implemented. With this impressive record of performance, the Division seems to be cutting a swath of effectiveness in its work.

Like its counterparts, the Management Service is engaged mostly in the survey of organizational and procedural problems of the national government. There are no available figures, but it can be estimated that since its inception in 1957, the Service has conducted management surveys in about 50 agencies, including some five government corporations.² In the main, these are general studies

1. Interviews with Mr. H.L. Laframboise, Chief, Organization Division, and Mr. D. Lavalley, also of the Organization Division.

2. Estimates are based on knowledge of this writer as member of Management Service Staff.

on agency organizational structures and operations; a number of them dwell specifically on records control and disposal, work simplification, purchasing, billing procedures, accounting, space management, production control, mail operations, and administrative issuances. As regards acceptance and implementation, no statistics are at hand, for the Management Service has not kept record of these. For the reason that - like the Canadian O and M Divisions - the Management Service does not formally assume responsibility for implementing its recommendations, acceptance can not be equated with implementation. It can be said, though, that the percentage of accepted proposals is impressively high.

The other activity that takes quite a substantial portion of man-hours of analysts, both in Canada and the Philippines, is training. Approximately, they devote 20% of their time serving as resource persons in government training programmes.

In collaboration with the Staff Development and Training Division, the Management Analysis Division sponsors periodic training programmes for federal senior and intermediate administrative officers on management improvement (management analysis, work measurement, paperwork management, office mechanization, electronic data processing). They are either short appreciation courses designed to expose administrators to management improvement techniques or detailed courses aimed at training agency specialists on these techniques.¹

1. Brochures on Management Improvement Training Programme for 1964-1965 and 1965-1966, Civil Service Commission, Canada.

An example of these training programmes is the one-week appreciation course on management analysis and work measurement conducted at the War Supplies Agency Centre in Kemptville, Ontario.¹ Designed for intermediate officers of the Canadian civil service, the course aims to:

1. Stimulate interest in management improvement techniques by describing and demonstrating how they can be used to increase productivity and improve services;
2. Create an environment in the Public Service that will be conducive to the effective application of these techniques.²

In a way the course is residential in that the participants are taken away from their working stations and are made to live in one dormitory in the locality where the training is held. The course consists of forty hours of seminar and syndicate sessions on the manager's responsibilities; organization and management analysis, work simplification, work measurement, management controls, and work standards. Resource speakers come from both the government and private industry.

The Management Service has a Training Branch which provides technical assistance to government agencies on the development and administration of management training programmes. It also conducts periodically a training course for management analysts of government agencies. So far six training classes have been completed and a total of about 200 participants representing around 93 agencies of

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1. This author had the opportunity to attend this course.
 2. Civil Service Commission, Management Improvement Training Programme, a brochure (May 7, 1964).

the government have graduated from the course.¹ A noteworthy achievement of the Management Service in the field of training is its co-sponsorship (with the University of the Philippines Graduate School of Public Administration and the Civil Service Commission) of the three-week management seminar in 1963 for bureau directors of the entire national government of the Philippines. The seminar was patterned after the syndicate classes conducted at the Australian Administrative Staff College. Two years earlier the Service had organized a nation-wide management seminar for government local officials which was held in strategic sites of the country.

But one may wonder: Why should the two central O and M organizations spend considerable time and manpower on training instead of doing more management survey work for which they are primarily established?

In one of its reports in 1949 the United States Commission on Organization of the Executive Branch of the Government, popularly known as the Hoover Commission, took issue of the work and accomplishments of the Division of Administrative Management of the Budget Bureau. It remarked that the Division

had done some good work during the nine years since it was established . . . but on a casual basis. [It] had

1. As of 1960 a total of 147 graduated from four training classes, according to a Report on the follow-up of these courses submitted by the Training Branch to the Chief of Management Service on July 15, 1960. Thereafter two more training classes were conducted.

depended more upon training conferences to inform operating personnel than upon practical demonstrations and extensive applications. ¹

Commenting on this observation of the Hoover Commission, the Chief of the Management Analysis Division and a member of his staff emphasized the supreme importance of training in the promotion of administrative improvement in the government. ² It was pointed out that the best way to propagate the idea of improved administration through good management is to gather managers and supervisors at a seminar and explain to them what tried and tested management techniques can do for their organizations.

The active involvement of the Division in training has been tremendously boosted by the heavy demand from departments and agencies for training courses in management improvement techniques. The demand has steadily grown as a result of the recommendations of the Glassco Commission that the Management Analysis Division should intensify its detailed training courses, especially in such areas as work simplification, work measurement, systems design and related subjects. More practical instructions and less discourses on principles were recommended. ³ One of the Commission's findings in the area of personnel management is the urgent need of public employee training and management development. ⁴

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1. U.S. Commission on Organization of the Executive Branch of the Government, Report on Fiscal, Budgeting, and Accounting Systems of Federal Government, January, 1949 (Washington: Government Printing Office), p. 47.
 2. Interviews with Mr. H. Baird, Chief, Management Analysis Division and Mr. G. Tunnoch, Management Officer, in same division.
 3. Royal Commission on Government Organization, Vol. I (Ottawa: Queen's Printer, 1962), p. 628.
 4. Ibid., pp. 375-377.

The preponderant view among the officers of the Management Analysis Division is that their participation in training programmes - delivering lectures, meeting with managers and supervisors - can do a great deal of good for the organization as well as the staff. Through training sessions they can advertise the services of the Division. Analysts who prove themselves to be effective resource speakers build a reputation, and thus win a bigger clientele, for the M.A.D. They consider conducting lecture sessions as an excellent training ground for developing ability in verbal expression, which is an essential quality of a "salesman" of ideas like the management analyst. It is for these reasons that not only the Management Analysis Division, but the Organization Division as well, has maintained a policy that lays a premium on management training activities.

The Management Service is not free from the general indictment that it is engaged too actively in training. The criticism emanates particularly from certain sectors of the government which are equally involved in interdepartmental training programmes. To begin with, as a rejoinder to this criticism, the Management Service is vested by Executive Order 279¹ to develop training programmes relative to organization, operating methods, management techniques and the like.²

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1. Implementing Government Reorganization Commission Plan on Budgeting and Accounting (see footnote 1, p. 99).
 2. Government Survey and Reorganization Commission, A Report on Budgeting and Accounting (Manila: Bureau of Printing, 1956), pp. 19-20.

The argument propounded by the central O and M staffs of Canada that management improvement requires a lot of "salesmanship" and persuasion is even more applicable to the Philippine Government in which organization and methods as a scientific approach to administrative problems is relatively new. One can easily realize that, in an emerging republic like the Philippines, opening up the minds of administrators and moulding their attitudes toward modern trends in administration is an absolute necessity. Management Service Staff subscribe to the view that in most cases the real problem in O and M work is not the distrust of line officials on the technological value of a proposed system but their state-of-the-mind resistance to change (this will be dealt with further in the next chapter). This is where training comes in. The office also agrees with the idea that the participation of analysts in training programmes is an indirect "promotion" for the role and functions of the Management Service in the national government. From experience the analysts feel that such a relatively small central O and M staff is being gradually lifted out of obscurity partly because of its training activities.

In providing assistance in specialized areas, the Canadian Government has made significant strides ahead of the Philippine Government. The Management Analysis Division, through its experts on electronic data processing, operations research, office machines, motion and time study, has helped a number of agencies install computerized systems, mechanized procedures, work

measurement and standards programmes. The Division also conducts detailed training courses on these management techniques. Because of its lack of experts along these lines, the Management Service has not gone into the refinements of these specialized areas, which more or less border on the management engineering side.

Research and dissemination of management improvement literature constitute another activity of both the Organization/Management Divisions and Management Service, which activity takes about ten per cent of their working time. Considering their limited manpower, which prevents them from penetrating as many sectors of the government as need their help, the two central O and M organizations have to develop practical guides and reference materials on management improvement for the use of government superiors and agency O and M personnel. They also have to do organized research on special areas of management that tend to promote professional growth and staff development.

The two divisions have produced a substantial output of manuals which include: The Analysis of Organization in the Government of Canada (1964); Manual on Transcribing and Typing Services (1963); Guide on the Use of Work Sampling (1963); The Conduct of a Feasibility Study for an Electronic Computer (1963); Manual on Purchasing (1963); Introduction to Work Measurement (1963); Manual on Stores Keeping (1964).

Similarly, the Management Service has prepared quite a number of management guides and handbooks: Guide to Plain Letters (1958); Handbook on Records Maintenance and Control (1959); Guide

to Selection of Office Machines (1960); Handbook on Records Disposition (1961); Handbook on Work Simplification (1962); Handbook on Office Layout (1962). In the process of printing are: Handbook for Management Trainers and Organization Manual for the Republic of the Philippines.

This writer has been impressed with the system in which information service is maintained and discharged in the Management Analysis Division. A comprehensive collection of materials - books, pamphlets, periodicals - on management and O and M is indexed and classified in the Information Centre. With the use of the scientific "uniterm" system,¹ an analyst, whether he is researching for his lecture at a training programme or for his management survey project, can obtain a ready help that leads him to the precise sources of information on a given subject.

The Management Service is sadly deficient in this area of information classification and retrieval. The introduction of the M.A.D. system would be of immense aid to facilitate the research work of management analysts in the Philippines.

In addition to the above-described activities, the O and M agencies under review perform other miscellaneous advisory

1. The Uniterm System of Coordinate Indexing was developed by Documentation Incorporated for the U.S. Armed Services Technical Information and introduced in various information centres in the United States and Canada. This is a method for the organization, storage, and retrieval of information by analyzing the contents of the material into the simplest practical word units of information. See Installation Manual for the Uniterm System of Coordinate Indexing, published by Document Service Center, Dayton, Ohio.

services. They are often consulted on various aspects of management improvement without the normal procedure of getting a formal request from the agencies and doing a true-to-form survey. The Management Service, for one, is often asked to comment on proposed legislation regarding the abolition of offices or the revamp of establishments which is referred to the Budget Commission for comment and in turn passed on to Management Service. The Service also rendered technical assistance in the implementation of approved recommendations made by the Reorganization Commission. In Canada the responsibility for implementing the Glassco reports was entrusted to a body appointed by the Cabinet, the Bureau of Government Organization.

Criteria for Evaluation

The foregoing account indicates the miscellany of activities that the subject O and M units perform and have accomplished. The logical query is how these services and accomplishments have improved public management. How are they to be assessed? The standard formula would be to compute the savings realized as a result of O and M studies. Unfortunately no statistics on actual or potential savings on O and M achievements in the Philippines can be offered. The Management Analysis Division has come up with rough estimates of savings that could be derived from the results of its studies. From 1948 to 1951, for example, an annual savings of over \$2 million was computed to have proceeded from the surveys finished during that period.¹ It was estimated

1. C.J. Gardner, The Management Analysis Division (C.S.C., 1961), p. 2.

that the projects completed that year resulted in savings of approximately \$5 million.¹ This figure represents a saving of \$26 for every dollar on the operational expenditures of the Division. Other annual reports indicate figures on potential savings in cost, claiming though that "these cash savings, important as they are, are secondary to the results which have been achieved in terms of improved service."² They do not include the immeasurable, the intangible benefits derived from management improvements.

Some projects are of such a nature that none of the advantages of the proposals can be conveniently measured [such as] better quality of work, faster results, more harmonious working relationships, and the conservation of [executive time].³

Our answer to the question as to whether the effectiveness of O and M work can be priced or should be priced in quantitative terms is absolutely in the negative. In the first place, few agencies will bother to do the tedious job of computing savings. One of the agency management units that responded to the questionnaire sent out by Lyngseth in connection with his thesis⁴ replied, "Estimates of savings are costly to make, we do not make them." Another respondent had this reply: "No parade of savings is attempted since this work cannot be attributed only to the [O and M] Division; it requires the

1. Civil Service Commission Annual Report for 1960.

2. Annual Report, C.S.C., 1949.

3. Gardner, op. cit., pp. 6-7.

4. Lyngseth, op. cit., p. 489.

assistance of departments." This response is based on the assumption that the success of any management study depends upon the cooperation of the operating people. "It is rarely possible to apportion the credit for a successful job; for the ideas of the adviser and the operator sometimes become entangled."¹

The conventional method of costing management improvements by the dollar - computing production costs after improvement with costs before improvement, relating potential or actual savings after improvement with overhead expenditure for O and M services - is very useful indeed. But it is not the only way to evaluate O and M achievements. It may be suggested that evaluation can be made on the basis of the performance efficiency of the office benefited by O and M assistance. But how can efficiency be assessed? To relate output with input would also be a difficult process. Says Milward:

Efficiency is a state of affairs, not to be sought for by itself but a by-product of correct action in all the relevant fields. . . . The greatest value to be derived from efficiency studies is the promotion of a state of efficiency-mindedness. Efficiency is only really produced when it becomes an attitude of mind in every single person concerned with the undertaking It is not something that can be produced once and for all by the . . . introduction of new methods. 2

Efficiency can not be treated as something that can be precisely measured; in many forms of services that do not show profits in the ledger book, efficiency exists. In some studies,

1. Kingdom, p. 41.

2. Milward, p. 252.

the recommendation might even increase expenditure if only to improve the service rendered to the public. O and M staffs "work rather on the basis that their function is to help the responsible officer to improve the means by which he executes his tasks, but economy nearly always results as a by-product."¹

What we have been suggesting all along is that the services rendered by O and M are tremendous but incapable of being accurately priced. How could training, for example, be costed? How could you measure management consciousness being generated as government officials get exposed to the principles and techniques of management improvement? Lectures that management officers deliver in training classes cannot be costed. The effectiveness of supervisors after a management appreciation seminar cannot be appraised in terms of dollars.

We have quoted some of the estimates made by the Management Analysis Division in an effort to assess the benefits obtainable from O and M work. According to the study by Lyngseth² it can be safely assumed that the annual savings resulting from O and M activity within Canadian Government would roughly amount to \$8 million dollars.³ Lyngseth concludes that O and M function in Canada is more than paying its way.

1. Kingdom, op. cit., p. 42.

2. Lyngseth, op. cit., p. 490.

3. This includes the estimated savings derived from departmental O and M services. The author says only a third of the units contacted in this study had any savings estimates to offer.

These statistics are impressive and do speak for the tangible results of O and M services in this country. Without de-emphasizing their value, we cannot, however, have direct costs being related to the final product as the best means to have a fair comparative valuation of O and M work in the two governments. In the first place, as stated earlier, no records of costs and savings are available in the Philippines. It would surely be a commendable job - though a painstaking one - for the Management Service to determine the effects of its recommendations by doing some computation on measurable results and recording savings initially and cumulatively. Secondly, as mentioned previously, there are other equally important benefits which cannot be measured. Thirdly, governmental operations cannot be assessed on a profit-and-loss basis as can be done in private industry.

Some other means may be used to evaluate O and M work in the two subject governments.

In an attempt to determine the cost and worth of the work of the Royal Commission on Government Organization, T. McLeod writes:

The ultimate purpose of the Commission must surely be to secure organizational change. The proper measure of a Commission's usefulness can only be the extent to which, through its reports or otherwise, it provokes, promotes or facilitates such change. This much is true of any management study. 1

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1. T.H. McLeod, "Glassco Commission Report", Canadian Public Administration, Vol. VI (1963), p. 388.

This criterion can be applied to studies made by the two Canadian O and M units and the Management Service. To what extent have they provoked, promoted or facilitated change?

If by change we mean the implementation of recommendations, we are again faced with the difficulty of coming up with figures and categorical assertions, in view of the fact that neither the Management Analysis Division nor the Management Service can show by conclusive records how many of its reports have been implemented.

We can cite, though, some of the projects of the Management Analysis Division which have been installed: the prairie rehabilitation programme at the Department of Agriculture; microfilming services in some agencies of the government; review of government statistical activities; storekeeping activities at the Department of Public Works; work measurement systems in public works laboratories; filing procedures at the Department of Veterans Affairs; feasibility studies at the Departments of Transport, Agriculture, Defence Production, and at the Comptroller of the Treasury.¹ To show further how the studies of the Division have provoked change, we can cite the departmental O and M units which have been created upon its recommendations, the increased demands of agencies for training assistance and off-and-on advisory services.

Likewise, it can be claimed that changes in Philippine Government agencies have taken place either under the influence of

1. Interview with Mr. C.J. Gardner.

the Management Service or as a result of the impact of its management studies. To mention a few of the projects implemented, those that come to mind are: records maintenance and control in the Bureau of Internal Revenue and at the Public Service Commission; handling delinquent accounts in the former; records disposition at the Bureau of Records Management; organization and procedures at the National Marketing Corporation; work simplification and establishment of performance standards at the Immigration Services Unit; organization and procedures at the Department of General Services; production control system at the Bureau of Printing. Changes in establishments in a number of offices have been effected upon the review made and advice given by the Management Service. The creation of management staffs and the appointment of management analysts in a number of departments and bureaus (mentioned elsewhere in this paper) have come about partly, if not largely, upon the instigation of Management Service. About seventy per cent of the agencies of the national government and several local governments have been conducting training programmes on management and supervision, which is an indication of the trend towards the stimulation of management consciousness among Philippine administrators. Most of these training programmes have been developed and conducted jointly by the Civil Service Commission and the Graduate School of Public Administration. One large-scale training activity that was launched in conjunction with a project handled by Management Service was the series of training programmes conducted by the Bureau of Internal

Revenue for its central headquarters and local officials.

The Organization Division maintains that about sixty-five per cent of its recommendations have been or are being installed. To name just a few of its major organization studies which have been implemented: the Department of the Secretary of State (Bureau for Translations, Administrative Services, Central Control Functions); Departments of Forestry (entire department), Mines and Technical Surveys, Post Office (entire department), National Revenue (Customs & Excise Division), House of Commons (entire administrative staff), Northern Affairs, National Health & Welfare (Food and Drug Directorate).¹ As an illustration of how these studies provoked or facilitated change, perhaps it would be interesting to quote from communications and press items written about organization changes recommended by the Division.

In a Statement on the submittal of the main estimates for the House of Commons Staff on November 27, 1964, the Speaker made reference to the reorganization of the Staff, which was the result of a study made by the Organization Division:

The most notable event on the administrative side has been a thorough organization study of the structure of the staff and services of the House. The result [of the study] has been a complete reorganization, carried out . . . to provide sufficient senior staff to relieve the Clerk of administrative routine and to pursue problems to a solution.

On July 13, 1964, the Speaker wrote to the Chief of the Division:

1. Interview with Mr. E. Lavalley.

" . . . I am completely satisfied that the new organization is a great step forward and we shall always be much in your debt."

The reorganization also became the subject of editorials and press items. For instance, the editorial of the Montreal Star on May 25, 1964 said in part:

Like everything else in the Parliamentary system, the staff arrangements of the House of Commons have 'just been groomed', acquiring a fine old patina of precedent and usage.

And in the Ottawa Journal on May 21, 1964, the House of Commons was reported to be

making sweeping administrative changes to promote efficiency and remove bitterness and discord among its 1,000 employees. The recommendations were made by a Special Commons Committee on Procedure and Organization.

Another evidence of departmental action on survey recommendations of the Organization Division was this letter written by the Secretary of the Treasury Board to the Deputy Minister of Forestry on May 6, 1964:

Treasury Board at its meeting on Monday, May 4, considered your request for approval in principle of a reorganization plan for the Department drawn up by the Civil Service Commission Organization Division. The Board approved the plan in principle which will consolidate research activities eliminating the need for three separate research branches.

An organization study that proposes to institute change in the structure of a government department could stir public opinion.

Consider this news item in the Globe and Mail on January 12, 1964:

Transfer of Laboratories from Sault Ste. Marie Stirs Opposition.

. . . The proposal for an integrated and unified management of field activities on a regional basis came from a group study analysis by an expert and two officers of the Forestry Department last Spring. 1

We have tried to show how the results of studies made by the three central O and M Staffs have provoked or facilitated changes in government departments. If the stimulation or institution of organization and administrative changes were the standard, then the subject central O and M bodies have proved their usefulness. To borrow the statement of G.V. Tunnoch regarding the work of the Glassco Commission, they have done "more than just provide a climate for change, [have] identified clearly and in detail the major problems plaguing many of the government agencies."² The crystallization of these problems ushers in vast opportunities for change and improvement.

Another good evidence for justifying the maintenance of the O and M unit is suggested by Milward: "the existence of a strong order book and the reappearance of the same users' names, showing that they are satisfied customers."³ Under this criterion, there can be no doubt that the great need for both the Canadian and Philippine Management Staffs is absolute and certain, considering

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1. All these excerpts from letters and press releases were obtained from the correspondence and news clippings files of the Organization Division.
 2. G.V. Tunnoch, "The Glassco Commission: Did It Cost More than It Was Worth", Canadian Public Administration, Vol. VII, No. 3 (September, 1964), p. 393.
 3. G.E. Milward, Launching and Managing O and M (London, 1961), p. 53.

the volume and constancy of requests for assistance that they receive. Many of these requests have to be declined, or fulfilling them postponed, either because of inadequate manpower or because of previous commitments. Communications between agencies and the O and M units which this author is aware of or had the occasion to see, attest to this.

H.H. Fite proposes to evaluate the performance of a management staff by ascertaining whether it is purposeful, fruitful, skilful, rewarding and whether it is really doing organization and methods work.

If [the staff] is engaged on peripheral matters while big issues are going begging, if it is making its way on a 'foot in any possible door' basis, it can mean that it is poorly led and its work poorly planned If its activities are trivial because top management is not sure of its purpose, that's another symptom calling for different treatment. 1

Both the Organization and Management Analysis Divisions, on carefully planned modus operandi as described in previous chapter, have been involved in survey projects of no mean magnitudes, some of which we have enumerated. Space would not allow the recital of many more of these major studies.

The Management Service likewise has handled big O and M work, such as those projects previously mentioned. Major organizational creations and changes, either through special legislation or through the national budget, have been referred to the Service. The Service

1. H.H. Fite, "Evaluating the Work of Office Methods Staff", O and M Bulletin (August, 1957), p. 186.

has participated in reorganizing the national government, organizing new offices, and in the resolution of interdepartmental problems. In evaluating the work of the Management Service, Louis J. Kroeger and Associates, has taken note of the vital role of the Service in assisting the operating agencies to improve their organization and methods. "The Staff has been frequently called upon for this purpose, and has done its job well. The reports by the Service are thorough, perceptive, well arranged and well written."¹

There is no speck of doubt that the Canadian and Philippine O and M agencies perform pure and real organization and methods work as we have expounded in our description of their methodology and recital of their accomplishments. And that they are possessed of the necessary technical skills and competence to perform O and M work can be deduced from the quality of their staffs, which was depicted in our section on staffing O and M. By any means the central O and M Staffs under review can measure up to the standards set forth by Fite.

In this chapter we have reviewed O and M accomplishments both in the Canadian and Philippine Governments and have essayed an evaluation. The message that we have been trying to convey is that while records on dollar savings realized from management studies are

1. Kroeger, op. cit., pp. 73-74.

meaningful and impressive, they can not be made accurately reliable and would always be incomplete and do not represent an adequate measure of O and M effectiveness. The obvious reason is that numerous benefits derivable from a management study are incalculable.

CHAPTER V

PROBLEMS OF O AND M

From the preceding description of the workings of and achievements in O and M in Canada and the Philippines, the conclusion may be drawn that the governments of these countries are doing valuable work in the field of O and M. But we cannot stay complacent in the comfortable feeling that obstacles are not on the way toward standards of better performance. The problems of O and M become formidable as they are being related to the structure of government as a whole and with certain economic, political and social factors affecting public administration in each state.

In comparing organization and methods practices in Canada and the Philippines on the basis of O and M problems in each country, it should be stated at the outset that in certain conditions the two are not comparable. The economic problems, for example, which impede administrative improvement efforts in the Philippines are practically non-existent in Canada. Certain cultural factors that affect Canadian administration may not be the same cultural factors affecting Philippine administration. Or geographical

conditions may pose certain problems in Canada not in the same way that they cause problems in the Philippines. In other words, in the course of the comparative discussions that follow, we cannot always adhere closely to a common frame of reference.

The problems that envisage O and M practices in the Canadian and Philippine Governments may be broadly grouped into: (1) those problems pertaining to or arising out of certain geographical, social, cultural, economic and political factors; and (2) miscellaneous problems such as those relating to the attitudes of line officials and the behaviour of management officers, and those emanating from administrative practices tending to undermine the effective performance of O and M.

Geographical Factors

Our consideration of the ecological aspects of public administration in the analysis of the problems of O and M is premised on the assumption that many of these problems take roots from the environment in which public administration operates. Some of these environmental or external factors may not have a direct bearing on organization and methods practices, but it is no stretching of the imagination to suggest that the ecology of government can affect the efforts of administrators and efficiency experts to introduce changes in an organization. Take a nation's climatic conditions. In their "Observations on Environment of Philippine Public Administration", J.E. Larson and E. Stene aver:

Without doubt climate affects personal emotions and attitudes as well as the physical needs and demands upon ingenuity. The enervating effects of tropical climate are clearly evident and may explain in part the amount of time required to complete even the simplest routine activities of government. ¹

This author is not aware of a particular work study in which the "enervating effects of tropical climate" were considered in the determination of time requirements and setting up of standards for a given job. But no experiment would be necessary to prove that employees cannot do a fair day's work where they have to combat fatigue and weariness in oppressively hot office quarters. This is particularly true of most government offices in the Philippines. If work measurement would be conducted in Philippine government offices, it is a foregone conclusion that the result will reveal decreased employee output and production in summertime. This explains the yearly issuance of an executive order from the Office of the President allowing civil service employees to work half-days from April 1 to June 30.

In the Canadian civil service with offices adequately equipped with facilities adaptable to the requirements of climatic fluctuations, climate hardly affects efficiency in government business.

"Emotional sensitiveness, also, is sometimes attributed to climate."² It is not within the domain of this study nor the

1. Edwin O. Stene and Associates, Public Administration in the Philippines (Manila: Bureau of Printing, 1955), p. 4.

2. Ibid.

competence of this author to analyze the effect of climate upon human behaviour (this field is the psychologist's), but it is very likely that the "emotional sensitiveness" of the Canadian public servant is at variance with that of the Filipino. Sensitiveness to criticism, emotional reactions to change, attitudes toward proposed management techniques - that these are a problem in the promotion of management improvement programmes is manifested perhaps more markedly in the Philippine than in the Canadian civil service. Stene suggests that: "Administrative and supervisory techniques in government must be adapted to a likelihood of highly emotional responses among employees and the public alike."¹

Another environmental factor which may have an effect upon administrative improvement is physical geography. That the Philippines is composed of islands creates problems of transportation and communication, which problems explain the difficulty of local governments and field units to benefit from the modern management techniques introduced in the national or central office. The technical skills and advisory assistance of O and M specialists cannot be made easily available to the regional offices. Most of the surveys of Management Service, for example, have been confined to central offices of departments although in certain cases, analysts may have to visit field units, at a heavy expense borne jointly by the Budget Commission and the requesting agency. Inadequate

1. Stene, op. cit., p. 4.

communication prevents the free flow of management ideas and techniques and the diffusion of the influences of technological advancement from the national government to local governments or from the progressive local governments to the less progressive ones. A visit to Philippine regional offices which will reveal knowledge and sight of sub-standard facilities and defective procedures will confirm these observations.

Canadian administration, on the other hand, in spite of the country's geographical vastness does not suffer from problems such as above-mentioned. In fact, this writer, who had the opportunity to visit quite a number of municipal offices in Ontario and Saskatchewan,¹ observed that many of them seem to operate more efficiently, look better furnished and equipped, and have more wholesome working environments than their counterparts in the federal government. As we intimated in the first chapter, some of the provinces have achieved remarkable strides in organization and methods.

Of course, the problems of O and M related to geography are tied up with economic factors, which will be discussed later.

Cultural Factors

Social and cultural factors are inextricably linked with governmental administration. The cultural traditions of a people can influence their administrative behaviour and their political

1. In connection with his internship programme as a Colombo Plan trainee.

relationships. Many administrative practices, which tend to obstruct sound and efficient administration, have developed from an environment of age-old customs and mores. Political nepotism, for example, which is one of the cardinal sins of the Philippine civil service - for it contradicts the concept of the merit principle and thus subverts proper staffing which is a key to the success of any management improvement program - may be traced to what F. Hendy calls "personalized value premises lying behind bureaucratic action." He is referring to such social values as family and kinship ties, favouring of friends, and the like, which are prevalent among Filipinos and which influence their administrative behaviour.¹

Status symbols which have their beginnings from colonial rule under Spain, play a prominent part in Philippine bureaucratic organizations. In many public offices, for example, the arrangement of desks and the locations of the boss' room, which are determined in consideration of personal status rather than efficiency, are an anathema to the principles of office layout. Adhering to the status concept "often requires indirect approaches to such administrative problems as the simplification of office procedures."² (With its considerable exposure to western management practices, however,

1. F. Hendy, "The Philippine Administrative System - A Fusion of East and West", Toward the Comparative Study of Public Administration, ed. by W.J. Siffin (Indiana University, 1951), p. 265.

2. Stene, op. cit., p. 6.

Philippine public administration has been gradually shedding many of these obsolete attitudes and traditions.)

In Canada the relation between culture and problems of O and M takes a different form from the Philippine situation. As we suggested in the beginning of this chapter, cultural problems affect Canadian public administration not necessarily in the same way that they do Philippine administration. But our basic proposition stands that cultural factors do influence administrative behaviour and practice and to a large extent determine the application of particular O and M techniques.

One cultural factor that poses a serious problem in Canadian public administration is bilingualism. The existence of two official languages presents a lot of difficulties for example in the preparation and printing of official documents, issuance of administrative communications, design of forms, and other areas of paperwork management - which a management analyst deals with. Many of the forms used by the public are bilingual or are published separately in French and in English. Government stationery has bilingual letterheads or has letterheads printed in each language. Some government literature may have to be translated in French. Most printed matters, pamphlets and brochures from government agencies come in two versions - English and French. Off-hand, no estimate can be offered of the cost of maintaining the bilingual character of paperwork in the Canadian federal government. But the reorganization commission has estimated that more than 100,000 different forms are

printed at a cost of at least \$5.5 million annually. The cost of clerical services in producing these forms is even more staggering - an annual bill of \$100 million for the whole public service.¹ No less important, because it is equally costly, is the practice in many departments to translate correspondence into English or French. In a department whose business transactions have to be recorded in English, a letter received in French will have to be translated into English, a reply to be prepared in English, and a translation into French will be mailed.²

If government documents, communications, and forms were prepared and printed and correspondence written in only one language, the cost of paperwork would surely be almost cut in half. Of course, it is unwarranted to recommend the use of only one language in government paperwork business. The systems man who would dare disturb the preservation of minority rights would be in trouble. The best that he can do is to devise a procedure or a form that would be most economical with the use of the two languages.

The question of biculturalism and bilingualism which remains a significant factor affecting management practices in the Canadian Government, is a perennial problem that the management analyst must put up with.

1. Royal Commission on Government Organization, op. cit., pp. 486-487.

2. Cited by the Royal Commission, op. cit., p. 491.

Political Factors

In the first chapter, where we discussed the salient aspects of Canadian and Philippine Governments, we pointed out that many problems of O and M emanate from the political environment of administration. Politics plays a prominent and important role in the scheme of administrative affairs. Its influence on the organization and the behaviour of the executive can either promote or upset a management improvement programme.

The success of improvement efforts will depend to a large extent upon top management support; declares Milward:

Unless all levels of management from the Board of Directors downwards are willing to accept that self-criticism and self-examination are the basis of successful business, the value of management services to improve efficiency is bound to be limited. 1

He stressed also that the Board of Directors and the agency head must demonstrate by action that they will support O and M in the pursuit of its objections.

It must be remembered that the authority for the implementation of whatever recommendations submitted emanates from the agency head. For this reason, an O and M officer must strive to get the genuine and energetic support of the top executive. It is not enough that the department minister or secretary, or bureau head has acted to sponsor the improvement project by signing the letter of request. He must show to his staff that he is in earnest

1. Milward, Launching and Managing O and M, op. cit., p. 238.

behind the programme.

In an interview with some officers from the Organization Division, they pointed out that it would be difficult to get a department Minister actively involved in a management improvement programme, considering the multifarious tasks he has to attend to. His political character requires him to discharge a multiplicity of duties - duties as a member of Parliament, as a Cabinet Minister, and as a department chief executive. Usually the O and M officer deals with the deputy minister, but the introduction of major organizational changes has to be cleared with and approved by the Minister. Often implementation is held up because the Minister is too busy to look into the submitted recommendations.

The stability of administrative leadership is also an important factor that may insure the progressive development of an O and M project. If the headship changes before the completion of the project, the project gets disrupted and tends to drag on. A case to illustrate this point: The first year of the administration of the present Philippine President was characterized by his penchant for shuffling department secretaries and bureau directors. The shuffling spree was so fast and frequent that some appointees held three portfolios or directorships in a row, or an agency was headed by three different administrators successively in a period of twelve months. One of those greatly affected in the shake-up was the Bureau of Internal Revenue. The Bureau had a succession of

three commissioners¹ in the course of a management improvement project, so that the team of analysts had to brief each of them one after the other. Every time that a new commissioner was appointed, there had to be some "selling" done - on the objectives of the programme, benefits and methods of operation, etc.

A similar situation happened in the Bureau of Printing where the directorship changed hands three times during the period that a systems project involving the various divisions was being undertaken. The frustrating part of it was that one of the incumbents did not have the capacity for management appreciation.

In Canada the repercussion of Government turn-over upon management improvement programmes is well illustrated by the case of the Saskatchewan government which a year ago changed Administration from the C.C.F. (Cooperative Commonwealth Federation) Party to the Liberal Party, after the former had been in power for less than two decades.² The transition from one government to another which was accompanied by the re-arrangement of posts, shuffling of ministry heads, and re-assignment of senior administrative officers, generated an atmosphere of uncertainty and anticipation. The organization and management studies of the Budget Bureau were temporarily suspended. Administrative analysts kept on conjecturing

1. The head of the B.I.R. carries the title of Commissioner and the assistant head, deputy commissioner.

2. This writer at the time happened to be with the Budget Bureau of that province on a training attachment programme.

on the fate of their survey reports and recommendations - what the attitudes of the succeeding officials toward management improvement would likely be.

The above situations amply illustrate the idea that the change in the administrative leadership of an agency owing to the current of politics is a crucial factor that can sharpen or foil advances in management improvement in the government. O and M people in both Canadian and Philippine Governments have experienced that their work gets snagged with the succession of a progressive-minded executive by a man with colonial and in-bred ideas; it is the other way around in the case of an administrator's insouciance towards improvement being replaced by another's dynamic leadership.

In examining the political problems of O and M, one factor that deserves no passing attention is patronage in the civil service. We stressed in an earlier chapter the absolute importance of competent personnel in an organization; now we are re-stating the truism that no organization change or improved procedure, however sound and spectacular, will work out in the hands of incompetent personnel. And no improvement can be expected of an organization that, in the first place, is poorly staffed.

"A perfect organization badly staffed," says Dawson, "will at best achieve mediocrity; but a very able staff poorly organized will usually contrive to circumvent many obstacles and turn in at worst a fairly adequate performance."¹ At times

1. R. Dawson, The Government of Canada (Toronto: University of Toronto Press, 1962), p. 292.

management officers have to contend with a bunch of mediocres who stand in the way to improvement. An officer from the Organization Division said that in one of his studies, he recommended the abolition of the position of an employee who he believed was unfit for the job responsibilities he was performing. But I wonder if this action would be feasible in the case of a position which was created by legislation purposely to accommodate the person, as is not uncommon in the Philippine Civil Service.

Although political patronage has in the last five years declined on account of civil service reforms and improved administration, the Philippine Government is still burdened with a multitude of political lameducks and sinecures who have been taken in not on the basis of merit but through the intercession of powerful politicians. Some government offices are swelling with personnel whose services can be dispensed with. The O and M analyst is aware that an agency may be overstaffed and his logical recommendation would be to lay off the excess personnel. But his practical management sense reminds him that a special fund has been appropriated to employ these people in an "emergency" category. (This is purportedly a government measure to alleviate the country's unemployment problem.)

Political patronage is not as serious a problem in Canada as it is in the Philippines or any developing country in the Far East for that matter. The general impression - which this author shares - is that the merit principle has taken roots so tenaciously in the Canadian civil service that the degree of political intrusion has become negligible.

Economic Factors

Administrative problems are tied up with economic problems. In fact many of the factors previously discussed which influence management improvement efforts are connected with the country's economic position.

Easily the most serious obstacle to the carrying out of plans for management improvement by the Philippine Government is economic deficiency. Financial resources to enhance administration development are dreadfully inadequate. Facilities and equipment necessary for the employment of modern methods and techniques of administration are sadly lacking. Efficiency specialists may be convinced about the need of some agencies for procedures automation to speed up production and reduce manpower cost, but where they can get the funds to buy the computers is the problem. Management Service, for example, conducted some feasibility studies on the handling of delinquent accounts and collection procedures in the Bureau of Internal Revenue. It was found that the operations justified mechanization and the installation of I.B.M. machines. The agency purchased some machines, but it could not afford to "computerize" the operations, faithfully following the systems designed. The break-down of production in the Bureau of Printing is largely due to obsolete, malfunctioning presses. But the recommendation to purchase new printing machines would only be as good as its paper value in the report.

Perhaps to make a comparison of O and M practices of the two subject governments in relation to economic factors would be pointless. The modern equipment and highly advanced facilities in Canadian Government offices like the Dominion Bureau of Statistics, the Queen's Printer, the Comptroller of the Treasury, the Post Office Department, the Archives Centre, and others would speak of the fact that from the economic point of view, the practice of government O and M in Canada is at a supreme advantage over that in the Philippines.

Miscellaneous Problems

We have discussed the various problems of organization and methods in Canada and the Philippines in the light of geographical, social, political and economic factors - environmental or external conditions that affect O and M work. Let us examine other miscellaneous problems; they are commonly experienced by the O and M staffs both in Canada and the Philippines.

The leading problem mentioned by officials interviewed is inadequate appreciation¹ by chief administrators of O and M as a management function. C.J. Gardner deplores the fact that many of the ministers and deputy ministers lack sufficient understanding of organization and management.² Their enthusiasm is sparked off only

1. In the study made by Lyngseth, op. cit., p. 491, this came out also as the leading problem.

2. Interview with Mr. C. Gardner.

when they need assistance because they are in a predicament. These so-called management techniques are not yet fully accepted by line supervisors. The apparent explanation for this is that these people have grown from the ranks and have the natural tendency to resist change or any attempt to disturb the practices and the environment they have been used to.

This problem of lacking in receptivity, which actually is an expression of the indifferent attitude of administrators and supervisors toward the value of O and M brings about some other related problems.

Some administrators have the tendency to man O and M units with persons who do not have the capabilities for the management job. Observes Kingdom:

[It] requires a great effort of will to send a man of outstanding ability to O and M when there is an empty place in an important operating branch with serious problems ahead. ¹

Some of the management analysts interviewed gave the same observation that managers are reluctant to assign their trusted and able men to the O and M staff. In his visits ² with a number of departmental management staffs, this author came in contact with some aging civil servants who seemingly lacked the "drive" and capabilities for such a painstaking and specialized job as management analysis; some of them were recruited from relatively unimportant positions in the

1. Kingdom, op. cit., p. 51.

2. This author had the opportunity to visit some departmental management staffs (federal and provincial) in connection with his training programme.

hierarchy. In the Philippines, likewise, there is a strong temptation in some departments and bureaus to get rid of "deadwoods" as well as recalcitrants by transferring or detailing them to the O and M Branch.

In the evaluation study¹ made by Management Service on its training courses for agency management analysts, it was noted that a sizable number of the graduate trainees was constituted by employees whose services could be "spared" for the meantime.

That the O and M function is not given as much importance as the line by top management is further deplored by Kingdom in the following statement:

It is all too easy to expect O and M to provide a quiet corner for somebody who is convalescing after a long illness and needs to be spared for a year or two from the rough and tumble of a 'line' job. 2

Another practice of many executives, which very well implies their wrong understanding of the O and M function, is their utilizing management personnel for operating services.

Of the seventeen departmental and six provincial units in Canada included in the study made by Lyngseth,¹ six and four respectively, are performing miscellaneous services in addition to their basic O and M duties. These services include

1. See footnote 1, p. 98.

2. Kingdom, op. cit., p. 51.

3. Lyngseth, pp. 474-475.

position classification, establishment control, budgeting, inspection, typing pool supervision, publishing, storeskeeping, clerical and messengerial work.

The study made by the U.S. Bureau of the Budget disclosed that fifty per cent of the general management analysis units of American federal government spend forty to sixty per cent of their time on activities primarily "operating" in character.¹

Departmental O and M units in the Philippines are equally vulnerable to the experience of being made to perform non-O and M activities. Most of the nine well-organized management staffs mentioned in Chapter II of this paper, perform special assignments given by their superiors which are not strictly O and M but in relation to the line functions of the organization. It may be pertinent to mention here that of the 147 graduates of the management analyst course² only about thirty-three per cent were performing O and M work (that is, at the time the study was made); the rest were doing miscellaneous activities - legal, personnel, housekeeping, fiscal, engineering etc. (Of course, not all these trainees, not even majority of them, could be expected to be assigned to an O and M job.)

Commenting on the practice of executives to use members of O and M staffs to cope with urgent daily problems, H. Fite is somewhat sarcastic:

1. United States, Bureau of the Budget, op. cit., p. 39.

2. Evaluation Report, see footnote 1, p. 98.

We certainly can't minimise the need for the daily bailings that keep the ship afloat. However, if this cannot be done by other personnel hired for the purpose and if the O and M staff must do it, let's disband the O and M staff and hire operators.¹

One more instance of indifferent attitudes towards the function of O and M was cited in an interview with H. Laframboise. He mentioned the common occurrence that Canadian Government offices make organization changes without consulting the Organization Division. The plans for organization change go to the Treasury Board for approval without being reviewed by the Organization Division. It was mentioned elsewhere in this paper that the advice or commentary of Management Service on agency proposals for organization of change is almost always sought. Perhaps the difference in the degree of participation in the review of organization plans is explained by the organizational location of each central management staff. The Management Service is with the Budget Commission while the Organization Division is not with the Treasury Board.

We have examined the problems of O and M in regard to the attitudes of line officials. What about the attitudes of the O and M specialist? The way he conducts himself in the performance of his job can either stimulate the cooperation of the line officials or antagonize them. Perhaps it is sheer superfluity to repeat what we said in Chapter III regarding the proper approach and attitude of the O and M man. But the importance of establishing rapport with agency officials and personnel right from the start of the study until the

1. Flite, op. cit., p. 187.

report is submitted and recommendations installed can never be overemphasized.

The problems involving the relations between the line official and the O and M officer proceed from the inherent natural conflict between the generalist and the specialist. The O and M analyst suffers from the same shortcomings any specialist's "flesh is heir to", particularly being a misunderstood man who, in Harold Laski's description,

sacrifices the insight of common sense to the intensity of his experience and thus develops characteristics related to his 'caste spirit' inflexibility of mind, lack of perspective and so on which makes it impossible for him to act effectively when broader concerns are involved. ¹

This is the stereotyped image the administrator has molded of the efficiency expert. And the latter must strive to destroy that image. But in so doing, he should guard against an overbearing, critical, and pedantic attitude. More often than not, an organization and methods study flops because the management officer becomes oblivious of his role. That role is to advise, not to teach; and to suggest improvement, not to criticize. O and M work should be a remedy-seeking expedition, not a fault-finding venture. A chief executive may admit he is not good at figures, but he gets annoyed if it is insinuated that he is not a good organizer. "That is almost as bad as telling an [Englishman] he has no sense of humour."²

1. H. Laski, "The Limitations of the Expert", reprinted in Man and the State, ed. William Abenstein (New York, 1947), pp. 159-170.

2. Simpson, op. cit., p. 104.

Obviously one most effective approach to the foregoing problems regarding line people's indifferent attitudes to and inadequate appreciation of O and M is to carry on over a sustained period well-designed training programmes for executives and supervisors. In addition to the appreciation courses for senior officers and intermediate officers, the Advisory Services Branch should sponsor seminar programmes on management appreciation specially developed for deputy ministers, in which they can gain full understanding of their role as chief administrators, develop an intense degree of management consciousness and appreciate the supreme value of organization and methods improvement. The seminar for bureau directors in the Philippines (mentioned in previous chapter) was received with vast enthusiasm, and although it could not have completely changed the attitudes of the participants, it certainly did enhance the capacity of some of them for management appreciation. Plans are being made to have a similar programme, this time for undersecretaries.

Perhaps it would be worthwhile to establish in Canada an executive training institute patterned after the British Administrative Staff College, a non-government institution, which administers a three-month residential course on organization and administration for men from both the government and private industry. In the Philippines an Executive Academy has been established to train top executives in the government. The detailed training courses on O and M techniques being conducted by the Advisory Services Branch

for administrative officers should be maintained and intensified. The training course for agency management analysts sponsored by the Management Service should be resumed.

Self-development and professional growth should be encouraged among staffs of O and M organizations. Analysts should take intensive training, maybe refresher courses, on the refinements of O and M analysis. Where possible, they should be given opportunities to attend university classes. It is primarily by their unquestionable competence that they can win the genuine confidence of their clientele.

The other problems refer to staffing. Both the chiefs of the Organization and Management Divisions agree with the finding of the Lyngseth¹ survey that obtaining suitable staff is the next leading problem of O and M in Canada. It is generally felt that there are not enough talents to fill the demand for O and M specialists. Same view was expressed by the Selection Officer for Management Analysts in the Staffing Branch,² Civil Service Commission, who told this writer in an interview that recruiting officers may sometimes have to go out of their way to make offers to potentially suitable men from government departments and private industry. Advertisements for management analyst positions, especially for the highly technical areas like operations research, sometimes go

1. Lyngseth, p. 491.

2. Mr. J.S. Crowson, Staffing Branch, Civil Service, Commission.

on for months. The difficulty of obtaining trained men on specialized areas was also mentioned as a serious problem by departmental O and M chiefs interviewed by this writer. The compensation may not necessarily be the reason, for the salary scales for the management analyst series (\$4680 - \$18,000) are as high as, if not higher than, those for comparable positions in the government and private sector. What seems to be the problem is the dearth for men who could meet the qualifications and experience required for the job. The Philippine Government has the same difficulty of staffing management units with men having the appropriate qualifications. Most of those who join management staffs have had no previous experience in management analysis. In the Management Service, for example, as we pointed out in our discussion on staffing, fifty per cent of the present staff came into the service with no training in organization and methods work.

Coupled with the difficulty of getting capable men is the problem of keeping them when you have them. With their high qualifications, understandably they receive lucrative offers from outside. It is a natural law in personnel administration that the more highly qualified the man is, the more difficult it is to keep him in the organization. These are the average numbers of personnel who have transferred from the three O and M Staffs within the last five years: Management Analysis Division - four every year out of twenty-one members; Organization Division - one every year out of seven; Management Service - one or two every year out of twenty-seven.

This trend of personnel mobility indicates that management staffs have to contend with the threat of losing their men to competing organizations which may offer higher salaries or better positions.

It is complimentary, though, of an O and M unit, if a high percentage of its staff get good offers elsewhere. This is a reflection of its high selection standards and the fine quality of its personnel.

As regards the problem of finding suitable men and retaining an adequate reservoir of talents and skills in the O and M field, the government could not do better than to provide sufficient inducements and incentives that should be consistent with the standards set forth in the recruitment and selection of this specialized corps of civil servants.

CHAPTER VI

CONCLUSIONS

The foregoing comparative discussions on organization and methods practices in Canada and the Philippines have established the fact that the governments of these two countries have made significant strides in the field of O and M.

Both recognize the imperative need for a central body to tender assistance and technical advice to operating departments on organization and management improvement activities. Thus, they have created central O and M staffs whose activities and accomplishments, as described, have proved that their performance is "purposeful, skilful and rewarding". Both governments also feel that one of the inherent responsibilities of departmental management is to improve the organization's structure and operations; thus, each government is committed to the programme of encouraging and supporting the decentralization of O and M services. That Canada and the Philippines keep abreast with the modern trends of organized approach to administrative problems was suggested in our description of the modus operandi of the central O and M staffs. We have identified situations wherein the practice of O and M in one government differs from or resembles that in the other government. That there are differences between the two governments in the use of O and M, in the organization and

in the forces that affect it can easily be explained by the natural diversity in the two countries' political and social environments.

In view of these observations we can say that government O and M has taken a fairly extensive development in Canada and the Philippines. No one can assail the fact that the use of this administrative technique in streamlining government institutions has enormously contributed to the improvement of public management. But this function of overhauling an organization and its procedures is an endless process. It needs to grow and must be intensified. What are the trends of its growth in each country? What governmental actions have contributed to the stimulation of that growth? In other words, what is the future of government O and M in Canada and the Philippines?

From his talks with management officers and chiefs of departmental O and M units, this writer gathered the impression that the use of organization and methods has tremendously advanced in the last three years; O and M units have considerably expanded their establishments; some of these units have increased their personnel complements by 50% - 200%. (See Table.)

<u>Department or Agency</u>	<u>No. of O and M Men</u> ¹	
	<u>1962</u>	<u>1965</u>
Citizenship and Immigration	9	16
National Revenue		
Customs and Excise	8	12
Taxation	6	10
Post Office	6	18
Unemployment Insurance Commission	8	21
Transport	9	15
Public Works	7	10

1. These figures have been given by chiefs of Departmental O and M units interviewed by this writer and whose names are listed in the Bibliography Section.

It is almost the unanimous opinion of management officers interviewed at the Civil Service Commission and in department O and M units, that the strongest impetus to this "boom" of O and M establishments in the Canadian Government has sprung from the recommendations of the Royal Commission on Government Organization that:

Management services groups within departments and agencies be created, strengthened and reorganized to carry out continuous programmes for administrative efficiency under the direction of the deputy head. 1

The studies of the Royal Commission, which unearthed inefficiencies in the Executive Branch, produced an impact on Canadian officialdom, stimulating top management in the Federal Government as well as department authorities to embark on a vigorous programme of improving public administration through the use of systematic methods and techniques.

The growth and development of organization and methods in the Philippine Government is evidenced by the creation of new management analyst positions in O and M units, and the increase of O and M establishments in departments every fiscal year. No figures are available to show the rate of increase or expansion within a given period. But let us consider three of the departmental management units mentioned in Chapter II, which this author has some knowledge about. The Agricultural Productivity Commission which was reported to have a staff of seven management analysts, is a newly created agency and

1. Royal Commission on Government Organization, op. cit., p. 515.

before 1962, its establishment carried no positions for management analysts. The Commission on Elections, which now has six positions, also had none before 1962. The fifteen management analysts in the Bureau of Internal Revenue were not there either before that year.¹ The Bureau of Customs had originally about four or five positions, which have now grown to eleven.

This author is of the opinion that the majority of the well-established departmental O and M units in the Philippines have emerged in the last three years.

In describing the developmental trends of organization and methods in the Philippine Government let us consider the support and leadership being provided by the Executive. At this point it would be worthwhile to mention the Five-Year Program (1963-1967) adopted by the present Administration for the improvement of administrative management in the Philippine Government. The philosophy behind the program was clearly stated by the President of the Philippines in his State of the Nation Address on January 22, 1962:

Perhaps the most important feature of the present program is the contemplated reorganization of public administration to improve the machinery for the formulation and implementation of consistent economic plans. 2

This statement implies that a positive approach to the economic development of the country is a sound and improved administrative

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1. Year 1962 as the point of reference is the basis of the tabulation of management analyst positions furnished to this writer (see footnote 1 on p. 55).
 2. Quoted in Five-Year Program for the Improvement of Administrative Management in the Philippine Government, Council of Administrative Management, Philippines (Manila, 1962), p. 7.

machinery of government. And this can be carried out through reviewing and overhauling the present governmental structure and operations. Drawn by the Council of Administrative Management, the Program has identified seven areas of responsibility for administrative reforms, one of which is the responsibility for organization and methods assigned to the Budget Commission. The objectives among others of O and M as expressly provided in the Plan are:

to establish management staffs and institute management improvement programs in each major operating agency; and to streamline agency operations through the effective use of work simplification techniques. 1

It may be premature to assess the achievements of the Philippine Government toward the attainment of the objectives of the Program. The conclusion we can make is that the Executive has been providing motivation and leadership in the realization of efforts to promote departmental management improvement activities. This is merely a restatement of the concept that no improvement would be possible without top management support.

In the examination of the trends and future of government O and M in the two countries, one significant issue comes up for consideration: the competition being put up by private management consultants.

The question of whether to hire a private consultants firm or a central government O and M staff to undertake organization and methods studies in the government is debatable. Arguments for each side are many. Some of them are obvious and are analogous to

1. Five Year Program, op. cit., p. 23.

the arguments on the question of whether a central O and M staff or an agency unit should do the study in a department, which question was brought up in Chapter II.

There are indeed advantages of employing a private firm to investigate problems within the government. And these advantages are realized both in Canada and the Philippines. In fact, in the reorganization of the Philippine Executive Branch, referred to several times in this paper, the services of a private consultants firm, Kroeger and Associates of the United States were hired. The Budget Commission employed the services of another American firm - Booz, Allen and Hamilton - in improving fiscal operations in the government. One of the only two reliable consulting firms in the Philippines made a study of the Bureau of Customs; it is doubtful, however, whether the firm succeeded much.

A number of studies of government agencies and operations have likewise been undertaken in Canada by private consultants. The City of Toronto engaged Woods and Gordon Ltd. to survey its civic administration. Stevenson and Kellogg Ltd. once made a study of the operations of the Ontario Civil Service Commission. The federal Department of Citizenship and Immigration is at present in a state of reorganization with the assistance of an outside firm.

There could be some tendency of both governments to rely on private consultants, but this is not a sufficient indication that government O and M is being threatened with a strong competition from the private sector. Outside consultants suffer from the inherent handicap of inability to comprehend the complications and ramifications

of governmental business. They try to eat more than they can chew by tending to go into all the areas of management on the "crash" approach, and the result is that their sense of purpose is lost. One interviewee opined that they give out recommendations at a rate faster than they can be absorbed and implemented. Because their services are hired on a contract basis and they have to meet rigid deadlines, their studies will be extensive but lacking in depth. In expressing his misgivings about the work of a consulting firm, J. Charlesworth says:

The firm would descend in force upon the city or department, survey everything in whirlwind style, write a report couched in an impressive technical language, pocket a large check and leave on the first train. ¹

Our final point of discussion on the future of government O and M in Canada and the Philippines centres on the issue regarding the professionalism and career pattern of O and M.

Civil servants who are engaged in organization and methods work in the government would delight to think that they belong to a professional sect. Is management analysis a profession in the first place?

M. Afzal² offers a definition of profession.

[It] indicates the vocational pursuit of a specialized activity and presupposes a particular type of education, training, or preparation. It also implies avowal to some norms which may vary or may not be in the written form . . . A person usually joins a profession with the intention of staying in it sufficiently long so as to become highly skilled in the activity and its recognized subject matter.

1. J.C. Charlesworth, Governmental Administration (New York: 1951), p. 312.

2. Afzal, op. cit., pp. 328-329.

Under this definition, the practice of O and M in the government would be thought of as a profession in Canada and the Philippines, although not exactly in the same sense that law, medicine, or engineering is considered a profession. Before a person is admitted to any of these professional fields he has to go through a prescribed course of education and training and must pass a written examination as a licence to practice. O and M is not subjected to these precise requisites, but it is tending towards being professionalized in that the qualifications and training for the management analyst job are becoming more specific. The Philippine civil service, for example, conducts a management analyst examination, covering such subjects as work simplification, interview techniques, report writing, etc., to establish a roll of eligibles for management analyst positions.

In Great Britain the professionalization of O and M is discouraged. Ordinarily, civil service officers would not be allowed to remain in the O and M field indefinitely; after gaining an experience of five years, they are assigned to line work in departments. The rotation policy is aimed to achieve two purposes: to have a steady flow into O and M units of men with fresh outlooks; and to disseminate management knowledge, skills, and techniques throughout the operating agencies.

In Canada and the Philippines a civil servant may stay in his O and M job for a period of his own choice. But, except for those perhaps who have developed highly specialized skills like electronic data processing or operational research experts, it is unlikely that an O and M generalist would elect to take O and M as a life-time

career or spend most of his employable years in this line. The reason is that the area for career development in the O and M field is limited.

Let us examine the career pattern for O and M in each of the jurisdictions under review. In the classification scheme of the Canadian Civil Service there are eight grades in the Management Analyst Series (Management Analyst 1-8). An individual, therefore, who starts as Management Analyst 1 goes through eight levels to reach the top of the series. From Management Analyst 8 he can still further go up by being appointed to one of the grades in the Senior Officer Series (Senior Officer I-III). Another promotional opportunity would be an appointment to a position in the Technical Officer Series and from there he could likewise go up to the S.O. Group. The shifting of appointment from one series to another would not necessarily change his duties and responsibilities; i.e., an officer who is holding a management analyst position may be appointed as Technical Officer or Civil Service Officer and will continue to perform the tasks of a management analyst.

The classification scheme of the Philippine Civil Service is similar to the Canadian scheme in a way and different in another. There are also eight grades in the Management Analysis Group (Jr. Management Analyst, Management Analyst 1-2, Sr. Management Analyst, Supervising Management Analyst 1-2, Management Consultant and Chief Management Analyst¹). The highest position which an analyst can reach

1. This is just one position - that of the Chief of Management Service.

in the Management Analyst series is that of the Chief Management Analyst. If a management analyst is appointed to a class in, say, the Administrative Officers or Executive Assistants Group, he ceases as a management analyst and must perform the duties and responsibilities of the position to which he is appointed. Another factor for comparison is the salary gradations. The disparity between the salary scales for management analysts in the Canadian civil service and those in private industry is negligible; the former could even be slightly higher.¹ There is some evidence to this: most of the competitors for openings come from private industry.² In the Management Analysis Division eight of the present staff came from progressive industrial firms.

This attractiveness of the civil service does not exist in the Philippines. The more natural situation is that management analysts from the government service transfer to private industry, and not vice versa. Not one of the staff of Management Service, for example, came from a private company as a former O and M man. Yet in relation to comparable jobs in the Philippine Government, management analyst positions are relatively highly paid, though not as highly as in Canada.

The conclusions we can draw from the above observations are clear: the career pattern for O and M in the Canadian Government is broader - because of a more flexible classification scheme - than the career pattern for O and M in the Philippines; in general, management

1. This according to information obtained at the Operations Branch and from management analysts who came from private industry.

2. Files of applicants at the Operations Branch attest to this.

analysis in the government offers limited opportunities for career development.

The career pattern for O and M in the government seems to become even narrower as we realize that most of the men who enter the field consider it as a springboard to managerial and executive posts. This is true in Canada as it is in the Philippines. The officials who were interviewed by this writer explained the transfer of their men to other agencies as being motivated by their desire for positions with line responsibilities, not to mention their inducement to the monetary returns involved. Some organizations are partial to appointing executives from O and M experts. In view of their management skills, technical competence, and breadth of knowledge of public administration, they constitute a potential source of choice prospective appointees for higher administrative posts. This trend alone, for which there is much evidence, proves that government O and M has a future - in spite of its career limitations. J. Porter theorizes that the duties of public officials are no longer plain and simple; the growth of governmental operations for the past fifty years has "created within civil services and administrative agencies a new and relatively autonomous system of power and decision-making . . . Dilettantism is a thing of the past."¹ If we accept the proposition that the management field is a fertile training ground for future replacements of dilettantes in administration, then O and M as an institution is contributing its part to the formation of what Max Weber calls the rationalized

1. J. Porter, The Vertical Mosaic (Toronto: University of Toronto, 1965), p. 418.

bureaucracy - one that is staffed with experts and does away with "inherited avocational administration by notables."¹ What could be a better key to an efficient and effective public administration.

1. See H.H. Gerth, and C.W. Mills, trans. and eds., From Max Weber: Essays on Sociology (London: 1947), p. 224.

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