

Productivity, people and the public service A. W. Johnson

I want to begin on a personal note, if I may. I have returned to organization and management work, to Treasury Board work, after an absence of six years. It has been a Rip van Winkle-like experience. I have found on the one hand a quite new management world, sometimes an almost unrecognizable one, and on the other hand I have found the old familiar world, the landscape and the landmarks unchanged.

In the one part of the public service I discover a quite new milieu — the advocacy of a new approach to management, the use of a new vocabulary to describe it, and, sometimes, remarkably sophisticated elaborations of the theories upon which it is based. At the same time I find in the other part of the public service a relatively unchanged environment — the persistence of familiar management styles, the same administrative and personnel policies and indeed a certain hostility to the new theories now being advocated.

The dichotomy is in one sense understandable. The introduction of innovations of any kind necessarily involves the coexistence for a time of the new and the old. But in another sense it really is quite depressing. The advocates of the new approach seem all too often to be advancing their theories in unnecessarily esoteric language, obscuring the simple verities of management upon which they essentially are based, and which the people to whom they are addressing themselves might more readily understand. These same advocates have similarly been slow to identify the elements in the present system which are hostile to their new approach and which must therefore be changed if they are to succeed. They have in consequence been slow to propose the kind of precise and practical reforms which would appeal to the operating managers.

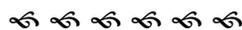
The practitioners in the public service, on the other hand, are preoccupied with what they regard as far more pressing problems; they have little time, and less patience, for the job of relating new theories to the verities as they see them. And they have even less time and patience for people who seem not to be proposing practical reforms — that is to say reforms which would relieve them of some of their burdens.

So, in an age when communication is the new god, communication has not been established. That is irony enough. But the ultimate irony — at least so I would allege — is that the goals of the advocates and the concerns of the practitioners coincide to a remarkable degree. The verities of management which the good practitioner practises, however implicitly, are the self-same verities upon which the new approach to management is based. And the obstacles to good management to be found in the present administrative system are precisely those which are most hostile to the introduction of the new approach.

I find myself, therefore, wanting to protest to advocate and practitioner alike that they should get on with the job of attacking the system that stands in their way, and stop the preaching, and the protesting, respectively, about the new and ultimate goal. It is time, in short, to translate the sermons of the textbooks into simple practical steps, capable of implementation and clearly of relevance to the administrator, or the manager as I now must remember to call him.

It is in this vein that I want to approach the subject — productivity and people in the public services of Canada. I want to ask what it is that stands in the way of the individual realizing his full potential in the public service — for that surely is what we mean when we speak of the productivity of people — and I want to ask what it is that prevents the manager from bringing forth the full potential of his people. Out of this we ought to find not only what is wrong with the administrative system as we have known it, but also to discover the framework, the motive force if you will, of the new one.

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Productivity, people and the public service

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The verities

To begin at the beginning — the simple verities of personnel management, as I see them. There are only two. First, we must create in government a climate within which creativity will flourish — an environment which will attract and keep the best people in the country. Secondly, we must identify and treasure the "precious people" in the public service — the talented, the devoted, the hardworking.

Nothing really very fancy about it. The job to be done is easy to describe: to find out what it is that attracts and keeps good people and what it is that develops their talents and brings about their most effective use. If we achieve these two goals we will, in my view, have achieved 90 per cent of our objective of greater productivity through people.

The real question, I suppose, is why we haven't done a better job of accomplishing this to date. What is there about the environment of the public service which is failing to attract and keep the best people in the country — if indeed this is the case? What is there about the public service that is impeding the more rapid development — and encouragement — of the talented, the dedicated, the unusual people in government? These are the questions to which I want to address myself in this paper.

The environment of the public services of Canada

First, the environment of the public services of Canada. Let it be said at the outset that we are not starting from scratch — that not everything about the public service requires reform. In fact one finds in Canadian government some of the ablest people in the country, and an attitude of service and an integrity which are the envy of other nations. In Ottawa, for example, I have heard it said by businessmen that taken together the deputy ministers are as able a group as one could hope to find in the country.

Despite the excellence to be found in our public services, however, one finds, too, an inordinate and an unnecessary amount of frustration. The young and talented professional, in particular, too often fails to see how what he is doing affects the policy decisions that are taken. What he does see is the dominance of rules and regulations, of hierarchy and status. And if professionals in the public service feel this way, consider the feelings of the great mass of government employees — people who are unable from their positions to influence the bureaucracy, unable to bring about the changes they sense or see to be necessary.

Administrative and personnel policies

The commonest complaint one hears is that "the system" is all wrong. I think that's pretty close to the mark. Consider, for example, the value attached by "the system" to the time of the civil servant, to his contribution to the services provided by government. The administrative regulations are concerned with conserving the money spent on goods and services — travel regulations, purchasing regulations, and the rest — and in all of them the value of the civil servants' time is usually assumed to be zero. Reduce the expenditures on goods and services at all costs, even if that involves the waste of civil servants' time and a consequent reduction in the services provided to the public! Administrative officers remain preoccupied, as indeed they must, with material things; finance administrators with financial things; organization officers with organizational things. But who in the system is seeking to measure the contribution of people and organizations to the programmes of government — to the output of government?

Consider the personnel classification system. It has been built — in government as in business — upon "positions": describe the job, compare it with others, and you can tell what the position should be paid. But what about the person in the job? Surely it is observable that in a great many jobs the scale of the position, its importance and the contribution it makes, depend to a considerable extent upon who is in it? In some jobs, indeed, it is the incumbent who *makes* the job — the professional, such as the lawyer, the doctor, the scientist; the private secretary and the executive assistant; even the deputy minister! Yet there is in most classification systems no adequate provision for the classifications of particular jobs to



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respond to the changes in those jobs effected by the competence or the productivity of the person in them.

Consider the pay system. The rewards are the same in the vast majority of job categories — again in the public sector as in the private — whether your contribution is great or small, whether you are energetic or slothful. Everyone marches inexorably up his pay scale, by way of what amount to automatic annual increments. This is not to say that productivity *can* be measured in every job, or that people are motivated exclusively by financial rewards — I simply don't believe that. But it is to suggest that the better people can be discouraged by a system that seems not to recognize the unusual, the devoted.

And consider the way the system treats the incompetent, the inefficient, the man who has been promoted beyond his capacity. Legislators in Canada, apparently more preoccupied with the preservation of the merit system, conceived 50 years ago, than with the productivity of the public service, have consistently made it difficult, through legislation, to dismiss or to demote the incompetent or the inefficient. And this says nothing of the attitude of many unions.

And what about the tired administrators — wearied from too long an exposure to the day-to-day pressures of line responsibilities? An excessive preoccupation with economy on the part of Treasury Boards, and with organizational neatness on the part of management experts, has made it difficult to create special advisory posts, where the talents and the experience of such administrators could be put to productive use. And the zeal for the equal treatment of all public servants — whatever their contribution — has made it difficult to provide early or special retirement arrangements for these "special" people — those who have made such unusual contributions.

I must not, however, concentrate only on personnel policies. What about administrative policies? Here again we find all too often that the mediocre have set the standards for the good. The system by which probity and prudence have been assured in expenditures on travel, office accommodation and the like has involved very specific Treasury Board regulations — regulations of general application. Rather than setting standards by which responsible people might reasonably be expected to be guided, with deviations dictated by common sense, and with an administrative audit to ensure that people have indeed behaved responsibly, we have relied on general regulations. The result, in retrospect, was predictable: a contest between the regulators and the regulated. Find a way around the regulations, and the regulators will make still a new regulation to catch you. Ultimately we end up with so many regulations there simply isn't time to read them all. In all of this we treat the responsible administrator in the same way as we do the less responsible. The worst performers set the standards for the best.

Let me repeat once again that I know we are not starting from scratch — that there have been extensive reforms in administrative policy. But the progress has been slow, and what is more to the point we seem not to have found a way of differentiating between the better performers and the poorer ones in the application of our rules and guidelines. We apply them in an even-handed, or, to be less flattering, an indiscriminating way. Is it beyond the realm of human imagination to find a system which allows the good performers greater freedom in deciding how to apply the guidelines which govern their spending — be it on travel expenses, furniture or entertainment expenses — than is allowed the poorer performers?

Styles of organization and management

I have discussed so far only administrative and personnel policies. What about the styles of organization and management which affect so profoundly the environment of the public service? Here again we find approaches which are not always conducive to increasing productivity through people. Let me give some examples.



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Consider the emphasis which is given to the planning of financial resources compared with that which is given to the planning and manpower resources. We have great and elaborate budget systems designed to make possible the allocation of financial resources to their best programme use. But how much time do we spend on the allocation of that scarcer resource, people, to their best use? We have elaborate planning mechanisms with respect to the acquisition of financial resources — revenues and borrowing. Do we devote an equivalent amount of energy to planning the acquisition of manpower resources? In the management of the economy we demonstrate a considerable concern over the soundness of the dollar. Do we exercise a similar concern over the soundness of our manpower resources, with maintaining the standard of our manpower currency?

I quite recognize that my metaphor is imperfect — that the good use of fiscal resources is designed to lead to the better use of the real resources which are bought — personnel, material and equipment. But the relative emphasis which has been given to the planning of fiscal as opposed to manpower resources reveals a style of management which is worth thinking about.

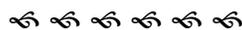
The same is true, I think, of our approach to organization in the public service — as indeed in all large-scale bureaucracies. We remain concerned about the mechanics of organization structure — about the so-called span of control of the executive, for example. As a consequence of this concern, a very necessary concern, I acknowledge, we have developed ever-lengthening chains of command, ever-lengthening lines of communication, as government has grown in scale. But we seem not to have noted that limits in the span of control of the man at the top of the organization are the frustrations for the man way down at the bottom.

Consider, too, how we are building into government the ever-increasing specialization and technological differentiation to be found in society today. The conventional approach is to subdivide our organization units — to elaborate the functional units, to create new research and planning units, and consequentially even to establish liaison units. But have we stopped to consider that the people at the top who make or influence decisions are limited in the amount of advice they can assimilate? Their minds after all are finite, as is their time! Unless the elaborated organization structure demonstrably improves the quality of advice — to the satisfaction of he who gives it and the benefit of he who receives it, why bother?

The other way in which the introduction of greater specialization into an organization can improve the quality of decisions is by the mixture of disciplines at levels below the apex of the structure. Thus the quality of advice given by the economist is improved by the influence of the geographer, that of the geographer is improved by the influence of the lawyer, and the rest. But if we put all of these people in conventional organization boxes, and apparently assign to each of them the same problem, only from a different perspective, the only predictable result will be jurisdictional conflict. Surely it is the problem upon which we must concentrate, not the jurisdiction, and the unselfish assignment to the analysis of the problem of people from many disciplines and many organization units.

The point of all this, of course, is the environment we create for the public servant. If he sees that his influence is being felt, either through his colleagues or through his superiors, he will feel it's all worth while. Conversely, if his advice is swallowed up in an amorphous hierarchy, with no discernible results, or he spends his energy in jurisdictional disputes with others working on the same problem, he will rightly conclude that "it isn't worth the candle".

The management style, in short, is all important. We must find new ways of introducing new values into the public service, and of restructuring our old values. Innovation and creativity must be ranked alongside stable and "safe" administration, and a proper balance established between the two. Time spent on change must be ranged in importance with time spent on meeting day-to-day problems, and administrative habits must be adapted to achieve this end. The good administrator — the one who knows



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how to assemble good people and get the best out of them — must rank higher than he does in relation to the "do-it-yourself artists" — the good policy men, the good advocates, the people capable of solving day-to-day problems themselves. The status which attaches to people at the top of the administrative hierarchy must come also to attach to the peers in other fields — the scientists, the social workers, the economists, and the rest. And the status once acquired by a man in a post of acknowledged achievement should be carried with him when he retires from the more onerous posts to those where wisdom and experience rather than youth and energy are prerequisites.

Despair or hope?

It would be easy to conclude from what I have said that despair rather than hope is the appropriate state of mind with respect of the public services of Canada. But much of what I have described of the environment of government is really quite capable of change — much easier to tackle, in my view, than the introduction into the public service of some of the newer approaches to management — Planning, Programming and Budgeting, and Management by Objectives. It is where we should start; it is indeed a necessary condition to, and an essential element in the introduction of these other more sophisticated and, may I say, terribly important, endeavours.

But how? Quite simply, I suggest. First, we must open up the civil service so as to bring into it new perspectives, new values, and a few heresies. This means bringing people into government at relatively senior levels, as indeed we are coming to do — from other governments, from universities, from the private sector. It means changing the perspectives, altering the attitudes and increasing the capacities of people already in the public services — through sabbatical leaves, leave for language training, and exposure to other administrations and regions in Canada. It means shorter tenure in senior jobs, and earlier retirement from the positions of power of those who hold them. It means enabling junior civil servants to question the system — to enter grievances against it as they now may enter grievances against the personal treatment accorded them. It means, in short, shaking up the service, breaking up "the club", if indeed one exists. No one of these steps is difficult of attainment, and no one of them, indeed, is foreign to government today. Each of them has been and is being taken in the Government of Canada now.

Secondly, we must change our administrative and personnel policies, from within. We must examine each and every regulation to determine whether it could be rescinded in favour of simply a guideline allowing for reasonable discretion in its application, and coupled with an administrative audit to ensure that public servants continue to be concerned with probity and prudence in the use of the taxpayer's money.¹ We must re-examine our personnel classification policies with a view to placing a higher premium on personal performance as opposed to the inherent requirements of the job, to achieving a greater recognition of staff as opposed to line responsibilities, to rewarding the intangible qualities of creativity and innovation as well as the more tangible administrative ones. We must review our retirement policies and our policies with respect to the tenure and the assignment of senior people. We must seek to extend the merit pay principle beyond the top people in the management group. In changing these administrative and personnel policies moreover, we must be prepared to give greater discretion to the good performers than to the poorer ones.

Here again I am prepared to argue that these changes can readily be undertaken, however difficult it may be to predict the ease with which they might be accomplished. In the Treasury Board of Canada, for example, we have established a special Administrative Policy Unit to just this end, and the Personnel Policy Branch, having absorbed its new and heavy responsibilities for collective bargaining, is turning its mind to other personnel policies, including revisions in the superannuation plan, and a review of the classification system as it affects the senior and the professional people.

Thirdly, it is also possible to undertake reforms in the management and organizational styles to be found in government. In the public service of Canada, for example, there is to be found a new



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concentration on policy problems, from the ministerial through the departmental levels. Changes in portfolios have been made to this end, for example, and certain of the recent departmental reorganizations will make possible this same, more flexible approach to policy problems as they arise. And in these and other reorganizations, lengthening chains of command are beginning to give way to a "flattening" of the organization, bringing the advisor closer to the person whom he ultimately is advising.

New approaches to management

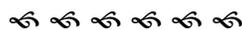
I am saying, in short, that the kind of changes I am speaking about are indeed possible, and that it is through them, unspectacular as they may appear, that we will begin to achieve a new and better environment in the public service. This is not to suggest that the more sophisticated approaches to management improvement ought to be ignored. There is no doubt that Planning, Programming and Budgeting, and Management by Objectives, are vitally important innovations — indeed, in all of the changes we make they are the end objective. But they cannot simply be piled on top of the old structure, on top of the old system of management.

Let me add point to this proposition. There simply is no question that we in the public service ought to place greater emphasis on the objectives of government, and less — much less — on the things we buy for the purpose of accomplishing them — materials and supplies, equipment, travel and accommodation.² We ought to place greater emphasis on defining objectives, on evaluating the effectiveness with which present programmes are achieving them, on seeking more effective programmes and "programme mixes" in relation to the goals, and on evaluating the efficiency with which our programmes are being administered. This is what Planning, Programming and Budgeting is all about.

Similarly we ought to expect our senior executives, indeed everyone in a position of authority, to orient his administration toward the achievement of objectives: to do the job of programme evaluation which PPB calls for; to evaluate the efficiency of his organization in terms of the achievement of goals; to establish priorities in the use of time and energy in accordance with the weight attached to the goals and objectives; and to evaluate the effectiveness of people in terms of their contribution to these goals and objectives. This is what Management by Objectives is all about.

What we are seeking, in short, is a new style of management, a new approach to public administration in Canada. But what does it profit us to elaborate on the new, to spin more elegant theories about the new, if we leave in place an administrative system that is hostile to it? I address this question in particular to the central agencies of government, and of departments, which bear such a heavy responsibility for the administrative system we are seeking to replace. Let us in these agencies change the preoccupation with inputs still to be found in many budgeting systems; let us change the administrative regulations which force upon managers a day-to-day concern with the minutiae; let us change the personnel systems which render so difficult a differentiation in the treatment of the effective and the ineffective, the dedicated and the indifferent. When we have done that we will have made possible the installation of these new approaches to management which we see to be so desirable.

Let me quickly qualify this seemingly scathing denunciation. I know that central agencies have in fact moved a long way in this direction. In the Treasury Board of Canada, for example, as I have said elsewhere,³ we have already shifted the emphasis in our expenditure budgeting system from inputs to outputs; and have introduced a quite new approach to budgetary decision-making. We have made a good deal of progress in developing performance measures, and are experimenting in the measurement of programme effectiveness. We have started on the long and difficult process of reviewing our administrative regulations with a view to extending the use of guidelines in place of rules. We have set for ourselves this year the goal of reviewing our classification system, with a view to making it more amenable to the Management by Objectives approach. I know that other Treasury Board secretariats are doing the same thing. My plea is simply that we in public administration recognize that our first job is to change what is, and our second to proselytize about what might be.



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Cherishing the precious people

So much for the climate of the public service — for creating, as I said at the beginning, the climate within which creativity will flourish. What, now, about the people in that environment?

I think, again that the verities of management are simple enough: we must cherish precious people. This may not sound very up-to-date to those accustomed to the modern idiom: we tend to speak today in terms of incentives, of introducing a system of rewards and punishments, of performance measures.

But I want deliberately to be old-fashioned — to speak in old-fashioned terms. For I think they sometimes say more than the new vocabulary does, "Cherish" is a broad word; much broader than the word I have chosen not to use — "reward". Reward means only remuneration, prize, compensation, emolument; "cherish" means nurture, foster, protect, treasure, revere. So for that matter does "precious" have broader connotations than "good" or "efficient"; it embraces as well such notions as intrinsic worth, and rarity.

What is involved, then, in cherishing precious people? Mostly, in my view, the things I have already spoken of: the creation of a proper environment. But I do want to elaborate upon certain of the elements of that environment, as they bear specifically upon finding and attracting good people, and upon keeping them and making the most effective use of their talents.

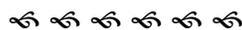
First, it must be said that a good many managers in the public service do not attach a sufficiently high priority to the job of attracting and developing good people. This will arouse some considerable protest I know, for every executive in government will argue that he attaches the highest importance to choosing his top people. That is undoubtedly so, but it is not quite the same thing as attaching a high priority to the development of people, generally.

Let me ask a few questions to make my point. What percentage of the time of senior executives in departments is devoted to finding top flight people for the public service? What percentage of their time is devoted to giving seminars in universities to make known to students and professors alike the nature of the work of particular agencies of government and thus to making attractive to the best of them work in the public service? What emphasis do senior executives give to ensuring that their most promising people get the right mixture of training and at the optimum pace — experience in jobs of different kinds, educational leave, a posting to another government, language training, even a permanent appointment to another department? What percentage of their time is devoted to evaluating the performance of their people in relation to defined goals, and counselling them as to how they might improve that performance?

What has happened, I am afraid, is that we in the public service have tended to delegate most of this to personnel men, be they in Public Service Commissions or departmental personnel divisions. It is as if we could sub-divide "management" and give this and other parts of it away, to specialists. This accomplished, we, the senior executives, are free to get on with the "real job" of doing it ourselves — of devising policies, advising ministers, and directing programmes.

Surely it is time to remind ourselves that it is one of the more obvious facts of management life that in an organization concerned with policies and programmes, as opposed to material outputs, the most important management tool is people, not organization or procedures. Surely it is time to remind ourselves that people respond best when they are judged by their peers, counselled and considered in their careers by their peers? Personnel officers, yes: but personnel officers to assist senior executives in the performance of the personnel aspects of their management responsibilities, not to relieve them of them.

My second observation concerning the cherishing of people in the public service is that the personnel system, taken as a whole, seems to concentrate on processes rather than on people. It is easy enough to identify the elements of personnel management in government, in part because each one of them has come to have a sizeable bureaucracy associated with it — recruitment, selection, classification and pay, training. Each of them has come to be elaborated in system and procedure, until we seem to have personnel men negotiating with personnel men, between departments and central agencies. But where is



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the individual in all of this? Isn't it surprising that in the personnel field, of all fields, we have so lately come to establish manpower training and development programmes concerned with and oriented toward the careers and the development of individuals? Isn't it surprising that we similarly have tended not to establish centres of concern as to the adequacy of the supply of promising people, in individual departments and in occupational groups?

I suggest again, that this is the consequence of a preoccupation with process, with the "inputs" of administration rather than the "outputs" — professional education, experience in different posts, applied training, whether executive or technical, and training and experience in the processes of Cabinet government. Putting the individual to work, or into training, similarly involves "inputs" — a classification system, promotion and demotion systems, training courses, and the rest. I suggest that this is what we have preoccupied ourselves with, and this is the basis upon which we have organized ourselves. It seems to me to be time, in this field as in the field of expenditure budgeting, to shift our attention to the "output" — to the individual as he is trained and developed.

The consequence of such a shift would be not only to give point to the whole personnel apparatus, but also to achieve the better development and integration of the elements involved in it. We have put in place most of the elements of manpower development — orientation programmes, educational leave, executive development training, and language training — though some of the more important elements, like intergovernment interchanges, sabbatical leaves, and special postings, are missing. But curiously the several elements seem not to have been well integrated, nor to have been evaluated in terms of their contribution to the real object with which they are concerned — the development of well-trained and broadly experienced people.

When you put all of this in the context of an environment which so often has been hostile to the exceptional, or indifferent to the outstanding, is it any wonder that promising people can be "turned off" by the civil service, or simply lost in its labyrinths?

Again I must quickly acknowledge that I have overpainted the picture; that I recognize the enormous strides which have been taken in converting the personnel system from a negative to a positive posture. In the Government of Canada, for example, the Public Service Commission has made substantial reforms in the direction I have been speaking about. It, with the Treasury Board, has established a Career Assignment Programme which provides for the selection, training and assignment of promising people in their mid-careers. It has greatly improved its capacity to identify people for senior executive posts in government, as a result of following the careers of intermediate and senior people. And other Public Service Commissions are doing the same.

But we have many changes to make in government before we will have created a whole system which "cherishes precious people". And for this we need a new motive force, a new philosophy if you will, which will provide at once the rationale for the changes we are seeking to make, and the foundation for the system we are trying to create. We need, in short, a framework into which to fit the elements of the personnel system with which we are working.

This motive force is to be found in differentiating between people — between the extraordinary and the ordinary, between the dedicated and the indifferent, between the competent and the incompetent. It means relating the whole of our personnel systems to the performance of the individual.

This will not be easy to accomplish in the civil service, make no mistake about it. For we have an ingrained egalitarian ethic which suggests that a clerk is as good as a deputy minister and ought to be treated equally. And we have an ingrained humanitarianism which suggests that we ought to protect the weak, even at the cost of protecting the incompetent. We have tended to confuse the inherent equality of people, their equality in essence, with equality of treatment, regardless of function, contribution, or burdens borne. How to change the result without changing the cherished values?



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The direction of change lies, I think, in the installation of what is called by some "a system of rewards and punishments" — a shorthand, and perhaps a rather crude way of saying that we ought to make the well-motivated, the competent people feel it is all worth while, and ought to rid the public service of those who are not well-motivated, not competent. It cannot be much more than this, for I don't believe we can change people's motivation by paying them more money, nor make inferior people into superior people by incentive plans. In particular I don't think we should try to reduce everything to money — to come to believe that the availability of merit-pay will make everyone work harder to get better. There are many other motivations, the motivation of service, for example, and we must preserve and nurture them.

But we do have to differentiate between people. If we don't, the whole system will be geared to the least common denominator, and if that is the case, that is what we will tend to get — the least common denominator.

To accomplish this differentiation we must begin to measure the performance of individual public servants against the goals of the jobs they fill, and against the objectives of the programmes with which they are associated. This is different, really quite different than the "personnel rating" we used to do. The rating forms we used to fill out usually had to do with personal characteristics — intelligence, diligence, supervisory capacity, ability to comprehend instructions, even loyalty. Why we even graded our employees on the basis of these characteristics: as one of my colleagues puts it, "I was asked to say whether my people are 74 per cent loyal or 86 per cent loyal!" Aside altogether from the fact that these judgments were subjective, and therefore suspect, the whole concentration was on inputs again — the qualities the employee brings to bear in seeking to accomplish his objectives.

Change the orientation, focus on the outputs — on his contribution — and a quite different picture emerges. You find that a new and stronger case emerges for differentiating between employees, and for differentiating in the treatment they are accorded. The pay system might be changed, because of the greater objectivity in employee evaluation, thus enabling managers to reward the better performers. The classification system may be made more flexible so as to render possible appropriate recognition of the effect the more promising people have had on their jobs and hence upon their classifications. The case for demoting or even dismissing employees becomes more convincing and these actions then become easier to take. The training and development programmes can more readily be directed to, or rather more bluntly, confined to the promising and the unusual.

The personnel system need not, in the process, become harsh or lacking in compassion. It can and must provide for the generous treatment of those who have tried and have failed, or who have contributed and are tired, or who have been placed in jobs which are not appropriate to their talents. The system must, in short, be compassionate but not "soft".

I must not, however, appear to promote performance evaluation as a panacea — particularly after having at the outset decried panaceas! But I do think it offers us a new approach — a new basis for differentiating between employees. And as such it offers a new basis upon which managers might be afforded that greater freedom they require if they are to "cherish their precious people".

This brings me back to the beginning — to the two worlds of management I found when I returned to Treasury Board work. I do believe that these two worlds are, after all, one, and that they are seeking the same objectives. But they will have to listen to one another if they are to accomplish them. The advocates of the new approach to management must understand that the obstacles which frustrate the practitioners are similarly obstacles to their new Planning, Programming and Budgeting and Management by Objectives systems. They must understand that these obstacles must be removed if their new approaches are to be realized, and that it is their job to find ways of doing so. The practitioners on the other hand, must come to recognize that the new approaches being advanced by the advocates provide at once the rationale for eliminating the obsolete system of the past, and the foundation for the new system which must be erected in its place. They must recognize that their management style which inevitably has been moulded by the past, must give way to a management style which will be consistent



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with the future. And both, the advocate and the practitioner alike, must recognize that it is by simple practical changes that a new system will be erected — a system which will realize for the public servant the full potential of working in government, and for government the full potential of the public servant.

Résumé

À son retour à un travail d'organisation et de gestion au sein du Conseil du trésor, après une absence de six ans, M. Johnson retrouve un monde administratif tout nouveau superposé sur une ossature familière et établie. D'une part, dans la fonction publique découvre une nouvelle ambiance — la promotion d'une nouvelle approche à la gestion, un nouveau vocabulaire pour la décrire, et quelquefois des élaborations remarquablement sophistiquées de théories sur laquelle cette approche est basée. D'une autre part dans la fonction publique, il découvre une ambiance relativement stable — la persistance de style de gestion usuel, les mêmes directives à l'égard de l'administration et du personnel et, de plus, une certaine hostilité envers la promotion de nouvelles théories.

Les promoteurs de cette nouvelle approche souvent poussent leurs nouvelles théories en se servant inutilement d'un langage ésotérique, obscurcissant les simples prémisses de la gestion sur lesquelles leurs théories sont essentiellement basées. D'une façon identique, ils ont tardé à reconnaître les éléments du présent système, hostiles à leur nouvelle approche, et ont aussi tardé à proposer des réformes précises et pratiques qui attireraient les praticiens.

Les gestionnaires de la fonction publique, d'autre part, sont préoccupés par ce qu'ils conçoivent être des problèmes prioritaires; ils n'ont peu de temps — et encore

Notes:

1. The approach of the Treasury Board of Canada in this field is elaborated in "Management Theory and Cabinet Government" to be published in the Spring 1971 issue of *Canadian Public Administration*.
2. That this point of view is not entirely novel is evident in an article published by the Institute of Public Administration of Canada in 1963. See "Efficiency in Government and Business", *Canadian Public Administration*, September 1963.
3. The approach of the Treasury Board of Canada in this field is described in "PPB and Decision-making in the Government of Canada" published in the March/April 1971 issue of *Cost and Management*.

