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Preface .................................................. 5

Chapter One:
History of Personnel Practices in Philadelphia ................. 9
I. Public Employment in Colonial Philadelphia ............. 9
II. The 1789 Charter .................................................. 9
III. The Development of the Spoils System ................. 10
IV. The Consolidation of 1854 .................................. 10
V. The Introduction of Civil Service ...................... 11
VI. The Growth of the Republican Machine .............. 11
VII. The Bullitt Bill ................................................. 12
VIII. The Civil Service Reforms of 1906 ............... 13
IX. The Organization of City Firefighters ............. 13
X. The 1919 Charter .................................................. 14
XI. The 1919 Charter in Operation ...................... 15
XII. The Police and Blue-Collar Workers Organize ...... 15
XIII. The 1938 Charter Reform Movement ............ 16
XIV. The 1951 Home Rule Charter ............................. 16
XV. Labor Relations Under the New Charter: The 1950s .... 17
XVI. Three Attempts to Change the Charter ........... 18
XVII. Labor Relations in the 1960s ......................... 18
XVIII. The 1970 Public Employee Relations Act and the Organization of White-Collar City Employees ... 19
XIX. Labor Relations in the 1970s and 1980s .......... 20
XX. The Latest Attempt to Change the Charter .......... 21
Notes to Chapter One ............................................. 21

Chapter Two:
A Survey of Agencies Involved in Personnel Practices in Philadelphia ........................................ 25
I. Office of the Mayor ............................................. 25
II. City Council ...................................................... 26
III. Civil Service Commission ............................. 26
IV. Personnel Department .................................... 26
V. The Unions ......................................................... 27
VI. Mediation Agencies ........................................ 28
A. Pennsylvania Labor Relations Board .............. 28
B. Pennsylvania Bureau of Mediation ............. 28
C. American Arbitration Association ............. 28
Notes to Chapter Two ............................................. 28

Chapter Three:
A Brief Outline of the Civil Service System .......... 31
I. Civil Service Jobs .............................................. 31
II. Exemptions ..................................................... 31
III. Examinations .................................................. 32
IV. Hiring .............................................................. 32
V. Promotions ...................................................... 32
VI. Transfers ........................................................ 33
VII. Performance Ratings .................................... 33
VIII. Employee Training and Development .......... 33
IX. Discipline ....................................................... 33
X. Grievances ....................................................... 33
XI. Layoffs .......................................................... 34
Notes to Chapter Three ........................................ 35

Chapter Four:
Problems in the Governance of Municipal Personnel Practices .................................................. 37
I. Isolation of the Personnel Director and Personnel Department ......................................... 37
II. Fragmentation of Responsibility and Lack of Accountability ............................................ 37
III. Problems Surrounding the Disciplining and Dismissal of City Employees ................... 38
IV. Too Many Ways to Circumvent the System ........ 39
V. Hiring Takes Too Long ........................................ 40
VI. Lack of Effective Reward System to Recognize Job Performance .................................. 40
VII. Lack of Flexibility for the Mayor ................. 41
Notes to Chapter Four .............................................. 42

Chapter Five:
The Interviews: Proposals for Reform of the Governance of Municipal Personnel Practices .......... 43
A. Who’s in Charge? .............................................. 43
B. Revamping the Civil Service Commission .... 44
C. The Personnel Department: Underfunded, Understaffed, Inadequate ..................... 44
D. Collective Bargaining Between the City and the Unions: A Reasonable Idea Gone Wrong ... 45
   1. Who Runs This Department, Anyway? ... 45
   2. Collective Bargaining: And Who Represents the Public's Interests? ... 45
E. Lost Managerial Prerogatives ....................................... 46
   1. Hiring and Promotion ........................................... 46
   2. Management and Discipline .................................... 46
II. Flaws in the Charter ................................................... 46
   A. Too Much Centralization ........................................ 47
   B. Too Few Exempt Employees ................................. 47
   C. The Overly-Restrictive "Rule of Two" ..................... 47
   D. Too Brief a Probationary Period ............................ 48
III. Should the Charter Be Changed? ................................. 48
   A. Change the Charter ............................................. 48
   B. Leave the Charter Alone ...................................... 48
IV. Troublesome Civil Service Regulations ...................... 48
   A. The Regulatory Morass ........................................ 48
   B. Veterans' Preference .......................................... 49
   C. Residency Requirement ...................................... 49
V. Troublesome Personnel Practices ............................... 49
   A. The Shallow Labor Pool ...................................... 49
   B. Lack of Recruiting ............................................ 50
   C. The Difficulty of Attracting People to Philadelphia ... 50
   D. The Difficulty of Keeping Good People .................... 50
   E. Inadequate Salaries and Lack of Incentive Pay .......... 50
   F. Inadequate Testing ............................................. 51
   G. Useless Performance Ratings ............................... 51
   H. Poor Training .................................................. 51
VI. Prospects for Improvement ......................................... 51
   A. Recipe for Reform: A Measure of Crisis and A Dash of Scandal ... 51
   B. The Price of Failure ........................................... 52
VII. Conclusion ............................................................ 52

Selected Bibliography .................................................. 55
The task of running and maintaining Philadelphia's city government rests in the hands of nearly 30,000 municipal employees. Over 25,000 of them are part of what is known as the "civil service"—a system adopted in Philadelphia in 1885 to recognize the capable, not just the politically connected, in the awarding of city jobs. Since that time, the system has been revamped three times—most recently in 1951—in an effort to bring it closer to that ideal.

Despite these repeated tries at reform, the system that has evolved satisfies almost nobody. The corruption of the 1940s has given way to the mediocrity of the 1980s. Philadelphia's civil service has become an impediment to effective government in the city, posing problems for the citizens who seek services, the officials who implement policies and administer programs, and the very civil servants who are charged with delivering services to the city's residents.

An effective civil service is of extraordinary importance to Philadelphia. Nearly all of the services the city provides are performed by people, and nearly sixty percent of the city's annual operating budget is spent on the compensation of municipal employees. If city government is to function effectively, it must have a capable, qualified, well-run personnel system producing and overseeing its civil servants. Those civil servants, moreover, must be selected based on what they know rather than whom they know.

Such a personnel system must demand—and accept—nothing less than the best from every city employee. It must recruit potential civil servants aggressively, screen them rigorously, train them thoroughly, and monitor them carefully. It must encourage initiative, recognize achievement, and reward excellence.

At the same time, the civil service must actively fight mediocrity. While it must seek good candidates for employment, it must also reject bad ones; while it must reward the achiever, it must also discipline the non-achiever. In short, it must always strive to embrace the "service" ideal embodied in the very term "civil service."

This study examines the governance of Philadelphia's personnel system—the manner in which the personnel function is performed by city government. It encompasses all employees covered under the city's Home Rule Charter, but not those who work for the courts, municipal authorities, and quasi-governmental offices and agencies. The first chapter traces the history of municipal personnel practices from the days of William Penn to current times. Chapter Two reviews the offices and agencies through which personnel policies are developed and implemented in Philadelphia. The third chapter presents a brief functional outline of the city's personnel system. Chapter Four is an analysis of the governance problems plaguing that personnel system. Those problems include:

Problem One: Isolation of the Personnel Director and Personnel Department

Philadelphia's charter isolates and insulates the administration of municipal personnel practices from the mainstream of city government. The Personnel Department is not a major city operating department under the Managing Director nor is the Personnel Director a member of the Mayor's Cabinet. As a result, personnel matters are routinely overlooked in the development of city policies, and the ability of city leaders to address problems in a timely, effective manner is impaired.
The few ad hoc measures implemented over the years to address this shortcoming have all failed.

Problem Two: Fragmentation of Responsibility and Lack of Accountability

Responsibility for administering Philadelphia’s personnel system is divided among the Personnel Director, Civil Service Commissioners, Mayor, Managing Director, and Director of Finance. This fragmentation has inhibited the development of a comprehensive approach to personnel issues and produced a complex, confusing tangle of problems and relationships which often result in protracted delays over seemingly simple issues. With so many officials sharing responsibilities, it is usually impossible to trace the sources of the system’s successes and failures.

Problem Three: Problems Surrounding the Disciplining and Dismissal of City Employees

The elimination of meaningful job performance ratings in contracts negotiated by the unions and the city has made it virtually impossible to discipline unsatisfactory employees. The process through which employees are dismissed, moreover, has become so cumbersome, time-consuming, and frustrating that most managers are unwilling to engage in it. Those who do are often punished by being prohibited from replacing dismissed employees. Thus, unsatisfactory workers are likely to retain their jobs, much to the detriment of city government as a whole.

Problem Four: Too Many Ways to Circumvent the System

The charter’s overall success in eliminating large-scale patronage abuses has overshadowed the many remaining loopholes in the civil service system. A 1981 study of the city’s personnel system by the National Academy of Public Administration uncovered eight such loopholes, and through these and other such flaws, the proportion of city employees exempt from the civil service has more than tripled since 1960.

Problem Five: Hiring Takes Too Long

Philadelphia’s personnel system frequently fails to fill job vacancies on a timely basis. The hiring process, from beginning to end, can require as many as 108 separate actions and decisions over four to eight months. This delay in filling jobs, exacerbated by the fragmentation of personnel responsibilities and proliferation of one- and two-person job classifications, inevitably disrupts operations and diminishes organizational effectiveness in offices awaiting new employees to assume old, unfilled responsibilities.

Problem Six: Lack of Effective Reward System to Recognize Job Performance

There are few incentives to excel in Philadelphia’s personnel system. New employees often find no career ladder; past job performance is not heavily weighed in promotion decisions; raises have become more of a right than a reward; and incentive bonuses and rewards are not generally granted. With wages only barely linked to performance, employees have little motivation to improve or excel and mediocrity becomes an accepted norm.

Problem Seven: Lack of Flexibility for the Mayor

Effective policy implementation requires administrators sympathetic to the policies of elected officials, yet Philadelphia’s civil service makes scant provisions for the legitimate employment of such persons. Philadelphia’s mayors and their top appointees exercise little discretion in the hiring of many key employees because relatively few exemptions from civil service requirements are permitted. This lack of flexibility, it has been argued, hinders the ability of elected officials to implement their policies effectively and completely.

With these four chapters as a foundation for discussion, the Committee of Seventy conducted confidential interviews with experts on Philadelphia’s personnel practices—past and present city officials and members of the private sector who have close contact with city government and the people who
work in it. These experts were asked to evaluate the city’s personnel system and offer their suggestions, if any, on how the governance of that system might be improved. The views of these experts, not the Committee of Seventy, comprise Chapter Five of this study.

Everyone interviewed by the Committee of Seventy for this study identified serious flaws in the governance of Philadelphia’s personnel system. Unless those flaws are rectified promptly, interviewees insisted, the city will be unable to hire and retain a capable public workforce and the quality of city services will continue its precipitous decline. Philadelphia’s efforts to attract new businesses and retain old ones will eventually be undermined by the growing perception that this is a city where government cannot fulfill even the most basic of public functions. This, in turn, will place an ever-increasing burden on an already-overburdened tax base, necessitating drastic budget cuts or large tax increases that could imperil the future of Philadelphia.

The interviewees’ recommendations for reform inevitably varied, but they did share three common threads. First, interviewees stressed accountability—identifying who is, or who should be, in charge of various personnel functions and holding those persons strictly responsible for their actions. Second, they stressed flexibility—decentralizing personnel administration and placing the tools of management directly into the hands of management wherever possible. Finally, they stressed performance—nurturing and rewarding satisfactory job performance but taking clear, demonstrative steps when it is obviously not forthcoming.

The role and influence of the Personnel Director as chief administrator of the city’s civil service and a key city official not currently appointed by the Mayor should be increased, interviewees agreed. That official should be more accountable to the Mayor and should become a member of the Mayor’s top policy-making body, the Cabinet. Further, the personnel within the department must be upgraded and the department’s funding increased. While the Personnel Department must be drawn closer to the heart of city government, the Civil Service Commission, which oversees the entire personnel system, must be strengthened and remain independent, interviewees maintained.

Selected personnel provisions in the city’s charter must be amended, interviewees pointed out, to allow the legitimate hiring of more employees exempt from the civil service, to broaden the rule allowing appointing officials to choose between only the two top candidates certified for a given vacancy, and to lengthen the overly-brief probationary period. Civil service regulations must also be re-evaluated, it was suggested, including those that outline the current method of providing employment preference to veterans and that which requires all recipients of civil service jobs to be city residents at the time they are hired.

Personnel administration should be more decentralized, interviewees contended, with management exercising greater authority to hire, fire, reward, and discipline employees. The city must be more aggressive in recruiting potential civil servants, it must improve its testing and training programs, and it must tie workers’ wages more directly to measurable job performance through a meaningful performance rating system.

Finally, the city must strike a better balance in its relationship with municipal employees’ unions, interviewees asserted. Management must manage, they insisted, but to do so, the city must adopt a more aggressive, more demanding posture at the negotiating table.

An effective personnel system is one of the keys to an effective municipal government, and interviewees repeatedly stressed the urgency of addressing the flaws in the current system as immediately and as constructively as possible. The Committee of Seventy hopes that this study will enable Philadelphians to evaluate their city’s personnel system in an informed manner. This study is the latest in Seventy’s ongoing series of reports on Philadelphia’s government. Two of these studies—Charter Revision: A Review and The Charter: A History—examine city government as a whole; five others—Ports Governance Study, Transportation Governance Study, Housing Governance Study, Economic Development Governance Study, and Municipal Utilities Governance Study—explore individual functions of that government.
Wherever there is government, there are government employees. As long as people are employed at public expense, there will undoubtedly be disagreement over precisely how they should be chosen.

One of the oldest methods of selecting public employees is known as political patronage. Proponents of this practice see the hiring of people sympathetic with victorious candidates as an assurance of responsive government, for those people will retain their jobs only as long as the public returns their "patron" to office. Further, they argue, public employees who support an officeholder are more likely to be effective in implementing that official's policies. Finally, a political job is viewed by many as a just reward for civic involvement, one given to individuals who need work and have the desire, and capacity, to contribute to the improvement of government.

Others view political patronage quite differently. To them, the very word "patronage" has negative connotations, evoking images of lazy, unqualified appointees living well at public expense while doing little or nothing to earn their wages. In their view, the practice of hiring political allies contributes not to the improvement of government but to the perpetuation of the victors' tenure in office. They prefer that public hiring be conducted solely on the basis of "merit," with all such positions filled by individuals who have demonstrated through scientific, objective standards that they are the most qualified persons for the available jobs.

In reality, the public employment practices of the city of Philadelphia embrace both of these attitudes. While most positions are filled by so-called merit appointments through a civil service system, many positions are exempt from that civil service, and proposals abound to increase those numbers. Also, the coming of age of municipal employees' labor unions has further complicated the lines of command, accountability, and loyalty among city employees.

I. PUBLIC EMPLOYMENT IN COLONIAL PHILADELPHIA

Political patronage has a long, rich history in Philadelphia. In 1681, after King Charles II appointed William Penn governor of the colonial territory that now bears his name, the new proprietor decided to send a deputy governor overseas immediately to begin planning his "holy experiment." Did Penn find this deputy through an advertisement in the London Times? Did he go to Oxford or Cambridge in search of bright young graduate students? No, he simply appointed Mr. William Markham—his cousin—to the post. He did likewise when he appointed William Crispin—another cousin—to be chief commissioner, surveyor, and first Chief Justice of the Commonwealth's supreme court. An enduring local tradition was thus born.

Given this beginning, it comes as little surprise that Philadelphia has never been immune to oft-maligned patronage practices. When Penn formed a municipal corporation to govern Philadelphia in 1701, he reserved the most influential positions for his friends and political supporters. This practice fooled no one: critics noted that "offices were treated as matters of patronage, and many useless offices were in existence" and that "an exclusive distribution of patronage among friends and partisans prevailed."1

In truth, Penn's municipal corporation lacked the means to employ many people at all, friends or otherwise. Without taxing power, the corporation relied largely on fees, fines, and rents for income, so the directors often took it upon themselves to underwrite the cost of local repairs and development. The few public jobs that were available paid poorly, if at all, so it was often the practice for unpaid political leaders to tend to municipal improvements themselves, out of their own pockets.

II. THE 1789 CHARTER

Pennsylvania's legislature granted Philadelphia a new charter in 1789. This charter created an elected, bicameral legislature which appointed the city's mayors. Under this charter and a 1796 amendment, the Mayor had very limited powers of appointment; the Councils (there were two—"Common" and
"Select") appointed all local officials. In 1799, the charter was again amended and the power of appointment was effectively reversed: while Councils still created appointive positions within the city's government, the Mayor was given the authority to fill most of those jobs.

Though this change reflected dissatisfaction with councilmanic appointment of public employees, mayoral appointments found no greater favor, and in 1839, the office of Mayor became an elected position and the power to select public employees reverted to Councils. Thus, while the Councils appointed clerks, laborers, directors of local institutions, collectors, inspectors, and secretaries, the Mayor's hiring was relegated largely to police officers and watchmen.

III. THE DEVELOPMENT OF THE SPOILS SYSTEM

As William Penn demonstrated, the appointment of friends and supporters to public positions was not an unusual practice; neither was it unique to Philadelphia. George Washington, generally a supporter of merit hiring, nevertheless allowed his Federalist subordinates to bolster their party through political appointments. John Adams, upon losing his bid for re-election, made his "midnight appointments" of Federalist judges to increase his party's numbers in public offices. His successor, Thomas Jefferson, responded with his own appointments of Republicans to public posts.

By this time, partisanship in public hiring was already well-established in Pennsylvania. In an 1801 letter to then-President Jefferson, Pennsylvania's Republican Governor, Thomas McKean, outlined his own hiring philosophy:

The anti-Republicans, even those in office, are as hostile as ever, though not as insolent. To overcome them they must be shaven, for in their offices (like Samson's hair-locks) their great strength lieth; their disposition for mischief may remain, but their power of doing it will be gone. It is out of the common order of nature, to prefer enemies to friends.

Philadelphia's Republican Mayor obviously agreed: he removed all Federalist officeholders from their positions in local government.

Although all early Presidents made such partisan appointments, the true flowering of federal patronage hiring came only with the election of Andrew Jackson in 1828. Jackson opposed what he perceived to be an increasingly conservative, upper-class bureaucracy, arguing that true democracy requires public servants who more closely reflect popular sentiment. When elected, he acted on these beliefs, replacing much of the incumbent federal bureaucracy with his own political supporters.

This "Jacksonian democracy" also embraced easier access to the franchise and greater accountability among officeholders to the public. In Philadelphia, the office of Mayor, formerly an appointed position, became an elected position in 1839. The Pennsylvania Constitution of 1838 eliminated property qualifications for voting, instantly enlarging the electorate.

At the same time both Philadelphia and its government were growing rapidly. As they did, it became increasingly clear that a few leading citizens could no longer administer all of the city's affairs and, in time, these "gentlemen" gave way to "working politicians." Such politicians continually sought ways to preserve and increase their power, and with a larger, less-prosperous electorate, the promise of a government job in exchange for political loyalty and service could be compelling. Thus, the opportunity and need for political patronage grew.

IV. THE CONSOLIDATION OF 1854

In 1854, the city of Philadelphia was consolidated with all surrounding townships and villages in Philadelphia County to form a larger city, growing from two to 127 square miles with one stroke of the legislative pen. To accommodate this change, the city's government was reorganized.
Though individual aspects of this new government differed, its overall tone did not. Centralization of power in the legislature continued, and nowhere was this more apparent than in the Councils' power to appoint public employees. Under the new government, the Councils continued to elect jointly all department heads, as they had since 1839. These department heads chose their own employees, but all such appointments were subject to the confirmation of the Select Council.\textsuperscript{11}

The Mayor, on the other hand, had relatively little appointment power and was, in many respects, little more than a glorified police commissioner. The Mayor ran the police department and appointed all police officers and watchmen, but even these appointments were subject to the approval of the Select Council.\textsuperscript{12}

V. THE INTRODUCTION OF CIVIL SERVICE

Beginning in the 1850s, the U.S. Congress began a thirty-year flirtation with the notion of a civil service—a system in which the employment of government workers is based on what they know rather than whom they know. Though limited reforms were enacted in the 1850s,\textsuperscript{13} serious consideration of a federal civil service did not begin until the following decade, when a Rhode Island representative familiar with the British system of merit employment attempted to introduce a similar system in the United States. Though his efforts did not result in significant reforms, they did succeed in fostering greater public awareness of the many problems inherent in patronage hiring and created interest in potential cures.

President Grant supported federal civil service reform and in 1871 Congress authorized the creation of an advisory Civil Service Board. Grant appointed prominent reformers to this board but its efforts were crippled when Congress denied it appropriations in 1873.\textsuperscript{14} President Hayes subsequently revitalized the board and experimented successfully with merit employment practices in the Customs House and Post Office of New York.\textsuperscript{15}

In 1881, President Garfield promised further reforms, but a disgruntled job-seeker, incensed at the President's plans to curb the spoils system, shot and killed him. Within two years the Pendleton Act, providing for a federal merit employment system administered by a Civil Service Commission, was enacted by Congress. The commission was ordered to give open, competitive, practical examinations for non-physical labor jobs in the executive branch which were not subject to Senate confirmation. When first adopted, the Pendleton Act covered 10.5% of all executive-branch employees.\textsuperscript{16}

VI. THE GROWTH OF THE REPUBLICAN MACHINE

The Civil War years marked the ascent of the Republican Party—and one-party rule—in Philadelphia. The key to the party's success was its control of public jobs. An 1841 ordinance had given the trustees of the city's gas works almost complete independence, and a favorable court ruling and clever financial manipulations extended that independence for over forty years.\textsuperscript{17} During that period, Republican trustees controlled the gas works and built around it a political empire which controlled an estimated 5,600 public jobs paying nearly $4 million annually.\textsuperscript{18} Even though the quality of city services was often less than satisfactory, these jobs meant votes, and votes assured the perpetuation of the machine.

The machine was everywhere, placing its men in virtually every office of city government, and few could escape its influence. In 1875, a friend of the Mayor serving as highways commissioner was nonetheless ousted from his position when he became\textsuperscript{19}

\ldots too independent with the vast patronage power of his position, ruling that no appointments would be made to men with less than two years experience in their field; that all employees must devote full time to their duties; and that no employee could have any interest in labor or material furnished by the department.
Such integrity clearly did not coincide with the needs of the machine.

Those not fortunate enough or not willing to be part of the political organization were naturally outraged by its many abuses. Among the dissenters, one hundred prominent businessmen joined forces to create the Committee of One Hundred, a group dedicated to fighting the machine and ridding city government of corruption. The Civil Service Reform Association of Philadelphia, formed in 1881, had more specific concerns. The two joined forces with other organizations later that year to elect an anti-Republican, reform Mayor. This Mayor promised to keep the police—political appointees like all other city workers—out of politics and to eliminate the custom of “political assessment”—the involuntary deduction of campaign contributions from the salaries of public employees. While he kept these promises, the limited power of the Mayor under Philadelphia’s government at that time prevented him from instituting any more significant, long-range improvements.

VII. THE BULLITT BILL

The success of the federal Pendleton Act led local reformers to dream of a day when comparable improvements might be seen in Philadelphia. Those dreams became a reality in 1885 when the General Assembly enacted a new charter for the city. This charter, better known as the “Bullitt Bill,” gave Philadelphia its own civil service.

The new civil service system gave the Mayor the power to appoint the heads of the public safety, public works, and charities and corrections departments subject to the approval of the Select Council. As before, department heads appointed their own employees. More important, under the Bullitt Bill...

... no such appointment or any promotion of any subordinate official, excepting only of assistants or laborers employed for special or temporary purposes, and professional experts, and such others as are specially excepted by this act, shall be lawful except when made under and in pursuance of rules and regulations providing for the ascertainment of the comparative fitness of systematic, open and competitive examinations of such applicants, which rules and regulations, it shall be the duty of the mayor and the heads of departments to make and promulgate.

This was a system of appointment by competitive examination.

Local politicians, unhappy over the threat this new charter posed, managed to secure its amendment in 1887, obtaining a postponement of the deadline for implementing these new regulations and exempting the city treasurer’s office and receiver of taxes’ office from the civil service.

The Bullitt Bill did not live up to the expectations of reformers. By requiring the Mayor and department heads to write and enforce civil service regulations, it gave ultimate, unfettered power to the very officials who would most benefit from abuses. One abuse occurred immediately in the form of a regulation permitting department heads to choose not from a limited list of those candidates scoring best on a competitive examination but from among everyone who passed the test for a given job. When this rule was changed to require department heads to choose from among the top five candidates on the qualifying list, they were also given the right to first approve (or disapprove) all applications just to take the examinations. Applicants for examinations needed three “endorsements”—endorsements, as it turned out, from Republican politicians.

Once implemented, the civil service section of the Bullitt Bill found few admirers, even among reformers. The National Civil Service Reform League called it “a striking example of what civil service legislation should not be.” The Municipal League of Philadelphia lamented that its provisions were “inadequate...[A]t the most they serve only to keep out of the municipal service the very worst applicants.”
Unhappy over the results of their well-intended efforts, these groups sought to improve the civil service system during the 1890s. Some tried to amend the Bullitt Bill; others sought state-wide civil service regulations that would encompass Philadelphia and take the power of enforcement out of local hands. None of these approaches succeeded.

VIII. THE CIVIL SERVICE REFORMS OF 1906

The discovery of a corrupt gas works lease unleashed a storm of controversy in Philadelphia in 1905. Amid this controversy, the Republican Mayor broke with his party to join ranks with the reformers, and the state's Governor called for a special session of the legislature to consider the many problems in Philadelphia.

Among the reforms emerging from this special legislative session was a new, comprehensive civil service bill for Philadelphia. Related legislation outlawed the political assessment of city employees, prohibited them from participating in political activities, and forbade department heads to dismiss employees for political reasons.

Administering this new system was an independent, bi-partisan, three-member Civil Service Commission appointed by the Mayor to fixed, staggered terms of office. The commission was directed to hire examiners and create regulations which, subject to the Mayor's approval, would govern the administration of free, public, practical job examinations designed to certify the four best candidates for each available position.

The new system divided Philadelphia's public employees into two groups: the unclassified (elected officials and their top appointees) and classified services. The classified service was divided into four classes: exempt (assistant department heads, top clerical staff of the Mayor and department heads, and others to whom the commission felt it was impractical to give examinations); labor (physical laborers); non-competitive (jobs for which the commission found it impractical to give competitive examinations). Candidates were tested alone, and if found qualified, appointed; and competitive (all other positions). Veterans and widows and children of veterans were exempt from civil service guidelines and the commission could exempt individuals by virtue of their "peculiar and exceptional qualifications" for a job.

Supporters of this more carefully-drawn measure hoped it would be more difficult to circumvent, and early signs were encouraging: the first Mayor to oversee its implementation administered it faithfully. The next Mayor, however, a product of the machine, made his views clear from the start: "This is a Republican government. Republicans are to be appointed to office." His actions underscored his attitude. First, he obtained the resignation of the Civil Service Commissioners and appointed a group more to his liking. Skillfully exploiting the veterans loophole, he used it to usher in 57.6% of his first-year appointments in the competitive class. He also dismissed scores of employees "for the betterment of the service."

In 1911, this Mayor was upset by a reform candidate who diligently administered the system. He, too, obtained the resignations of the Civil Service Commissioners. More difficult examinations were drawn and the proportion of political appointees declined. Without the core of political support provided by patronage employees, however, this Mayor's political strength proved inadequate and he was subsequently turned out of office. His successor dismissed the Civil Service Commission and resumed the practice of flouting the law at every available opportunity.

IX. THE ORGANIZATION OF CITY FIREFIGHTERS

The new civil service system fostered no more stable a working environment than the old. New mayors could, and did, replace trained, experienced employees with political allies. To protect their jobs, the city's firefighters joined forces in 1916 to form the City Fire Fighters Association (FFA).
Opposed to this effort, the city attempted to discourage union membership; when this failed, the union's founder was fired, though he was eventually reinstated by the Civil Service Commission.\textsuperscript{38} The union survived such tactics and later, in 1919, initiated its first salary discussions with Council.

X. THE 1919 CHARTER

During the election of 1917, the beating of a candidate for public office and murder of a policeman who had come to his assistance stunned Philadelphia. When six policemen were among those convicted of these crimes, public outrage over the politicization of the police department grew and a movement to draft a new charter to correct this and other problems began.

This movement produced a new charter for Philadelphia. Approved by the General Assembly in 1919,\textsuperscript{46} it continued the civil service, but with a number of changes. The most important change gave the power to appoint the Civil Service Commissioners to the new, single-chamber City Council.\textsuperscript{47} This was considered essential because the Civil Service Commissioners were appointees of the Mayor, and, therefore, unable to resist pressure . . . when it was desired to make appointments or removals for political purposes. Inasmuch as the Civil Service Commission is intended to act as a check upon the Executive, it is obviously inappropriate that it should be appointed by the Executive.

One of the commission's most important responsibilities was to adopt, amend, and enforce civil service regulations. According to the charter, these regulations were to provide for the classification of all positions in the classified service; the creation of ranked eligible lists; the appointment of one of the top two candidates on an eligible list; and the rejection of clearly unfit candidates. The commission also was to devise regulations governing transfers, promotions, reinstatements, efficiency ratings, and the hiring of unskilled laborers.\textsuperscript{49}

The new charter retained the division of employment into classified and unclassified services introduced in the 1906 bill. Added to the unclassified service were the members of the Civil Service Commission, the city solicitor and his assistants, outside contractors, special temporary employees, and emergency police officers and firefighters. The classified service was reduced to just three classes—exempt, labor, and competitive—with the non-competitive class from 1906 added to the exempt group.\textsuperscript{44}

The charter also introduced two new types of short-term appointments to the competitive class without competitive examination: temporary and provisional. Temporary employees, chosen from an appropriate eligible list, could work for up to one month.\textsuperscript{45} Provisional appointees could work up to three months while an eligible list was being prepared.\textsuperscript{46} Neither type of employee could be reappointed immediately to the same post, nor could one receive civil service credit for one's work experience.\textsuperscript{47} These limits, reformers hoped, would curtail the pervasive influence of partisan politics in public employment practices.

Competitive jobs were to be filled based on free, objective, well-publicized examinations. Veterans received extra credit only if their military service was relevant to the position in question.\textsuperscript{48}

Civil servants were prohibited from engaging in political activities and soliciting them for political purposes was prohibited. Uniformed personnel were not even permitted to make political contributions.\textsuperscript{49}

New employees were to serve a three-month probationary period during which they could be dismissed without explanation. After that, dismissal required just cause, in writing. Dismissed police officers and firefighters were entitled to a public hearing before the Civil Service Commission.\textsuperscript{50}
XI. THE 1919 CHARTER IN OPERATION

The administration of the new civil service provisions ran into problems from the start. The first Mayor under the new charter, ostensibly a reformer, complained that the system restricted his ability to appoint the best person to the job.\(^{31}\) Meanwhile, a supplementary bill which would have extended civil service to county offices—a step considered vital for true reform\(^{32}\)—failed to win approval in the legislature.\(^{53}\)

Council crippled the new system from the outset by failing to provide it with adequate funds. Without a personnel director to oversee operations (Council refused to fund the position), the Civil Service Commission was forced to assume an administrative posture rather than the legislative and judicial role which had been envisioned for it. Further, Civil Service Commission staff levels and expertise were inadequate, hindering its ability to devise proper tests, perform necessary investigations, and maintain eligible lists commensurate with current needs.\(^{64}\)

Council also waited over twenty years, until 1943, to approve the standardized pay and classification plan required by the charter.\(^{55}\) The resulting over-proliferation of job titles and the inability of the Civil Service Commission to keep pace with the need for eligible lists worked to the advantage of the Republican machine, giving it countless opportunities to fill jobs with provisional appointments.

Along with the labor class, the provisional appointment was the domain of the politicians. These three-month appointments, employed while eligible lists were being prepared, provided an enormous headstart for aspiring civil servants, giving them the job experience needed to do well on competitive examinations. Provisionals made the most of this advantage: in 1932, for example, 89.5% of all appointees from eligible lists started out as provisional employees.\(^{56}\)

And provisional employees were political appointees. To become a provisional, one needed the backing of a ward leader. Generally, the Mayor distributed provisional appointments in the competitive class; ward leaders controlled unskilled labor positions; judges distributed county appointments; and the City Committee doled the remainder of county jobs among ward leaders.\(^{37}\)

The examination process, too, proved less than satisfactory. Department heads often participated in the preparation of tests, biasing them in favor of provisionals or others; grades were altered to move preferred candidates to the top of eligible lists; and applicants needed three character endorsements—from suitable politicians.\(^{58}\)

The exempt class—which civil service regulations did not govern—grew yearly. By 1936, 14.1% of city jobs were exempt positions.\(^{59}\) Workers in the labor class, who did not take competitive examinations, often transferred temporarily to jobs in the competitive class, where they, too, gained valuable work experience that aided them greatly in later examinations.\(^{60}\)

Unorganized and inefficient, the city’s civil service was clearly troubled. Patronage remained widespread; administrative leadership and accountability were lacking; and personnel policies varied from department to department. Though the abuses were less blatant than those under the previous charter and civil service law, they nonetheless demonstrated that the public payroll remained firmly under the control of the Republican Party.

XII. THE POLICE AND BLUE-COLLAR WORKERS ORGANIZE

Although there were some strikes and attempts to organize the city’s blue-collar workers in the early 1920s, no additional lasting city employee unions were formed in Philadelphia until the late 1930s. Then, in 1939, the Fraternal Order of Police (FOP) Lodge No. 5 emerged in response to a Council decision to reduce police pay to help the city pay its debts.\(^{61}\)

At the same time, the Municipal Workers’ Union was forming. Late in 1938, a group of blue-collar employees in the Bureau of Highways and Street Cleaners went on strike, com-
plaining that they were only being paid 60% of their salaries, that political appointees in the bureau were not doing enough work, and that Council had laid off employees for political reasons. On the third day of the violent, arrest-marred strike, the American Federation of State, County and Municipal Employees (AFSCME) of the A.F. of L. entered into the negotiations and the strike quickly ended. That same day, the Municipal Workers' Union accepted a charter as Local 222 of AFSCME.62

The following year, Local 222, representing just a few hundred employees, negotiated its first contract with the city. The contract recognized the union as the sole bargaining agent in bureaus of the Department of Public Works where its members were in the majority. It covered length of work week, overtime and holiday pay, and criteria for layoffs. The union agreed not to strike and the city established a grievance procedure which included binding arbitration. While the pact did not cover wages, which were left to the discretion of Council, it did give the union an opportunity to present its views to the department director each year at budget time.63 Over the next few years, the union used this prerogative, plus the threat of illegal strikes, to win salary concessions from the city.64

In 1944, following a ruling by the City Solicitor that the city could negotiate with any union whose members were in the majority in a bureau of the Public Works Department,65 the city negotiated not with Local 222 alone but with District Council 33 (D.C. 33), a new organization consisting of four locals in the Public Works Department. The 1944 contract added to the power of these unions, giving them the right to expand beyond the Public Works Department and to discuss wages with the Mayor and City Council.66

XIII. THE 1938 CHARTER REFORM MOVEMENT

In 1922, Pennsylvania's constitution was amended to permit the Commonwealth to grant cities of at least 10,000 persons the right to adopt their own charters.67 In 1937, with more and more reformers convinced that home rule was a prerequisite to good government, the governor appointed a Philadelphia Charter Commission to draft a new charter for the city.

The 1938 commission proposed altering the means of appointing the Civil Service Commission; forming a department of civil service; creating a personnel director to relieve the Civil Service Commission of administrative duties; extending the civil service to county offices and municipal court; and tightening the rules governing the hiring of temporary, exempt, and provisional employees.68 Ambitious as they were, these proposals received little political support and died in 1939.69

XIV. THE 1951 HOME RULE CHARTER

In the late 1940s, demands of city employees for wage increases led to the creation of a bi-partisan "Committee of Fifteen" to find new sources of revenue to pay for these raises. While searching for possible economies in the administration of city government, this committee uncovered corruption, embezzlement, and serious organizational and management problems. These disclosures breathed new life into the charter reform movement.

This movement received a further boost in 1949 when the General Assembly enacted the First Class City Home Rule Act, providing for the establishment of local charter commissions.70 That same year, the Mayor and City Council authorized the appointment of a fifteen-member, bi-partisan charter commission.71

The new charter proposed by this commission again revamped the troubled civil service system. Designed to "establish . . . a system of personnel administration based on merit principles and scientific methods,"72 it limited exempt positions within city government to an unprecedented degree. The city's civil service was to be overseen by a three-member Civil Service Commission appointed to staggered, six-year terms of office by the Mayor73 from the nominees of a charter-constituted Civil Service Panel.74 This commission was to
investigate the operation of the system, advise the Mayor and Personnel Director of its findings and recommendations, and approve, disapprove, or modify proposed civil service regulations. It also was to hear the appeals of civil servants who had been suspended, demoted, or dismissed from their jobs.75

To ensure independence from political influences, the Personnel Director was to be appointed by the Civil Service Commission, not the Mayor.76 This official would administer the daily affairs of the city’s civil service, develop regulations and examinations, prepare and maintain eligible lists and position classification plans, and investigate the operation and effectiveness of the system.77 To relieve the problem of underfunding that crippled the civil service under the previous charter, the new charter stipulated that a sum equaling at least one-half of one percent of the money spent on city employee salaries be allocated to the Personnel Director and Civil Service Commission to administer the system.78

Civil service regulations were to be developed by the Personnel Director but approved by the Civil Service Commission.79 Regulations covering the classification plan, wages, work hours, vacations, and holidays would also require the approval of the Administrative Board (the Mayor, Managing Director, and Director of Finance).80

Civil service jobs were to be filled under the “rule of two” system. When job vacancies occurred, appointing authorities would be presented with the two names at the top of appropriate eligible lists, from which one would be chosen for the position.81

The new charter also regulated the political activities of city employees, shielding them from the solicitation of political contributions while prohibiting them from participating in political affairs such as campaigns, parties, and partisan political clubs. Police officers and firefighters were expressly forbidden from even contributing to political organizations.82

This charter was approved by the city’s voters in 1951, and later that year, the state constitution was amended to consoli-date the governmental functions of the city and county of Philadelphia, making all county offices into city offices.83 A 1953 enabling act helped to execute this amendment, but in so doing, purported to exempt four unconsolidated offices—the Board of Revision of Taxes, Registration Commission, City Commissioners, and Sheriff—from the civil service and the charter’s rules prohibiting partisan political activities by city officers and employees.84 This effort to preserve patronage within these departments was struck down by the Pennsylvania Supreme Court the following year as an unconstitutional attempt to grant special privileges to the individuals within those departments. Describing the exemptions as arbitrary, the court found no rational basis for distinguishing positions within the exempted departments from civil service positions elsewhere in city government.85

XV. LABOR RELATIONS UNDER THE NEW CHARTER: THE 1950s

In 1952, the new Civil Service Commission enacted a regulation authorizing the Personnel Director to enter into collective bargaining, and the city and District Council 33 negotiated the first labor contract under the new charter. Most of the contract provisions were then incorporated into the broader civil service regulations.86 The new contract covered an increased number of workers from additional city departments and stated that all contract provisions must conform to civil service regulations to be valid.87

In 1957, the city granted D.C. 33 exclusive bargaining rights where it was in the majority.88 By that time, D.C. 33 had merged with Local 30, an independent rival group and C.I.O. affiliate, bringing D.C. 33 membership up to 11,000 and its representation to all 15,000 workers in the departments it represented.89 The following year, the city made D.C. 33 the exclusive bargaining agent for all non-uniformed city departments.90

Relations with uniformed employees were more strained. Without a written contract or a civil service regulation specifi-
cally authorizing negotiations, the Fraternal Order of Police and Firefighters Association continued to rely on the "straight political process" to negotiate wages and benefits. At the heart of this process was a pre-budget conference with the Mayor and the lobbying of City Council. When this approach faltered, as it sometimes did, the unions sought arbitration and threatened to march on City Hall.91

While these unions had difficulty negotiating during the 1950s, they did receive official recognition. In 1954, the Fire Commissioner recognized the FFA as the sole bargaining agent for firefighters;92 in 1956, the city agreed to consult with the union before changing regulations.93 The city also granted exclusive recognition to the FOP during the 1950s.

These increases in power and size enabled the unions to do more for their members. In the 1950s, for example, municipal employees first began negotiating for pensions and other benefits. While negotiations to create a charter-mandated municipal pension system delayed its inception until 1957, the city began contributing to the already-established Fire Pension Fund in 1953.

XVI. THREE ATTEMPTS TO CHANGE THE CHARTER

The charter's civil service provisions were challenged on three occasions between 1953 and 1956. The first proposed amendment, filed by petition with Council in 1953, would have exempted former county offices from the civil service. This petition was eventually withdrawn.94

The following year, Council itself proposed increasing the number of exempt positions and easing the civil service prohibitions against political activity. These bills failed to garner enough votes to be placed on a referendum ballot.95

In 1956, Council introduced two more measures designed to alter the civil service. The first proposed increasing the number of exempt positions to include all the officers and employees of elected officials except those of the Mayor; the second proposed exempting those same persons from the bans against partisan political activity in the charter. City Council and the Mayor approved the proposed amendments, which were then placed on the April, 1956 ballot. Before the electorate could adopt or reject the proposals, however, the Pennsylvania Supreme Court ruled that the changes would be unconstitutional because they granted special privileges to some employees while denying the same privileges to others who did the same type of work.96

XVII. LABOR RELATIONS IN THE 1960s

In 1960, the city offered District Council 33 the union shop it had long sought. Over the vehement protests of the Personnel Director and Civil Service Commission, a modified union shop (certain classes of city employees were required to join the union as a condition of employment but were then allowed to withdraw from it during a designated period of time each year) was adopted.97

A 1961 ordinance divided nonuniformed city employees into three classes: mandatory (those required to join the union), voluntary, and prohibited.98 Most of the 12,500 jobs in the mandatory class were blue-collar; the 4,000 voluntary class positions were largely white-collar; and those in the prohibited class were supervisory.99

If these measures represented conciliatory gestures toward the unions, the increasing politicization of labor negotiations took accommodation a step beyond. The growing participation of the Mayor in these negotiations typified this politicization, as the Personnel Director complained in 1963:100

Through 1959 we could live with collective bargaining, given a mature union, mature management and the no-strike clause, and it contributed to the stability of the personnel system. Since that time the whole process has become more and more political. The employee organizations go to the Mayor and get
whatever they ask for. Negotiations are a sham; we don't prepare and we don't know what we want. But the unions do and they get it. One Mayor is just as political as the other...

The liberalization of employee benefits continued during the 1960s. The city had begun awarding health and welfare benefits to D.C. 33 in 1954101 and extended such benefits to uniformed personnel that year as well.102 These benefits grew as union leaders set their sights on pay parity with the private sector.

Legislative approval of Act 111 in 1968 marked the culmination of years of effort on the part of police officers and firefighters to take their contract negotiations out of an ad hoc, informal political process and introduce recognized, formal collective bargaining. Act 111 gave them the right to bargain collectively through labor organizations over the terms and conditions of employment—wages, hours, working conditions, retirement, pensions, and benefits. If such bargaining reached an impasse, the act provided for binding arbitration in lieu of the still-prohibited strike.103

Act 111 has proven to be a major force in local labor relations. Since its passage, neither the police officers nor firefighters have negotiated a contract without binding arbitration. Since 1970, the police have, with one exception, always settled before the firefighters, and this settlement has set the tone for all subsequent negotiations. Firefighters usually attempt to maintain parity with police officers; nonuniformed employees generally refrain from serious bargaining until these two unions settle, knowing that they will receive slightly less in their own negotiations.

XVIII. THE 1970 PUBLIC EMPLOYEE RELATIONS ACT AND THE ORGANIZATION OF WHITE-COLLAR CITY EMPLOYEES

The growing propensity of public employees' unions to engage in illegal strikes during the 1960s signaled the waning effectiveness of the Public Employee Anti-Strike Act of 1947. A two-year quest for a more realistic measure culminated in 1970 with the enactment of the Public Employee Relations Act (PERA).104

This new law gave public employees a legal, limited right to strike. The act conferred upon employees of the state and its political subdivisions, except elected officials, management-level employees, confidential employees, and uniformed employees (who were covered by Act 111) the right to engage in collective bargaining, imposing a duty to bargain in good faith on the employer.105

PERA established three categories of issues for collective bargaining: mandatory (bargaining is required), permissive (bargaining is not mandatory, but parties must “meet and discuss” such issues), and non-bargainable. Mandatory subjects include wages, hours, and terms and conditions of employment; permissive subjects include matters of inherent managerial policy; and non-bargainable issues are those determined elsewhere by statute.106

The most important long-term effect of PERA in Philadelphia was its authorization of the unionization of white-collar and supervisory personnel. Since 1957, the city’s white-collar workers had generally received the same compensation package as D.C. 33, often to their dismay. In 1963, they formed the Administrative, Professional and Technical Association of Philadelphia (APTA) to protest bargaining practices of D.C. 33 that they felt were detrimental to supervisory workers.107

In 1970, D.C. 33 pressed for an agency shop agreement which would have required non-union employees to pay union dues. This angered members of APTA, some of whom were prohibited by law from joining the blue-collar union, and they refused to accept continued indirect representation by D.C. 33.

Though they failed to gain independent recognition from the city, they did manage to bar D.C. 33 from representing them in contract talks. With the passage of PERA, APTA affiliated
with the AFL-CIO as District Council 47, whereupon it negotiated wage increases and successfully fought D.C. 33’s agency shop.

XIX. LABOR RELATIONS IN THE 1970s AND 1980s

Philadelphia’s municipal employees’ labor unions are most visible when they represent their members in contract negotiations. Each of the unions approaches its negotiations in a slightly different manner.

The FOP states its demands aggressively. To protest perceived mistreatment at city hands it has, at various times, staged work slowdowns, ceased writing traffic tickets, and taken the city to court. These tactics helped the union win considerable salary and benefits increases, particularly during the 1970s.

The FFA, too, approaches contract negotiations forcefully, particularly in its demands for parity with other city workers. To underscore their determination, members voted a no-strike clause out of their union by-laws in 1980.

Non-uniformed employees have made the most of their PERA right to strike, doing so not only in search of better wages and benefits but to protest proposed layoffs as well. D.C. 33 workers have also staged work slowdowns to protest planned layoffs.

Since the late 1970s, when financial difficulties struck the city with unusual force, city leaders have sought to negotiate smaller wage increases with the unions. To make these smaller settlements more palatable to union members, the city has granted generous fringe benefits and pensions. The considerable cost of these benefits poses two additional problems: first, the city’s pension obligations are truly staggering by some standards; and second, health and welfare benefit funds are managed by the unions, not the city.

The unions exercise considerable autonomy over these funds, which receive substantial contributions from the city based on the size of union membership. Each of the unions’ funds has been investigated for corruption in the past and serious irregularities have been discovered. In recent years, as the funds have grown and extended to medical, dental, and vision benefits, prescription drugs, and legal aid, the potential for abuse likewise has increased, as have questions concerning actual practices.

In response to the attention such alleged abuses have received, the city has sought the right to audit these funds, but even where it has won this right (with uniformed and white-collar employees), it has shown little inclination to pursue the matter. Thus, the extent to which such investigations will be conducted in the future remains very much in question and appears itself to be a potential subject for future negotiations.

Another area of controversy is the unions’ bold moves into the political arena. Each of the unions now routinely endorses political candidates and although the charter prohibits city employees from engaging in partisan political activities, union leaders representing those employees actively promote the campaigns of endorsed candidates. Often, the connection between contract settlements and the immediate political needs of incumbent officeholders is all too clear. Union members and their families comprise a significant political constituency and union endorsements are highly prized by aspirants to public office.

This combination of forces creates problems for the city. The generous liberalization of benefits in recent years now sorely taxes the city’s diminishing resources, yet benefit increases are still often used to induce wage concessions, thereby increasing the ultimate costs of labor settlements. At the same time, through their accumulated political power, contractual control over large amounts of city funds, and continued contract concessions, the unions have gained more and more influence in the city’s decision-making processes. This power is so considerable today that attempts to reverse this trend may be ill-fated from the start.
XX. THE LATEST ATTEMPT TO CHANGE THE CHARTER

In November of 1984, a bill was introduced in City Council to change the charter to remove employees of the Sheriff's Office and City Commissioners' Office from the civil service. If enacted and then approved by the electorate, the proposal would have removed approximately 375 positions from the civil service and turned them into patronage jobs. At public hearings on the proposed charter amendment, supporters of the measure argued that "civil service has grown dramatically and covers far more people than was originally intended" and that the system had created "insulation from management, from responsibility and accountability."

Opponents of the proposal noted that civil service has provided equal access to government employment and that efforts to alter it "would open the doors to unaccountable, unqualified political patronage." It was also argued that such a change would bring the city full-circle to the pre-charter days of rampant patronage and was, in effect, a "blatant, indefensible attempt to . . . plunge the city back into an era of fraud and corruption." With considerable opposition to this measure from some elected officials, the civic community, and the Mayor, the bill was referred back to committee for further study—dead, that is, for the time being. Nevertheless, with the decline in power of the political parties and the ever-diminishing opportunities to reward party faithful with jobs and other privileges, as well as the continued dissatisfaction of even civil service supporters with the manner in which that system is currently executed in Philadelphia, it is likely that attempts to alter, and perhaps weaken, the civil service provisions of the city's home rule charter will be undertaken again in the not-too-distant future.

NOTES

to Chapter One

6. Ibid.
12. Ibid.


21. Act 33 of June 1, 1885, art. XII, §§ 1-2, 1885 Pa. Laws 37, 49.

22. Act 33 of June 1, 1885, art. XII, § 3.


34. Act 18 of March 5, 1906, § 1, 1906 Pa. Laws 83.


44. Act 274 of June 25, 1919, art. XIX, §§ 3, 8, 10, 1919 Pa. Laws 581, 613-616 (codified at 53 P.S. §§ 12623, 12628, 12630 (1957)).


57. Ibid., p. 30.


63. 1939 Ordinances of the City of Philadelphia 274.

64. See, for example, “Walkout of 3000 City Workers Threatened,” Evening Bulletin, 17 September 1941, p. 1; also “Two Points Waived by City Workers,” Philadelphia Inquirer, 24 June 1944, p. 5.

65. 1943 Opinions of the City Solicitor 106, December 10, reported in 1943 Ordinances of the City of Philadelphia following the ordinances.


71. 1949 Ordinances of the City of Philadelphia 663.


73. P.H.R.C. § 3-804.

74. P.H.R.C. § 3-1001.

75. P.H.R.C. § 7-201.

76. P.H.R.C. § 3-205 (and annotation).

77. P.H.R.C. §§ 7-100, 7-101, 7-102, 7-400.

78. P.H.R.C. § 2-300(4)(a).

79. P.H.R.C. §§ 7-100, 7-200, 7-400.

80. P.H.R.C. § 7-400.

81. P.H.R.C. § 7-401(h).

82. P.H.R.C. §§ 10-107, 10-108(2), (3).

83. Pennsylvania Constitution of 1873, art. XIV, §§ 1, 7.


86. Sterling D. Spero and John Cappozzola, The Urban Community and its Unionized Bureaucracies (New York: Dunellen Publishing Co., 1973), pp. 42-43; see also Civil Service Regulations 28.01 (negotiations) and 28.011 (AFSCME).


89. Ibid.


98. 1961 Ordinances of the City of Philadelphia 259.


110. See P.H.R.C. § 10-107(4). It is an open question whether or not union leaders—who generally are city employees on leave—violate the charter when they actively support candidates.

111. Bill 353 and Resolution 267, City Council (introduced November 1, 1984). Referred to the Committee of the Whole Council, 1984 Journal of the City Council of Philadelphia 1074.

112. “Council Committee Hears Testimony on Proposed City-Charter Changes,” Philadelphia Inquirer, 13 March 1985, p. 4B.

Sound personnel practices rest at the heart of an effective municipal government. The city spends a significant portion of its operating budget on employee salaries and fringe benefits, and most services delivered to Philadelphians are performed by people who work for the city. If that money is to be spent wisely and those services delivered effectively, the governance of Philadelphia’s civil service system must be conducive to sound personnel practices.

This governance has changed over the years, reflecting for the most part changes in the public’s perception of the role of the civil servant. In years past, public employment was a reward for political activity; under Philadelphia’s home rule charter, however, it is designed to be more of a profession, one in which work skills are valued above political loyalties.

Whether the current system of personnel governance is ideal is a question unanswered, and perhaps unanswerable. Certainly, the question is best not answered in a vacuum, and this chapter attempts to fill that vacuum by detailing the governance of Philadelphia’s personnel system—the roles, powers, and responsibilities of each of the participants in that system. That system, moreover, applies to the vast majority of city employees, but it does not govern the employees of City Council or those in non-charter agencies such as the courts and the municipal authorities.

I. OFFICE OF THE MAYOR

Philadelphia’s Mayor is the city’s chief executive, endowed with broad appointive and administrative powers under the “strong mayor” form of government established by the city’s home rule charter. Personnel practices and policies are entirely administrative functions and fall almost exclusively under the control of the executive branch, thus giving the Mayor a strong, significant voice in the administration of personnel practices.

Assisting the Mayor in the administration of Philadelphia’s government are four officials who, along with the Mayor, form the Cabinet: the Managing Director, City Solicitor, Director of Finance, and City Representative. All are appointed by the Mayor (the City Solicitor must also be approved by City Council). Together, these officials are empowered by the charter to administer the day-to-day affairs of the city of Philadelphia.

The city’s civil service is overseen by a three-member Civil Service Commission. These commissioners are chosen by the Mayor from nominees submitted by a charter-constituted Civil Service Panel, and they appoint a Personnel Director to administer the daily affairs of the civil service itself.

In the course of administering the civil service, and as stipulated in the charter, the Personnel Director develops formal civil service regulations governing the hiring, training, classification, conduct, and firing of civil service employees. All of these regulations must be approved by the Civil Service Commission. Regulations pertaining to the position classification plan, wages, work hours, holidays, vacations, and sick leave must also be approved by the Administrative Board.

The Administrative Board is a three-member panel consisting of the Mayor, Director of Finance, and Managing Director. Its participation in civil service matters of a financial nature enlarges the decision-making process to include the person at the heart of the city’s finances—the Director of Finance; the individual who oversees the city’s ten line departments, and along with them, most of the city’s employees—the Managing Director; and the elected official ultimately accountable for all local affairs—the Mayor. This Administrative Board, along with the City Solicitor, Personnel Director, and director of labor relations (a non-charter position attached to the Mayor’s office) also negotiates on behalf of the city with the municipal employees’ labor unions. Thus, through broad appointive powers, near-total administrative authority, and direct personal participation, the Mayor exerts direct and pervasive influence over Philadelphia’s civil service and personnel practices.
II. CITY COUNCIL

Prior to the passage of the current charter, City Council played a major role in the city's personnel practices. Since 1951, that role has been significantly reduced. Civil service is an administrative matter, a responsibility of the executive branch. Consequently, Council's role has been relegated to financial considerations—the appropriation of funds to underwrite the city's settlements with the unions.

Funds to pay city employees must be appropriated in the city's operating budget, and Council plays a pivotal role in shaping that budget. Council exercises its limited power over wage settlements through its authority to appropriate or refuse to appropriate lump sums requested for employee compensation. Council's ability to appropriate only lump sums limits its use of appropriating power as a policy-making tool. It can appropriate a sum for use in employee compensation on a department-by-department basis, but it cannot dictate how much of that sum is to be paid to each employee, or how many employees are to be engaged. Thus, while Council can theoretically negate collective bargaining agreements by refusing to appropriate funds to cover any increased costs under a negotiated contract, such actions can be overturned through the exercise of charter-delegated power by the Mayor.

Even this limited power does not apply to arbitration awards to uniformed employees under Act 111 of 1968. Such awards constitute a mandate for the executive and legislative branches to take the actions necessary for implementation, and not even a lack of appropriated funds can invalidate them. Thus, even Council's greatest power—that over the budget—is partially limited in personnel matters.

Council has other personnel responsibilities as well. First, it fixes the level of compensation of Civil Service Commissioners. In addition, it establishes the annual appropriation for the Personnel Department subject to the minimum for that appropriation stipulated in the charter.

III. CIVIL SERVICE COMMISSION

The Civil Service Commission is a three-member panel which oversees the operation of Philadelphia's civil service system. The three commissioners, appointed by the Mayor from nominees of the charter-constituted Civil Service Panel to staggered, six-year terms of office and removable only for "cause," receive no salaries but are compensated based on the number of meetings they hold at a rate determined by City Council.

The Civil Service Commission oversees the civil service system but does not administer it. That task falls to the Personnel Director, who is appointed by the Civil Service Commission and serves at the commission's pleasure. In supervising the efforts of the Personnel Director, the commission fulfills a legislative role. The Personnel Director proposes civil service regulations and the commission approves, disapproves, or modifies them. The commission is empowered to conduct periodic investigations of the civil service system and to report its findings, and make recommendations for improvement, to the Personnel Director and the Mayor. The commission also approves the terms of union contracts, although like City Council, it cannot disapprove pay scales arising from Act 111 of 1968 arbitration for police officers and firefighters.

Despite its legislative role, the Civil Service Commission is primarily a judicial body, hearing appeals from non-probationary employees who have been dismissed or demoted and from others who have been suspended for more than ten days in any one year. The commission also hears non-disciplinary appeals on matters such as lay-offs, oral examination results, and position classification amendments.

IV. PERSONNEL DEPARTMENT

If the Civil Service Commission is viewed as the legislative and judicial branches of the civil service system, the Personnel Department is clearly its administrative arm. This depart-
ment manages the daily affairs of the civil service system. A Personnel Director is appointed by the Civil Service Commission, not by the Mayor, to assure relative independence from political influences. The charter attempts to ensure this independence by stipulating that an amount equal to at least one-half of one percent of the total spent for compensation of city employees must be appropriated to the Personnel Department and Civil Service Commission in the operating budget.

Like the Civil Service Commission, the Personnel Director is instructed by the charter to conduct periodic investigations of the civil service and to report the findings of such investigations to the commission and the Mayor. The charter also provides for the creation of civil service regulations to govern the hiring, training, employment, conduct, and dismissal of civil servants; responsibility for developing these standards rests with the Personnel Director. These regulations must receive the approval of the Civil Service Commission, which may also disapprove or modify proposed regulations. Regulations pertaining to the position classification plan, wages, work hours, holidays, vacations, and leave must also be approved by the Administrative Board.

One such regulation, approved in 1953, authorized the Personnel Director to participate in collective bargaining with the municipal employees' labor unions. The Personnel Director is part of a negotiating team that includes the Mayor, Managing Director, City Solicitor, Director of Finance, and director of labor relations.

The Personnel Department, through the director, must prepare and maintain the position classification plan, allocate positions under that plan, and maintain eligible lists for the various job classifications. It must also maintain a current roster of city employees, develop programs to train employees and improve their effectiveness, and recruit potential city employees. To perform these tasks, the department is divided into eight units: Employment Services Division, Examinations Division, Test Development Division, Man-

agement Services Division, Equal Employment Opportunity/ Affirmative Action Office, Training and Development Center, Safety Unit, and Administrative Services Division.

V. THE UNIONS

Most of Philadelphia's municipal employees are members of labor unions. These unions are not part of city government but they are intimately involved in the making of all decisions which affect their members.

Most city employees are represented by one of four major labor organizations. Blue-collar workers are generally members of District Council 33; white-collar workers are members of District Council 47; firefighters are members of the Fire Fighters Association, Local 22; and police officers are members of Fraternal Order of Police Lodge No. 5.

The unions are best known for their role in representing their employees in contract talks with the city. These contracts typically govern a broad spectrum of issues ranging from wages, work hours, holidays, vacations, and sick leave to work conditions, layoffs, benefits, and pensions. The unions also represent their employees, individually and collectively, in grievances and disputes with the city.

The funds to administer some of the city workers' fringe benefits are controlled by the unions, not the city. The unions receive large appropriations from the city, far beyond just the salaries their members are paid. They exercise considerable, and sometimes complete independence in the management of these funds and the administration of benefits. The degree of control which the unions exercise over their benefits funds has resulted from agreements between those unions and the city in past contract negotiations.

Generally, the unions have the right to "meet and discuss" changes in city policies which affect their members. They have, for example, gained rights over terms and conditions of employment—an area formerly governed exclusively by the Civil Service Commission. This right to "meet and discuss"
has been broadly construed in recent years, and combined with the sheer size of the unions and the considerable political power their members collectively enjoy, the unions have won a major voice in the formulation of city policies and practices. At times, union activity or influence may supplement or even supersede the decision-making processes established in the charter.

VI. MEDIATION AGENCIES

A. Pennsylvania Labor Relations Board

The Pennsylvania Labor Relations Board (PLRB) is a departmental board within Pennsylvania’s Department of Labor and Industry consisting of three members appointed by the Governor with the advice and consent of the state Senate. Originally established in 1937 to administer collective bargaining procedures in the private sector, the PLRB subsequently became responsible for administering the Pennsylvania Employe Relations Act (PERA) of 1970, which governs labor relations between public employers and public employees other than police and firefighters. Under PERA, the PLRB makes rules and regulations necessary to carry out the act, establishes fact-finding panels, conducts elections to determine collective bargaining representatives, determines bargaining units, and exercises exclusive jurisdiction over unfair labor practices charges. Since 1977, the PLRB has also been responsible for administering much of Act 111 of 1968, which regulates collective bargaining between police and firefighters and their public employers. Thus, for these employees, the PLRB’s jurisdiction includes conducting representation elections and deciding unfair labor practices charges.

B. Pennsylvania Bureau of Mediation

Another body within the Pennsylvania Department of Labor and Industry is the Bureau of Mediation, which mediates disputes between certain unions and employers in both the public and private sectors. Under PERA, negotiating parties which reach a bargaining impasse must submit their dispute to bureau mediation. If mediation is unsuccessful, the bureau refers the dispute to the PLRB for fact-finding procedures. Also, if parties cannot agree on a third member of the arbitration board during grievance arbitration under a collective bargaining agreement, the bureau provides them with a list of seven arbiters from which they can choose.

C. American Arbitration Association

The American Arbitration Association is a private, non-profit organization which seeks to develop, foster, and perfect arbitration techniques and to administer arbitration proceedings. An administrative agency, it maintains a list of available, qualified arbiters. Under Act 111, it provides such a list to labor unions and employers upon request when those parties cannot agree upon a third member of an arbitration panel.

NOTES

to Chapter Two

1. Philadelphia Home Rule Charter § 3-102 (1951) (hereafter cited as P.H.R.C. § ______).
2. P.H.R.C. §§ 3-203, 3-204.
5. P.H.R.C. §§ 3-205, 7-100, 7-101, 7-102.
6. P.H.R.C. §§ 7-100, 7-400.
7. P.H.R.C. §§ 7-200, 7-400.
8. P.H.R.C. §§ 4-300(1)(b), 7-400.
10. P.H.R.C. § 6-100.
11. P.H.R.C. §§ 3-206(a), 5-100.
12. P.H.R.C. § 2-300(2).
15. P.H.R.C. § 3-804.
17. P.H.R.C. §§ 3-1001, 3-1002, 3-1003.
18. P.H.R.C. § 3-804.
22. P.H.R.C. §§ 7-100, 7-400.
27. P.H.R.C. § 3-205 (and annotation).
29. P.H.R.C. § 7-100(c).
30. P.H.R.C. §§ 7-100, 7-400.
31. P.H.R.C. §§ 7-200, 7-400.
32. P.H.R.C. §§ 4-300(b), 7-400.
33. For role of office of labor relations, see Philadelphia Civil Service Regulations § 28.01.
34. P.H.R.C. §§ 7-100, 7-401.
35. P.H.R.C. §§ 7-100, 7-101, 7-401.
38. Pennsylvania Labor Relations Act, 43 P.S. § 211.4(a) (1964).
The purpose of Philadelphia's civil service is "to establish for the city a system of personnel administration based on merit principles and scientific methods governing the appointment, promotion, demotion, transfer, lay-off, removal and discipline of its employees." This system applies to approximately 25,000 of the city's 30,000 employees. Employees of the courts, City Council, municipal authorities (such as the Philadelphia Housing Authority and the Philadelphia Parking Authority), and the office of the Register of Wills are not covered by the civil service.

The procedures through which this goal is to be pursued are delineated in the charter and in civil service regulations. Chapter One presented a history of Philadelphia's personnel practices, including those employed today. Chapter Two analyzed the responsibilities of the offices and officials who play important roles in the system. This chapter presents a brief sketch of the workings of the city's civil service system along with selected examples of how the system has been affected by the municipal employees' labor unions.

I. CIVIL SERVICE JOBS

The evolution of a civil service job begins when a position is proposed for which qualified aspirants can compete. Proposed or vacant positions are first referred to the Managing Director (if the position falls under that official's authority) and Director of Finance for authorization. The classification of positions and pay rates are determined by the Personnel Director and each new class is sent to the appropriate union for review and to the Civil Service Commission for approval. The Personnel Department also establishes the qualifications which exam candidates must meet and advertises the availability of positions to the public.

II. EXEMPTIONS

Most employees of the city of Philadelphia are part of the civil service. The charter specifically exempts six groups of employees from that system. They are (quoting the charter):
These employees receive exemptions for three reasons. First, the drafters of the charter believed that elected officials need to bring into public office enough people who share their views to assure that the policies they were elected to carry forth can be implemented. Second, personal appointees can better foster and protect the confidential relationships inherent in the administration of a municipal government. Finally, employees with special skills needed only temporarily might not be available through the civil service.  

Also exempt from the civil service are provisional and temporary employees. Provisional appointments are authorized by the Personnel Director in the absence of an eligible list for a vacant position and may last no longer than ninety days. Temporary employees can be appointed, with or without examinations, to positions lasting up to six months.  

III. EXAMINATIONS

Civil service jobs are categorized within the city’s position classification plan (where positions fall in classes such as “Food Service Manager I,” “Textile Shop Foreman,” “Revenue Examiner IV,” etc.) and applicants take open, competitive examinations designed to identify those best suited for a given position. Exams may include written, oral, or performance tests, with the type of test given and the importance assigned to each part determined by the Personnel Director. Exams may be open to the general public or limited to civil service or even departmental employees, again essentially at the discretion of the Personnel Director. Tests must be impartial and “valid”—that is, they must accurately reflect the abilities needed to perform the duties of the position. Tests which produce a discriminatory effect in hiring must be proven to be a reasonable measure of job performance in order to be valid.  

Since 1970, District Council 33’s (blue-collar workers) contracts have called for performance tests rather than written exams whenever possible for positions in the trade classes.  

District Council 47’s (white-collar workers) 1982 contract gave it the right to review exam procedures with the Personnel Director and Civil Service Commission with an eye toward improving those procedures.  

IV. HIRING

Examination results are compiled into “eligible lists” which rank applicants for each classification according to their test scores. When a vacancy occurs and its filling is authorized, the Personnel Director must certify the two persons standing highest on the appropriate eligible list for the position. The appointing authority (typically a department commissioner, agency director, or someone designated by them to make hiring decisions) generally must interview the certified eligibles and make a selection between those candidates or choose not to fill the position within ten working days of the certification. A person who has been certified to and rejected twice by the same appointing authority may not be certified to that appointing authority again unless requested.  

V. PROMOTIONS

All vacancies, whenever practical, must be filled by promotion. Promotional examinations may, at the discretion of the Personnel Director, be open to all or limited to city employees or employees of the department with the vacancy. Promotional exams consider qualifications, performance record, and conduct; those who pass also receive credit for seniority.  

An employee who has been promoted is subject to a six-month probationary period. D.C. 47 members who are rejected during probation are entitled to reinstatement at their old positions if the positions have not yet been filled. Members of that union rejected twice after certification for promotion to an appointing authority are entitled to interviews regarding their failure to win promotion.
VI. TRANSFERS

A transfer is defined as the reassignment of an employee from one position to another in the same class. An appointing authority may transfer any civil service employee under his or her jurisdiction to another position within that jurisdiction. Interdepartmental transfers require the approval of the Personnel Director and both of the appointing authorities involved. The Firefighters Association has won recognition of seniority as a consideration in the granting of transfer requests, and transfers cannot be denied unreasonably. Transfer decisions are subject to the grievance process.

VII. PERFORMANCE RATINGS

The charter calls for performance ratings of tenured employees for use as a consideration in salary increases and decreases, promotions, determination of the order of layoffs and reinstatements, and in demotions, discharges, and transfers. Performance ratings are filed annually by the employee’s supervisor or the appointing authority. Employees are entitled to receive a copy of the rating and to discuss it with their supervisors. If dissatisfied with this discussion, an employee may request a meeting with the appointing authority. If the rating is still disputed, the employee may appeal to the Civil Service Commission.

In the past, performance ratings reflected graduated levels in the quality of job performance, but this approach has been abandoned in favor of a system that simply certifies employee adequacy. Thus, members of the Fraternal Order of Police, D.C. 33, and D.C. 47 are rated on a satisfactory/unsatisfactory scale; firefighters are rated superior, satisfactory, or unsatisfactory.

VIII. EMPLOYEE TRAINING AND DEVELOPMENT

Civil service regulations include provisions for the training and development of city employees. The Personnel Director is instructed to develop such programs with the cooperation of other department officials. Worker incentives may include cash, awards, or prizes. Special leaves are authorized for education or training "directly appropriate to the employee's position." Such leaves may be with or without pay and may be partially or fully subsidized by the city.

IX. DISCIPLINE

A probationary employee (a newly-hired worker whose continued employment is contingent upon satisfactory job performance during a six-month trial period) may be discharged or demoted at any time by the appointing authority with the approval of the Personnel Director. Written notice describing in detail the supervisor's reasons must be given. A probationary employee has no right of appeal to the Civil Service Commission.

A permanent employee may be dismissed, demoted, or suspended for cause only by the appointing authority. The appointing authority must issue a written notice of intent stating the reasons for the actions to be taken. The employee has ten days in which to respond. Within twenty days after that, the notice of discipline must be sent or it lapses. A tenured employee may appeal disciplinary actions to the Civil Service Commission.

The Personnel Director does not have the authority to dismiss an employee who engages in activities prohibited by the charter but can instruct the City Solicitor to bring a criminal complaint and secure the employee's dismissal. Additionally, as a means of enforcing civil service provisions, the Personnel Director may order the suspension of payment of wages to any person in the civil service who was not appointed and employed in accordance with civil service regulations.

X. GRIEVANCES

Philadelphia's charter stipulates that civil service regulations shall contain provisions for "labor relations, including griev-
ances and hearings thereon.44 Those regulations provide for several types of appeal procedures which are, in effect, grievance procedures. In addition, tenured employees may appeal dismissals, demotions, and suspensions of more than ten days to the Civil Service Commission. Employees may also appeal their classification within the position classification plan.45 Finally, anyone may request and receive a public hearing before the Civil Service Commission to protest a proposed change or addition to civil service regulations.46 Thus, the charter is designed to make the Civil Service Commission the final administrative arbiter of most disputes.

The unions, however, have also negotiated their own grievance procedures. D.C. 33's negotiated grievance process, in effect since 1939, features several steps, none of which includes the Civil Service Commission.47 D.C. 47, the FOP, and the Firefighters Association all employ grievance procedures which include binding arbitration, and again, these procedures allow them, if they choose, to circumvent the Civil Service Commission.48 The very question of what issues are subject to grievance proceedings is itself subject to negotiations between the unions and the city.

Grievance resolution, then, is an area in which the unions have had a profound effect. They have created most of the current system, and in many respects, their creations have supplanted the methods outlined in the charter and civil service regulations. Thus, in some instances, decision-making authority has been removed from those for whom it was intended and the charter's civil service appeals procedures have become little more than an alternative for grievance resolution.

XI. LAYOFFS

The charter gives the Mayor a right to reduce budgeted expenditures when it appears that revenues will not equal expenditures.49 One way to lower expenditures is through layoffs. According to civil service regulations, civil service employees may be discharged because of a lack of funds, because of a reorganization of a department or office resulting in the abolition of positions, or because of a lack of work.50

Civil service regulations outline the criteria to be used in laying off employees. The appointing authority, with the approval of the Personnel Director, determines the organizational unit in which staff reductions will be made.51 The appointing authority next selects the number and classes of employees to be furloughed.52 The order of dismissal is as follows: first, emergency employees, then temporary and provisional workers, and finally, permanent employees.53 Permanent employees are laid off in inverse order of their combined number of points earned from seniority and performance ratings.54

As in other areas of personnel policy, union agreements often alter this theoretical process. Since 1980, D.C. 33 and D.C. 47 have had clauses in their contracts prohibiting layoffs resulting from lack of local funds or the abolition of positions.55 Layoffs are permitted due to a loss of state or federal funds or if the city closes a specific facility or ceases to perform a particular function.56 Both groups must be notified of contemplated layoffs in advance and the city must meet with them to discuss alternatives.57

The unions have negotiated for other layoff rights as well. D.C. 47, for example, has won a role in determining how positions subject to layoffs are chosen.58 Its union officials receive "superseniority" in layoff computations, and furloughed employees are entitled to retraining and job placement assistance. D.C. 33's contract also calls for job placement assistance.59
NOTES

To Chapter Three

1. Philadelphia Home Rule Charter § 7-300 (1951) (hereafter cited as P.H.R.C. § __________).
3. Ibid., p. 12.
4. Ibid.
5. P.H.R.C. § 7-301.
6. P.H.R.C. § 7-301 (annotation).
7. P.H.R.C. § 7-401(k).
8. P.H.R.C. § 7-401(c) (and annotation).
11. Agreement Between the City of Philadelphia and District Council 33, AFSCME, AFL-CIO, July 1, 1982 to June 30, 1984, p. 33.
17. P.H.R.C. § 7-401(c).
22. Ibid.
27. Philadelphia Civil Service Regulations §§ 23.02-23.04.
30. Contract Between the City of Philadelphia and Fraternal Order of Police, Lodge No. 6 For the Term July 1, 1984 Through June 30, 1986, § XX(B); Memorandum of Understanding Between the City of Philadelphia and AFSCME, District Council 33, July 1, 1984 to June 30, 1986, passim; District Council 33 Agreement, 1982-1984, p. 17, § 31; Cumulative Contract, 1972-1986, District Council 47, p. 38, § 46 (“In the absence of a timely annual performance evaluation, an employee shall be presumed to have had an overall rating of satisfactory . . .”).
33. Philadelphia Civil Service Regulations § 27.02.
34. Philadelphia Civil Service Regulations § 22.09.
35. Philadelphia Civil Service Regulations § 22.09.
40. Philadelphia Civil Service Regulations § 17.01.
41. Philadelphia Civil Service Regulations § 17.061.
42. in re Schwartz, 445 Pa. 373, 284 A.2d 765 (1971); P.H.R.C. § 10-109.
44. P.H.R.C. § 7-401(t).
45. P.H.R.C. § 7-100(b).
46. P.H.R.C. § 7-400.
47. 1939 Ordinances of the City of Philadelphia 274, 278; 1944 Ordinances of the City of Philadelphia 242, 249-250; District Council 33 Agreement, 1982-1984, p. 16.
50. Philadelphia Civil Service Regulations § 16.01.
52. Philadelphia Civil Service Regulations § 16.0112.
53. Philadelphia Civil Service Regulations § 16.0113.
The ability of Philadelphia’s government to function rests heavily on the shoulders of those who carry out the policies of elected officials—civil servants. The personnel system in which these civil servants labor must work closely with city departments, understanding and anticipating their needs and filling them on a timely basis. The civil service must be constructed to prevent abuses of the merit system; it must encourage and reward excellence and combat inadequacy; it must provide appropriate flexibility for elected officials; and it must be fully accountable for both its successes and failures. Any failure to meet these lofty but essential criteria necessarily diminishes the effectiveness of the civil service system, which in turn harms the quality of services delivered to Philadelphians.

Philadelphia’s personnel system is plagued with governance problems that often prevent earnest, hard-working city employees from doing their jobs and make efficient, effective government almost impossible. This chapter examines those problems.

I. ISOLATION OF THE PERSONNEL DIRECTOR AND PERSONNEL DEPARTMENT

Philadelphia’s charter isolates and insulates the administration of municipal personnel practices from the mainstream of city government. At the time the charter was drafted, patronage hiring, not merit employment, was the rule in Philadelphia’s government. The charter’s drafters, seeking to reverse that trend and restore the lost credibility of city government, deliberately fashioned a personnel system which stressed independent personnel administration. In so doing, they isolated personnel administration from the rest of city government.

They did so by excluding the Personnel Department and its administrator, the Personnel Director, from the city’s primary decision-making processes. Though personnel is at the heart of all the city does, the Personnel Director is not a part of the city’s two chief administrative and management bodies—the Cabinet and the Administrative Board. Thus, the only key policy-maker not appointed by the Mayor is effectively isolated from the heart of municipal affairs and may be excluded from the Mayor’s top management team.

This isolation became apparent almost immediately after the charter’s adoption and, over the years, three measures have been suggested to ameliorate it. First, the Personnel Director attended some Cabinet meetings on an unofficial basis, at the invitation of the Mayor. Later, it was recommended that the Personnel Director attend the Managing Director’s regular meetings of department heads. Finally, the formation of an unofficial “Personnel Council” bringing together Personnel Department officials and departmental officials responsible for personnel matters was encouraged. All of these proposals were implemented to some degree, but given their ad hoc nature and the absence of the force of law, none endured long or consistently enough to affect the isolation problem.

Thus, the problem of isolation persists. Without membership in the Mayor’s Cabinet and firsthand knowledge of the administration’s plans in individual policy areas, it is difficult for the Personnel Director to develop the personnel policies needed to facilitate those plans in a timely manner. Likewise, without systematic, ongoing communication between city departments and agencies and the department created to service their personnel needs, those needs cannot be addressed satisfactorily. By permitting this isolation, the charter’s personnel provisions severely limit the Personnel Director’s ability to improve personnel matters either on a daily basis or over the long run and leave the Personnel Director with relatively little influence over many important matters which directly affect city personnel practices, such as terms and conditions of employment and items in union contracts.

II. FRAGMENTATION OF RESPONSIBILITY AND LACK OF ACCOUNTABILITY

The drafters of the charter clearly envisioned a comprehensive system of personnel administration embracing classification,
examinations, hiring, training, compensation, discipline, evaluation, employee development, and personnel policy formulation and development. Responsibility for carrying out these tasks, however, has been illogically delegated throughout city government, to the detriment of the overall personnel system.

No single city official is responsible for all the functions of municipal personnel administration in Philadelphia. Instead, a number of officials—the Managing Director, Finance Director, Mayor, Civil Service Commissioners, department heads, and Personnel Director—share these responsibilities (see Chapter Two for a complete description of their roles). This fragmentation hinders the development of a comprehensive approach to personnel issues, promoting divergence rather than cooperation and thrusting participating officials into responsive rather than leadership roles.

The current system fails to assign to any one official both the responsibility and the authority to pull the diverse elements of the personnel system together. While there is nothing inherently wrong with distributing personnel functions among various participants, it must be done in a logical, consistent manner. The current fragmentation of responsibilities produces a complex, often confusing tangle of administrative problems which often result in protracted delays over seemingly simple issues. In the absence of strong leadership, a dual personnel system has evolved, with a central personnel agency—the Personnel Department—administering the technical aspects of the system while personnel officers within individual departments and agencies manage the day-to-day personnel affairs in their departments.

With so many officials sharing responsibilities, it is often unclear who is accountable for the effectiveness of the system. Who, for example, is responsible for a “bad” employee—the Personnel Department which certified that employee’s name to an appointing authority, the appointing authority for selecting the person, or some combination of the Personnel Department and the department for which the employee works for failing to develop that person’s skills further? Now, the Personnel Department is responsible for the selection and development of municipal employees but is only marginally responsible for their subsequent performance. Conversely, those charged with producing results—department heads and management employees—often exercise little control over the selection, development, and promotion of personnel under their supervision. Accountability is lost, a victim of the fragmentation of responsibilities within the city’s personnel system.

III. PROBLEMS SURROUNDING THE DISCIPLINING AND DISMISSAL OF CITY EMPLOYEES

A common lament among city department heads and supervisors is that it is extremely difficult to discipline or dismiss employees whose work or conduct is unsatisfactory. These difficulties derive from three sources: general city personnel practices, negotiated labor agreements, and the charter itself.

The ability to discipline or dismiss unsatisfactory employees is a necessary tool in the administration of an effective personnel system. Employees whose performance does not meet reasonable expectations must be informed of their shortcomings and constructive steps must be undertaken to remedy these problems. Those who consistently fail to improve must be dismissed.

Job performance evaluations are a commonly-accepted basis for employee discipline, and the charter provides for such evaluations. Under the charter and civil service regulations, appropriate disciplinary measures—suspensions, demotion of job classification (and accompanying reduction in pay), and forfeiture of expected salary increases—should result from poor evaluations. As discussed in Chapter Three, however, labor agreements have eliminated the use of employee evaluations as an effective tool for improving job performance. Today, the scales used to evaluate municipal employees leave no distinction between levels of performance. Further,
supervisors—even those who express overall dissatisfaction with the quality of the work they oversee—frequently demonstrate surprising reluctance to rate employees at a level less than satisfactory, and often overrate employees.\(^1\)

If poor performance ratings and disciplinary measures fail to inspire improved performance, a supervisor may wish to dismiss the offending employee. Typically, however, employers complain that it is difficult, if not impossible, to fire employees, citing the length of the process and the broad powers the unions wield during such proceedings. Despite the perceived difficulty of this process, the Civil Service Commission denies the appeals of terminated employees in the majority of cases.\(^2\) Thus, the process itself appears to be the chief obstacle: supervisors, mindful of the difficulties such matters pose, decline to pursue all but the most clear-cut cases of incompetence.

Another impediment to ridding city offices of inadequate employees is the strong likelihood that the affected department will lose not only the poor performer but the entire position as well. Officials seeking to fill vacant positions—even those vacant as a result of a firing—must prove the necessity of filling such positions to the Director of Finance and Managing Director, and often, those officials refuse to allow the position to be filled, preferring attrition as a means of quietly closing budget deficits. Thus, officials who make a special effort to discharge an unsatisfactory employee have learned through experience that they will very likely be denied an opportunity to replace that employee. Under such circumstances, many decide that even a poor employee is better than none at all, so they choose not to seek needed dismissals.

Finally, the Personnel Director and Civil Service Commission—designated by the charter to oversee the civil service system—lack authority to enforce that charter's merit principles through disciplinary actions. If, for example, these officials learn of an employee who is incompetent or has violated the charter or other terms of employment, they cannot inde-

pendently fire that person. They can only report such violations to the employee's supervisor and, if criminal wrongdoing is involved, to the City Solicitor. In short, the Personnel Director and Civil Service Commission can only encourage adherence to the merit principles delineated in the charter; they cannot enforce those principles, since their specific powers are limited to their authority to request that wages be withheld from anyone who was improperly appointed to a city position.

IV. TOO MANY WAYS TO CIRCUMVENT THE SYSTEM

Prior to the charter's adoption, most city jobs were filled by patronage employees—people who got their jobs based on whom they knew rather than what they knew. The current system was designed to require that as many municipal employees as possible enter into city employment based on merit alone.

While this system has enjoyed considerable success, a 1981 examination of the workings of Philadelphia's civil service reported eight ways to circumvent the merit system:\(^3\)

- Make only temporary appointments
- Hire employees against a federal grant program. Positions are more easily exempted from Civil Service because the grants are funded for one year at a time
- Establish a new class for a single position and tailor qualification requirements around the background of specific candidates
- Limit competition for promotion by using a department list rather than a city-wide list
- Do not make a selection if the desired candidate cannot be appointed
- Turn an applicant down on the basis of background investigation or physical examination—there are no appeal rights involved
—Pass over an individual on the list twice—
eliminating the person from further con-
sideration unless the selecting official asks
that the person be restored to the list
—Hire under a contract

And evidence exists that these means are employed with
some frequency. In 1960, only 303 of the city’s 26,112 non-
judicial employees (1.2%) were exempt from the civil ser-
vice; by 1976, with the help of the federal CETA program,
3,161 out of 32,978 non-judicial employees (9.6%) were
exempt. With the demise of CETA, 1,064 out of 27,816 full-
time non-judicial employees (3.8%) were exempt from the
civil service in mid-1985—more than three times the 1960
proportion.

In 1952, the city’s 22,838 civil service employees were distrib-
uted over 700 classes; in 1958, 27,238 employees fell under
1,000 classes; and in 1984, 27,000 civil service employees
were spread out over 1,500 classes. Of 1,600 classes for 30,000
employees in 1981, 560 classes had just one or two incum-
bents. Frequently, the existence of such small classes signi-
ifies that a position has been created for and tailored to the
qualifications of a specific person, a clear violation of the
spirit in which the classification system was devised.

V. HIRING TAKES TOO LONG

An efficient, effective organization assigns discrete tasks to
specific individuals, and disruptions in the routines they
develop diminish the effectiveness and efficiency of the or-
ganization. One of the most common sources of disruption
is an absence or turnover of employees, and an organization the
size of Philadelphia’s civil service (with over 27,000 full-time
employees) does experience such dislocations. Consequently,
the ability of the Personnel Department to fill job vacancies
promptly is of the utmost importance to the entire system.

Philadelphia’s Personnel Department cannot always fill such
vacancies in a timely manner. A 1981 examination of the

hiring system revealed that the process of examining and
certifying prospective employees, from the time a vacancy is
declared to the time a person is hired, requires 108 separate
actions and decisions over at least four months, and more
often, six to eight months.

Much of this delay is inexcusable. Often, there is no current
eligible list for a vacant position (there should be such a list,
but with so many one- and two-person job classifications, this
occurs often), and the vacancy must be publicized and an
examination must be developed, scheduled, administered,
and graded. Each of these steps takes time.

The fragmentation of personnel responsibilities needlessly
prolongs the delay. A departmental request for a new em-
ployee must first be authorized by the Managing Director’s
office and funding for the position must be approved by the
Director of Finance. Next, a vacancy moves into the Personnel
Department where, depending on whether there is a current
eligible list, it may go through a number of offices—the classi-
fication section, pay section, examination administration of-
office, recruitment section, test scoring unit, test review unit,
and certification unit. Finally, the appointing authority inter-
views the two certified finalists and one is chosen for the job.

Each layer of review, each procedural step, takes time. In the
absence of a system where future personnel needs are antici-
pated and new employees are readied for soon-to-be-vacant
jobs, lengthy delays—as much as eight months—are inevi-
table. Each delay has its cost, diminishing the efficiency and
effectiveness of the department waiting for a new employee to
assume the responsibilities of the vacant position.

VI. LACK OF EFFECTIVE REWARD SYSTEM TO
RECOGNIZE JOB PERFORMANCE

Central to any effective personnel system is the ability of
managers to motivate employees. While some motivation
may occur on a personal level, much must be inherent in the
system itself.
Philadelphia’s civil service lacks these external motivational tools. For example, new employees often discover no career ladder which, through outstanding performance, they may climb. Instead, they often find that their first city job is likely to be their only city job.

Incentives to excel are few. The city’s almost-complete reliance on written promotional examinations precludes the use of promotions as a reward for outstanding performance. These promotional exams give little weight to past performance.

Likewise, financial inducements are lacking. With the dilution of performance ratings as a tool for disciplining employees, salary increases have come to be viewed as an absolute right, not as something to be earned. Wages are not linked to performance. Accordingly, salaries are seldom increased as a result of outstanding performance, nor are bonuses or awards for special achievements generally granted.

One of the few tools employed for rewarding job performance is actually an abuse of the civil service system. The expansion of the classification plan from 700 classes in the early 1950s to approximately 1,500 today, in addition to reflecting changes in the nature of urban government, is also a tribute to the inventiveness of officials in creating “new” positions for employees they wish to reward for outstanding job performance with “promotions” and raises in pay. They do this by adding new one- and two-person classes and tailoring exams to fit the qualifications of individual employees—a clear abuse of the system.

Thus, Philadelphia’s civil service sorely lacks legitimate means through which outstanding job performance can be recognized and rewarded. Consequently, employees have little motivation to improve or excel and mediocrity becomes an accepted norm.

VII. LACK OF FLEXIBILITY FOR THE MAYOR

While mayors may be elected to office based on their views on issues, their policies do not take effect magically when they are sworn into office. Those policies must be implemented—by people, not obscure proclamations and pronouncements.

Generally, those chosen to implement must agree with these policies if they are to do their jobs effectively. They also need the confidence and support of the Mayor if they are to turn campaign promises into concrete city practices. The charter anticipates the need for these close working relationships between the Mayor and top policy-making personnel by exempting many high-level officials from the requirements of the civil service. Among those exempt from such standards are the members of the Mayor’s Cabinet and their top deputies, department commissioners and two deputies in each department, one director for each city board and commission, and the Mayor’s personal staff.

Some, however, maintain that not enough senior-level city employees are exempt from the civil service and that this lack of flexibility hinders the ability of Philadelphia’s mayors to implement their policies effectively and completely. As a result, mayors have been forced to seek special exemptions for certain positions from the Civil Service Commission and to employ other gimmicks to enable them to hire the people they want. Such actions violate the spirit, if not the letter, of the city’s civil service and might not be necessary if that system provided greater flexibility to the city’s chief executive.
NOTES

to Chapter Four

1. Pennsylvania Economy League, Personnel Administration in the City of Philadelphia (Philadelphia: Pennsylvania Economy League, 1976), pp. 69 ("Some officials have said that the quality of work performed by some employees in the clerical-stenographic group of jobs is inferior. Yet almost without exception the clerical employees in the sample of performance ratings received ratings of outstanding. It is difficult to correlate performance ratings with actual performance of employees ..."), 65, 66, 67.


5. Ibid.


11. Ibid., p. 16.
I. PHILADELPHIA'S CIVIL SERVICE AND MUNICIPAL PERSONNEL PRACTICES: AN ANACHRONISM

Philadelphia's civil service was created in response to the patronage, corruption, and fraud that ran rampant through City Hall by the late 1940s. It stressed controlling the problems that had led to abuses in the past, and for the most part, it succeeded. "The circumstances it was designed to work with don't exist anymore," one interviewee declared.

Unfortunately, the new civil service stressed control at the expense of performance. While the new system effectively curtailed long-standing abuses, it did nothing to foster the positive qualities of public employment such as performance, initiative, and a sense of public service. In short, the personnel system created for the 1950s had become an anachronism in the 1980s, giving city officials strong tools to deal with problems they no longer faced while delegating limited powers with which to address a whole new generation of problems. The result, it was argued, is "a total breakdown of the whole system" of finding, training, and motivating an effective group of public servants.

A. Who's in Charge?

Philadelphia's personnel system has too many bosses—the Mayor, Managing Director, Civil Service Commission, and Personnel Director—interviewees maintained. Concluding that "divided accountability, in some cases, means no accountability," they clearly thought four heads to be three too many. To rectify the fragmentation of responsibility that has resulted, most recommended that the city increase the role and influence of the Personnel Director in the administration of the civil service.

The Personnel Director has been excluded from the mainstream of city government, interviewees observed, attending Cabinet meetings, for example, only upon invitation, implementing rather than negotiating labor contracts, and some-
times being the last person consulted on major personnel matters. This would be rectified by those who would make the Personnel Director more accountable to the Mayor. "The Mayor ought to have more to say about personnel," one interviewee asserted.

One way to increase mayoral influence would be to have the Mayor appoint the Personnel Director. Such a measure would require changing the city charter, which currently provides for the Personnel Director to be chosen by the Civil Service Commissioners. A Personnel Director appointed by the Mayor would be more responsive to the administration's programs and enjoy more "clout" in carrying out departmental responsibilities, interviewees believed.

The Personnel Director should also be a member of the Mayor's Cabinet, many interviewees maintained. This change, too, would require an amendment to the charter. Personnel is one of the most important functions in city government, they argued, and responsibility for it should be placed in the Mayor's office. An alternative is to make the Personnel Department an eleventh city department under the supervision of the Managing Director.

Not everyone agreed with these proposals. Making the Personnel Director more accountable to the Mayor, some feared, might lead to the politicization of the city's personnel system. It was also suggested that such changes would return Philadelphia to the corruption and mismanagement of the 1940s—before the current civil service system was introduced.

B. Revamping the Civil Service Commission

The role of the Civil Service Commission must be clarified and refined, interviewees believed. In its role of overseeing the operation of the civil service system, appointing the Personnel Director, approving civil service regulations and contract terms, and hearing grievances and appeals, it must retain its independence. To fulfill these goals, the following suggestions were offered: the Civil Service Commission should have its own counsel; its ability to enforce discipline should be strengthened; it should employ its investigatory powers more often; and it must have its own minimum funding base.

Most interviewees agreed that the Civil Service Commission should retain its role in hearing grievances and appeals. There was, however, a minority view that the Civil Service Commission has been "impotent for years"—subservient to other interests or too easily avoided in grievance adjudication—and should be abolished. In its place, the Mayor would become responsible for civil service and arbitration would replace the commission's judicial function.

C. The Personnel Department: Underfunded, Understaffed, Inadequate

Philadelphia's Personnel Department is not capable of identifying, developing, motivating, and retaining a capable municipal workforce, interviewees lamented. It has become more a part of the city's personnel problem than of the solution.

The Personnel Department lacks a true sense of its purpose within city government, one interviewee contended. "They've accepted an organization and responsibilities without ever looking at them." As a result, it has become a purely administrative body, just "filling out forms," instead of engaging in the human/industrial relations function so essential to successful personnel organizations.

Part of the blame was traced to lack of funding. Though the charter establishes a minimum for department funding, that minimum has become a maximum. The Personnel Department's funding must be increased, most interviewees believed.

Lacking money, the department also lacks staff, with one interviewee noting, "They're too busy. They can't provide the kind of services they should be providing." Consequently, the department has developed a distinct organizational laziness, a penchant for seeking shortcuts and dropping functions. It resists attempts to make jobs more skill-specific because it does not want to develop and give more examina-
tions; for the same reason, it refuses to give useful oral exams if too many applicants seek a job; and it exploits confusion over which personnel rules are in the charter and which are civil service regulations because it prefers to foster confusion and uncertainty over the authority behind its actions.

The Personnel Department suffers more from poor management than from inadequate funding, several interviewees countered. "What do they really do?" one skeptic asked. "You can do a helluva lot more for less money," that same person later noted.

Whether financial or managerial in origin, these problems take a considerable toll on the department. Bogged down in day-to-day matters, it has lost sight of its purpose. One senior-level official complained that only once in his years in city government had anyone from the Personnel Department ever asked, "What are your personnel needs?" The solution to these problems, most proposed, is to increase and improve Personnel Department staffing.

D. Collective Bargaining Between the City and the Unions: A Reasonable Idea Gone Wrong

When the charter's civil service provisions were enacted, interviewees recalled, most municipal employees were not represented by unions and the conditions of their employment and tenure were not determined through collective bargaining. The development of municipal employee unions and the introduction of collective bargaining challenged mayors and those negotiating on the city's behalf to preserve essential controls over employees amid efforts by union leaders to improve their members' positions in government. The results of this ongoing process, according to those interviewed, have been dismal from the perspective of the city's personnel needs. Many of the charter provisions designed to foster employee performance have effectively been subverted as a result of agreements reached through collective bargaining. The fault for this, interviewees noted, rests not with the civil service system as designed in the charter but with those city officials who have represented the city in past negotiations. Thus, the problem is not the civil service but the manner in which its theories are put into practice through collective bargaining.

1. Who Runs This Department, Anyway?

The long-term effect of unionization and collective bargaining on civil service has been the neutralization of management. District Council 33 effectively controls the city's Streets and Public Property Departments, interviewees claimed, and the Fraternal Order of Police is more significant to the operation of the Police Department than either the Mayor or Police Commissioner.

The distinction between management and labor has also been blurred, interviewees alleged. Enter the office of many commissioners and deputy commissioners, it was pointed out, and you will find their union card framed on their wall. Likewise, middle managers are almost all union members, yet they are expected to supervise—and discipline—their union brethren. If these commissioners, as well as department supervisors, are all union, Seventy was asked, then who is management? The city must restore a proper balance, and tension, to the relationship between labor and management, interviewees concluded.

2. Collective Bargaining: And Who Represents the Public's Interests?

"I believe in collective bargaining, but I think it's gone too far," one interviewee remarked, echoing the sentiment of others. In collective bargaining today, it was noted, the limits of the public purse and the needs of a 25,000-employee organization have taken a back seat to the political agenda of public officials, especially the city's mayors. This problem emerged in the 1960s, when politicians "discovered" the growing political power of city workers, and since then, "the city has never been willing to go for the gut issues" during contract talks. "Union negotiations have put things into the contracts
that have no business being there," one interviewee charged, citing negotiated benefits such as large amounts of paid unproductive time, meaningless performance ratings, and union review of new job classifications as impediments to a productive workforce.

To rectify these problems, "the unions are going to have to be taken on," interviewees agreed, but few considered that likely to occur. First, the political risks of taking on the unions are great. Second, some unions—the Fraternal Order of Police and Firefighters Association—do not negotiate: they state demands and let an arbiter decide. For them, "it doesn’t pay to negotiate; it’s a sham," one interviewee argued. Finally, another pessimist noted that "Philadelphia, as far as I know, has never received a giveback from a union." How, then, can some semblance of order be restored to the city’s personnel practices? The city and its mayors must adopt a more aggressive, demanding posture in contract talks, interviewees asserted. Some, however, were not nearly as sanguine. "You’ve got to be willing to take a strike, and a long one," one interviewee speculated.

E. Lost Managerial Prerogatives

"The key problem with civil service in this city is that its powers have been eroded over time and taken over by the unions," one interviewee observed, noting that the unions have been much more effective in representing their members’ legitimate interests than the city has been in preserving the civil service system created in the charter. To address this problem, "more authority must be given to management" and the ability of department heads to hire, fire, reward, and discipline employees must be strengthened, interviewees asserted.

1. Hiring and Promotion

Upper management must have the power to hire and promote workers, interviewees insisted. It now has little such power, nor any way of rewarding outstanding performance. Under collective bargaining agreements, the unions have won the right to have seniority take precedence over merit and to oppose new job classifications that appear to reward individual employees for their performance.

2. Management and Discipline

The ability of supervisors to manage and discipline their employees must also be enhanced, interviewees claimed. Effective management demands such abilities, yet Philadelphia’s personnel system has witnessed "a steep erosion of supervisory power in the city administration" where "it seems to be that an employee can do no wrong." This is so because the Civil Service Commission has undermined the concept of the strong executive by failing to support supervisors seeking to discipline unsatisfactory employees, interviewees complained. The situation has grown so bad that "supervisors, in the main, have given up. They don’t make decisions—they consult."

What remains is a sense that some employees are so independent that no senior official can deal with them, according to interviewees. It is startling, one noted, to see the many middle managers who are having trouble with department commissioners and deputy commissioners yet remain confident that they will still be around long after those officials are gone.

This atmosphere has fostered the belief that it is impossible to fire inadequate employees, but that notion is a myth, interviewees agreed. "You can fire people," it was explained, "but you've got to have a case to do it." "A case" was described as a "paper trail" chronicling misdeeds and written, formal notices of unsatisfactory performance. It is an arduous process which, if done properly, will be sustained by the Civil Service Commission, but one which some supervisors steadfastly refuse to believe can be done.

II. FLAWS IN THE CHARTER

The foundation for Philadelphia's civil service is laid in the city's home rule charter. In many instances, this framework is
flawed, interviewees maintained, and flaws in the charter must be corrected if improvements are to be expected. This section focuses on several of these flaws: the over-centralization of personnel administration; the inadequate number of employees exempt from civil service requirements; the “rule of two”; and the overly-brief probationary period for new employees.

A. Too Much Centralization

Philadelphia’s personnel system suffers from too much centralization, interviewees complained. Almost all personnel matters—recruiting, testing, screening, and training—flow through the Personnel Department, not the operating departments. “You have to give managers the tools they need to manage. You’ve got to get decision-making as near to the operations as you can, and that requires decentralization.” Personnel administration must be decentralized, interviewees agreed, with more responsibility delegated to the operating departments.

Many personnel functions, including identifying human resource needs, hiring, recruiting, testing, and training might be handled better by the individual departments, interviewees felt. While the current system is partially decentralized, more is needed. Though one interviewee suggested dismantling the Personnel Department altogether, most agreed that it should be retained to implement standards, monitor performance, and provide technical assistance.

Decentralization is not without risks, interviewees conceded. A great variation in the quality of departmental performance, for one, was considered inevitable. “The more flexibility you give people, the more vulnerable you are to political intrusions.” Though widely shared, this view did not deter proponents of decentralization. “Let them make decisions, knowing they won’t all be good ones.” Another observed, “I think there would be a lot of abuses—real abuses—not dealing with people on a merit basis,” but quickly added, “Just because there may be abuses may not be a reason for not doing it.”

B. Too Few Exempt Employees

Philadelphia needs more public employees exempt from civil service, most interviewees believed. Additional exemptions are needed at the highest level of city government—by Cabinet members, department commissioners, and agency heads—to assist in the development and implementation of public policies. “You need to be able to pick the person, someone on your wavelength.”

How many additional exemptions are needed was unclear, but it was agreed that it should be determined on a department-by-department basis. For the Police Department, for example, a new command level of three to five additional exempt employees was proposed, while on the other hand, little need was seen for any changes in the Streets Department.

Not everyone shared this enthusiasm for easing civil service restrictions. Such “short-termers,” one interviewee argued, will have little interest in what city government needs most—management. Another feared that additional appointments would be purely patronage positions. Instead, the creation of a “high-status civil service” was urged, one which would upgrade the standing of division managers to a level where additional exemptions would not be needed.

C. The Overly-Restrictive “Rule of Two”

The charter calls for appointing authorities to fill vacancies by hiring one of the two top finishers on any job exam; this is known as the “rule of two.” Finding this rule unnecessarily restrictive, interviewees proposed that the charter be changed to eliminate the rule of two in favor of a broader means of selection.

The rule of two assumes that testing always produces the best candidates. Still, Seventy was asked, if the three top scores on an exam are 98.02, 98.01, and 97.98, how can you conclude that the third person is not qualified? Testing is not and cannot be that precise, it was argued. Consequently, alternatives such as a “rule of five” or “banding”—certifying all candidates who score above a certain mark—were recommended.
D. Too Brief a Probationary Period

New city employees serve on probation for six months, but probation should be longer than it now is, interviewees felt. Probation—the period during which an employee can summarily be dismissed—should vary according to the nature of a job and extend perhaps as long as a year, many suggested. In addition, greater discretion should be used in defining when probation begins. Employees who undergo formal training, for example, such as police officers and firefighters, might begin probation after that training has ended.

III. SHOULD THE CHARTER BE CHANGED?

Despite the origin of so many of Philadelphia’s personnel problems in the city’s charter, there was no overwhelming sentiment in favor of a movement to change that charter. Many questioned whether the risks inherent in changing the charter are outweighed by the benefits such reforms offer. Others believed that there is considerable room for civil service reform without charter change (these improvements are discussed later in this chapter).

A. Change the Charter

“We have to change the charter,” one interviewee declared, echoing the majority opinion. The city’s personnel woes are great, and “you have to change the charter to deal with some of these problems.” What was appropriate in 1951 no longer works today, it was agreed, and “the time is ripe now” to do something about it.

Proponents of charter reform expressed little fear of the risks of such an undertaking. “Everybody’s afraid to change the charter, but they all admit there’s something wrong in there,” one explained. The very existence of risk was questioned, as was the notion that any risks could outweigh potential benefits. “I don’t see that what we have now is so wonderful that it’s not worth risking,” one interviewee observed.

B. Leave the Charter Alone

Opponents of charter change fell into two groups: those who saw the benefits to be gained but feared the risks involved and those who believed that the changes needed to improve personnel operations could be gained without charter reform. Among the latter, it was felt that the flexibility seemingly absent from the charter could be obtained administratively, without charter change, thereby improving and strengthening the overall personnel system.

Others considered the risks of charter change to be too great. Two concerns, in particular, were expressed: fear that charter revision would result in the elimination of Philadelphia’s “strong mayor” form of government and fear that civil service charter reform might expose countless city jobs to the patronage abuses so prevalent in the first half of the century. Finally, absent a genuine constituency for good government, it was feared that a little reform might be worse than none at all. “To put together a legal Charter Commission now would result in a ‘do-good’ charter without a constituency or a compromise charter with a constituency,” one observer said.

IV. TROUBLESOME CIVIL SERVICE REGULATIONS

The underpinnings of many of Philadelphia’s personnel practices can be found in the city’s civil service regulations. Prepared by the Personnel Director and adopted by the Civil Service Commission (as well as the Administrative Board in some cases), these regulations address twenty-one specific issues named in the charter and “such other matters as may be proper and necessary.” Over time, many individual regulations have come to be deleterious to the city’s personnel system, and civil service reform must include careful review and revision of the civil service regulations, interviewees agreed. This section presents just a few examples of the problems posed by those regulations as well as some proposed solutions.

A. The Regulatory Morass

“Those regulations are so damned complicated that you die before you can make a decision,” one interviewee charged.
“It’s a lawyer’s dream.” Individually cumbersome and collectively complicated, the civil service regulations were clearly viewed as an impediment to a productive workforce.

Anything that anybody wants to do under the current regulations can be done, it was alleged, and objectionable procedures are easily reversed, though as soon as regulations are redrawn, an immediate drive to circumvent them begins. “Show me a civil service regulation and I’ll show you a way to get around it,” one interviewee offered. The drafting of firmer, more definitive regulations, as well as the elimination of unnecessary regulations, was proposed by interviewees.

B. Veterans’ Preference

Philadelphia must alter the methods through which it offers employment preference to veterans, interviewees contended. The process helps veterans at two stages of the hiring process, interviewees argued, and that is one too many. Currently, veterans receive extra points on job examinations and must be selected if they are one of the two candidates certified to an appointing authority. The city should choose between these two methods, it was felt: either give veterans extra points and make them compete evenly from there or do not give them extra points and continue the selection requirement if they are certified for a vacancy.

C. Residency Requirement

A civil service regulation and city ordinance requiring municipal employees to be residents of Philadelphia for one year prior to their appointment to a city job drew the wrath of a number of interviewees. This rule, it was explained, was a deliberate policy decision emanating from a belief that city jobs should be for city residents. In practice, however, it sometimes proves harmful.

In most cases, Philadelphians have the talent to fill city jobs. For some jobs, however—primarily professional positions—there are no qualified Philadelphians. Qualified water chemical engineers, epidemiologists, cartographers, and other professionals cannot always be found within city limits. Former Mayor Clark, opposing this rule when it was first introduced in 1953, noted that people did not expect the Phillies to get all of their players from Philadelphia, yet they somehow feel that the city should find all of its employees within its own geographic bounds.

Individual jobs may be granted exemptions from this rule, but waivers are difficult to obtain, interviewees observed. As a result, the city often turns away otherwise qualified applicants while appointing authorities, faced with the prospect of hiring someone unqualified, choose to hire no one at all. Thus, jobs lay vacant, important tasks remain undone, and the city suffers. To reduce this problem, the city should make it easier to obtain waivers permitting non-residents to take job examinations but retain its requirement that all city employees live in the city after they begin city jobs.

V. TROUBLESONE PERSONNEL PRACTICES

The whole of Philadelphia’s personnel system is greater than the sum of the charter’s personnel provisions and the civil service regulations. Those guidelines lay a foundation for a system, but it is often how those guidelines are implemented that causes problems. In this section, several examples of problems arising when theories are put into practice are examined and recommendations of interviewees for improvements are presented.

A. The Shallow Labor Pool

The shortcomings of Philadelphia’s civil service often begin not with deficient personnel practices but with an inadequate labor pool, interviewees charged. “The applicant pool isn’t there anymore,” particularly in professional fields. The effects of this problem are felt throughout the civil service: appointing authorities leave positions vacant rather than hiring someone they fear cannot do the job; plans to upgrade the quality of staffs are abandoned; and departments and agencies drop functions because they can no longer staff them.
B. Lack of Recruiting

The way to get a better government is to go out and find the best people to work in it, one interviewee maintained. Sometimes, this means working with colleges and getting people ready to work in government; on other occasions, it means identifying talented people elsewhere and bringing them to Philadelphia. Currently, the city does neither.

Hindered at least in part by the residency rule, the Personnel Department instead conducts a limited, unaggressive recruiting drive within the city, employing a “common denominator approach” that fails to recognize the difference between recruiting a playground director and a doctor and ignores the need to go outside the city to find people for jobs that Philadelphians cannot fill. As a result, “there’s no such thing as recruitment.” Philadelphia must improve its efforts to recruit a capable municipal workforce, interviewees agreed.

C. The Difficulty of Attracting People to Philadelphia

Without recruiting, you have to hope good people come to you, interviewees explained, yet it has become increasingly difficult to lure potential civil servants to Philadelphia. When the current charter was enacted, the “romance of the reforms and the reformers” and a competitive wage scale attracted top-flight talent from all over the country. This is no longer the case.

Today, potential recruits think government—and Philadelphia’s government, in particular—is not a good place to work. The pay scale, moreover, has not remained competitive for professionals. Finally, working conditions were considered a problem. “Unless you change some of the conditions, you’re not going to attract good people. Why should good people want to come in here and work under these circumstances?” interviewees asked.

D. The Difficulty of Keeping Good People

Keeping good people may be even more difficult than finding them. “There’s a lot of discontent in the professional ranks,” one interviewee warned. This discontent stems from the system’s declining reputation and the growing stigma that anyone who has been around is “deadwood” and anyone who has reached the top is merely the “cream of the dregs.” Even the good people fear being “tarred with the same brush” and prefer to leave rather than risk identification with such an organization.

In most agencies, people are totally demoralized. “It’s very difficult even for good people to do their jobs under these circumstances,” one interviewee noted, while another added that “good employees quickly lose their desire in such an environment.” Between poor working conditions, the cumbersome civil service, and the increasing wage differential between the public and private sectors, the good people in management-level positions eventually “wander off.”

E. Inadequate Salaries and Lack of Incentive Pay

At the highest levels of the civil service, where professional skills and greater training and education are required, salaries are typically low and not competitive with the private sector, interviewees explained; in semi-skilled and unskilled positions, they are generally adequate and competitive. Salaries alone, however, cannot motivate a workforce that seldom faces any consequences of poor performance. “The system needs the kind of incentives that will increase productivity. Across-the-board pay increases won’t do it,” one interviewee declared.

_Incentive pay tied directly to measurable performance is needed_, many believed. In positions where productivity can be measured objectively, wages can be tied more directly to job performance. In positions where productivity cannot be measured objectively, supervisors must fulfill their obligation to provide meaningful performance evaluations and employee unions must relinquish their opposition to graduated performance scales. These improvements, combined with a reasonable program of incentive pay, would undoubtedly result in a more productive workforce, interviewees agreed.
F. Inadequate Testing

The Personnel Department’s testing program is seriously flawed and greatly needs improving, interviewees agreed. Much of the testing is too heavily weighted toward technical skills, one critic argued, while the ability of tests to discern who will be a good manager, for example, is lacking. For this reason, oral exams should be used more often, it was proposed.

Other flaws were more fundamental. Some tests are not given often enough, allowing positions to remain vacant while potentially qualified applicants find other jobs. Many exams are not sufficiently skill-specific, enabling people to pass tests for jobs for which they are not truly qualified. The tests are also too easy, another critic insisted. Since the Personnel Department refuses to make them harder, qualifications to take some tests should be increased, one interviewee suggested. All of these problems are compounded by the charge that testing “doesn’t work anymore” because of the inadequacy of the local labor pool.

G. Useless Performance Ratings

The practice of evaluating the job performance of civil servants on a satisfactory/unsatisfactory basis is unacceptable and must be changed, all interviewees agreed. “Ratings should be a true reflection of the job a person is doing,” it was explained, but this oversimplified system provides no such mirror. “The evaluation system is totally abominable,” it was noted, and getting rid of satisfactory/unsatisfactory ratings would be “the greatest thing that could happen to this city.” Such ratings are not a useful tool, nor are they taken seriously by either labor or management. Instead, they are a pawn in the bargaining process—something of supposedly non-economic value for city negotiators to trade in favor of something they seek in return. The attitude of negotiators has been “give them pass/fail—it won’t cost us anything,” one interviewee lamented. This attitude on the part of mayors and their negotiating teams has contributed significantly to the deterioration of the civil service, interviewees insisted.

H. Poor Training

Philadelphia must improve the way it trains its employees, interviewees maintained. All successful corporations have a major training component, it was pointed out, but the city, with over 25,000 employees, does not. This shortcoming is especially noticeable in the middle and upper levels of city government, where the people who came to work for the reform government in the 1950s have been replaced by a core of managers untrained, unprepared, and perhaps even unqualified to manage, teach, and lead their employees. This has occurred despite a widely-shared belief that “we need to manage our lower-level people into the higher level.”

The city does the job in providing basic skills, it was conceded, but much more is needed. Managers must be trained to manage, to lead. Today, the Personnel Department refuses to “buy into” even the simplest of such training programs. Unless there is a commitment to such training from the Mayor and Director of Finance—the only people who can assure funding for such programs—it will never take place, interviewees feared.

VI. PROSPECTS FOR IMPROVEMENT

Despite the many problems plaguing the city, most Philadelphians seem relatively content with their city government, interviewees noted, and it is difficult to bring about change under such circumstances. Because of this apathy, “there is no groundswell of public opinion that would support a public effort to improve the situation.”

A. Recipe for Reform: A Measure of Crisis and a Dash of Scandal

“In the public sector, you can’t really do anything without a crisis; we need a crisis in a big way,” one interviewee declared, and the others agreed. “To change a government, you’ve got to have a disaster. Crisis is the best and fastest way to produce action. People have to almost be torn apart to react.”
What kind of crisis would create an atmosphere conducive to reform in Philadelphia? Indictments, the threat of bankruptcy, corruption, and scandal were all mentioned by interviewees, who also hoped that whatever the crisis, it would somehow be “controllable.” In the absence of such problems, most saw little likelihood for change in the near future.

Reform also requires reformers, yet interviewees found a distinct lack of reformers in Philadelphia. A special kind of politician is needed to deal with the city’s personnel problems—one willing to “take on the unions” and do whatever else is necessary for improvements regardless of the political consequences, even if it means limited tenure in office.

Also needed is a constituency for reform, yet this, too, was considered lacking by interviewees. There is little constituency for good government in Philadelphia, it was argued. “The business community is part of the problem in this city as far as I’m concerned,” one noted. Corporate leadership is lacking, and others involved in civic endeavors are often uninterested in political activities and the inevitable compromises that winning reform requires.

B. The Price of Failure

Without change, interviewees agreed, the civil service will continue to deteriorate. Increasingly, personnel policies will be established through collective bargaining, not through management decisions, and the civil service will become less and less visible. The situation may even come to resemble that of the late 1940s, when only a quarter of the city’s low and middle-level employees could even be considered competent.

The city may already have reached that point, one interviewee feared.

Personnel problems, moreover, must eventually reflect on the whole of city services. Without change, interviewees suggested, Philadelphia will continue to have poor services, dirty streets, libraries open fewer hours with fewer books, potholes that do not get fixed, and snowy streets that do not get plowed. Eventually, either drastic cutbacks or large tax increases will be necessary. In short, “the city’s going to go on until it just falls on its face.” Even bankruptcy is possible.

Others felt that the effects would be more subtle, resulting in “the kind of erosion that is not visible.” “The system is not going to fall apart—it’ll stumble along,” one interviewee theorized, while others feared that the city would eventually lose control of its own destiny. Even subtle changes will take their toll, one interviewee noted, adding that “The fall of the Roman Empire is only seen afterward.”

VII. CONCLUSION

Our social contract stipulates that in return for a pledge to adhere to democratically-established standards we receive the fruits of our collective society. This contract breathes life into the otherwise abstract notion of government, turning dry, theoretical principles into concrete, vigorous, purposeful practices. In this sense, the personification of government is the civil servant, selected indirectly by us to provide the services we have chosen to demand.

If government is the people who work for it, then effective government demands effective civil servants. Given the many services we have chosen to demand and the considerable price we have chosen to pay for them, we have come to expect a great deal from our civil servants. We expect civil servants to bring skill, diligence, and integrity to their work; we expect them to be highly motivated and receptive to training and direction; we expect them, in short, to embrace the “service” ideal embodied in the very term “civil service.” In return, we promise them a system in which they will be paid fairly, given opportunities to excel, treated with respect and dignity, judged on their merits, and protected from the indiscriminate lash of political and personal whim.

Today’s civil service, according to those interviewed by the Committee of Seventy for this study, is a failure in almost all respects. The finger of blame, they agreed, must be pointed
not at the civil servants themselves but at the personnel system in which they labor. That system was devised to correct the abuses of another era, and while it succeeded in that task, it has left unaddressed—and perhaps unaddressable—a whole new generation of problems.

This chapter has presented the views of experts on the changes needed to restore order to Philadelphia’s troubled personnel system. Without such changes, those experts forecast troubles for the city. The lack of a sound personnel system will continue to hamper every city policy initiative, they argued, yet because of public indifference to these problems, it is likely that no reform will be sought. “There’s a lack of political payoff for these kinds of reforms and changes,” it was noted, and as a result, “each Mayor who tries to stand has found himself deserted by the citizens of the city.”

For these reasons, interviewees enthusiastically endorsed comprehensive reform of Philadelphia’s personnel system. Their reforms would begin with careful revision of the city’s charter and civil service regulations. Next, the manner in which those charter provisions and civil service regulations shape discretionary personnel policies would be re-evaluated. Finally, they urged that the city strike a better balance in its relations with municipal employee unions, reasserting important managerial prerogatives and negotiating out of strength, not political expedience. In the eyes of one interviewee, it is time to “run through the revolution and start over again and hope you can build a solid foundation.” This study, the Committee of Seventy hopes, will provide the first layer of that new foundation.


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