

Measuring the Benefits of a County Personnel Program

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INTRODUCTION

If one studies history, one can find personnel dating back to ancient and medieval times. Personnel has grown in importance since 1900. Prior to 1900, personnel was handled by first-line supervisors. In the early 1900's, some firms such as B. F. Goodrich and National Cash Register began to turn employment and certain clerical aspects of personnel over to employment specialists. Today, we would probably call them personnel generalists.

The importance of personnel grew from 1900 to 1920 and declined in 1921 because of a depression. Personnel grew in importance during the 1920's because of fear of unions and labor shortages and declined during the 1929 depression years. Since the 1930's, the importance of personnel has grown because of increased strength of unions, labor shortages during WW II years, and the passage of the 1964 Civil Rights Act which has caused employers to examine personnel programs, policies, and practices to ensure equitable treatment.

It was not until 1883, that the Civil Service Commission was formed, bringing professionalism to the public sector employment of the country. My research shows that county governments did not get involved in establishing personnel departments until the 1970's. Tippecanoe County did not have written personnel policies until 1978. In 1979, Tippecanoe County formed its personnel office and hired its first full-time personnel director. So, Tippecanoe County is relatively new to the personnel field itself.

WHAT HAS LED TO THE IMPORTANCE AND GROWTH OF PERSONNEL OVER THE YEARS?

There are several reasons for the importance and growth of personnel over the years. Some of these are: 1) to ensure compliance with federal and state acts, laws, rules, and regulations; 2) the passage of the Civil Rights of 1964; 3) high cost of turnover; 4) labor shortages; and, 5) unionization of the work force.

SHOULD YOUR COUNTY HAVE A PERSONNEL PROGRAM,

SOMEONE TO ADMINISTER IT, AND WRITTEN PERSONNEL POLICIES?

I think the answer to this question is a resounding YES! Indiana Code IC 36-2-3.5-3 gives the county executive (board of commissioners) the power to “centralized personnel selection,” and Indiana Code IC 36-2-3-6 gives the “county legislative body, fiscal body (county council) the authority to employ legal and administrative personnel necessary to assist and advise it in the performance of its functions and duties.”

Some of you are thinking if you create a personnel program, you have to hire an additional employee(s) to handle and administer your personnel program. While that may be true, can you afford not to? I don't think so!

In 1984, Allstate Insurance Company settled an equal pay discrimination suit for \$5 million.

In 1984, State Farm Insurance Company settled a race discrimination suit without admitting any violation for \$4 million brought by the EEOC for discriminating against blacks, Hispanics, and Asians in recruiting and hiring for insurance sales agent trainee positions. State Farm also agreed to attempt to recruit and hire 22% of its sales agent trainee force to be black, Hispanics, and Asians.

The scope, role, and responsibility of the personnel program, director, and policies can be controlled through the ordinance creating said elements of a personnel program and approved and adopted by the board of commissioners and county council. For example, take the recruiting phase of the personnel program in Tippecanoe County. The personnel department is responsible for advertising vacancies, recruiting qualified applicants, screening interviews, and referring qualified applicants to the elected or appointed official. Notice, I said nothing about hiring. The elected or appointed official conducts the official hiring interview and makes the final hiring decision. The elected or appointed official still has the final say as to who is hired.

The adoption of personnel policies may take the route of passage by the board of commissioners and then by the county council before being enacted. This allows for a check and balance system.

Some of you are thinking that my elected and appointed officials and employees will never go along with or approve of the creation of centralized personnel selection. I am not going to say you won't meet resistance because you probably will. But you can lower the resistance by allowing your elected and appointed officials and employees to have input into the development and formation of personnel policies. Hold quarterly meetings with your elected and appointed officials to allow discussion of problems. Tippecanoe County has been doing this for the past 18 months and there have been positive results.

Some of you are thinking that not all departments can operate under the same personnel policies and that is true. Exceptions can be made for these departments. The sheriff's operation is a 24-hour operation while the auditor's operation is an eight to five operation. You can exempt the sheriff's department from coverage under the hours of work as long as you spell the exception out in your personnel policies which department or group of employees are excluded from your personnel policies.

WHAT ARE SOME OF THE BENEFITS OF HAVING A PERSONNEL PROGRAM?

1. Having a personnel program helps ensure compliance with federal and state acts, laws, rules, and regulations.

Most of us are probably familiar with the Civil Rights Act of 1964 and as amended which prohibits discrimination on the basis of sex, religion, national origin, age, handicapped in personnel practices including hiring, firing, promotion, transfer, compensation, and admission to training programs.

But are you familiar with the Pregnancy Discrimination Act of 1978 or the Tax Equity and Fiscal Responsibility Act of 1982 and as amended in 1982. The Pregnancy Discrimination Act prohibits employers from discriminating against pregnant women, childbirth, or related conditions. The act also states that employers shall treat pregnancy, childbirth, and related conditions as they do other illnesses.

The Tax Equity and Fiscal Responsibility Act of 1982 and amended in 1984 states that an employer who provides health insurance coverage to employees must provide the same coverage to an employee between the ages of 65 through 69 as they do to employees under age 65. In 1984, the Act was amended to include spouses or dependents under health plan coverage.

Workman's Compensation provides benefits to employees who are injured on the job. Under Indiana case law, an employer may not terminate an employee who is on Workman's Compensation.

Unemployment Compensation Benefits are benefits paid to former employees who lose their jobs through no fault of their own, such as lay-off, closing of a business, and discharge for not just cause.

Unemployment can become expensive unless monitored and controlled. Your county government should have one employee responsible for unemployment compensation. All claim notices should come to this one employee, and this employee should file a protest contesting the claim for unemployment benefits. If you do not file a protest on every claim filed, you may give the former employee the idea that you did not have a reason to discharge him/her and he/she may file a wrongful discharge suit against your county and its officials. The former employee may sue

for reinstatement and for back wages and any promotion do him/her, awards and damages, and punitive damages. Punitive damages are damages that are paid out of your and my pocket, and I know of no insurance, today, to cover these damages.

2. By having a personnel program with written personnel policies, you can be more assured that employees will be treated fairly and equitably. If employees are not, they will speak up or blow the whistle. Unemployment, EEOC NLRB officials, and courts, when they receive a complaint or claim, they look for consistency to ensure fair and equitable treatment of employees. Hodge-podge, hit-miss, or inconsistent treatment of employees can lead to the losing of labor cases.

3. By having a personnel director to handle personnel matter, it frees up the elected and appointed officials time to manage and oversee the operations of his/her office.

The personnel department can assist in recruiting qualified applicants. The personnel director can keep his/her finger on the pulse of the local labor market. The type of labor market determines where and who you direct your advertising toward, how long you advertise, and sources of advertisement you use.

The personnel director can explain benefits your county offers. With the enactment of the Pregnancy Discrimination Act and the Tax Equity and Fiscal Responsibility Act changed the way employers handle personnel matters covered by these acts.

The personnel director can assist in the explanation and interpretation of personnel policies. The personnel director can also research questions that arise.

The personnel director can serve as a consultant to the board of commissioners and county council. If you were to ask a Tippecanoe county commissioner or councilman about our personnel program, they would probably say, well, it is not perfect but it is better than what we had. In opinion, no personnel program is perfect.

4. By having a personnel program, and written personnel policies, you can control your destiny to some degree. As long as your program policies and practices are in compliance with federal and state acts, laws, rules, and regulations and are administered fairly and equitably, you should have no problems. But should your programs, policies, or practices be in noncompliance or administered in a nonuniform matter, you could end up like Burlington Northern Railroad who in 1984 settled the largest race discrimination suit in history. The railroad agreed to pay up to \$10 million to some 5,000 current and former employees who were fired, demoted and not promoted between 1971 and 1983 and \$50.5 million in training, hiring, and promotion, and to hire 15,000 blacks over the next six years.

I want to control my county's destiny! How about you?

