

SERVICE SCHOOL FOR FEDERAL EMPLOYEES.

LETTER FROM CHIEF OF THE BUREAU OF EFFICIENCY, TRANSMITTING, IN RESPONSE TO SENATE RESOLUTION OF JANUARY 7, 1920, A REPORT ON THE DESIRABILITY OF ESTABLISHING A TRAINING SCHOOL FOR FEDERAL EMPLOYEES IN THE DISTRICT OF COLUMBIA.

MARCH 3 (calendar day, MARCH 6), 1920.—Referred to the Committee on Finance and ordered to be printed.

UNITED STATES BUREAU OF EFFICIENCY,
Washington, March 3, 1920.

MY DEAR MR. PRESIDENT: Senate resolution No. 270, adopted January 7, 1920, directed the Bureau of Efficiency to submit as early as practicable a report on the desirability of establishing a school to train Federal employees in the various classes of work performed in the executive departments and independent establishments of the Government, and to submit recommendations with respect to the conduct of such a school.

The report called for by the resolution accompanies this letter with a draft of an act to establish a Government service school.

Yours, very respectfully,

HERBERT D. BROWN,
Chief Bureau of Efficiency.

The PRESIDENT OF THE SENATE.

REPORT TO UNITED STATES SENATE ON SERVICE SCHOOL FOR FEDERAL EMPLOYEES PREPARED BY UNITED STATES BUREAU OF EFFICIENCY.

SERVICE SCHOOL FOR FEDERAL EMPLOYEES.

The Bureau of Efficiency was directed by Senate resolution adopted January 7, 1920, "To submit to the Senate, as early as practicable, a report on the desirability of establishing a school for the purpose of training Federal employees in the various classes of work performed in the executive departments and independent establishments; and to submit recommendations with respect to the conduct of such a school."

In compliance with this resolution the following report is submitted.

The project of establishing a school of instruction under Government supervision for the Federal employees in the City of Washington has often been urged. Advocates of the plan have pointed out that of the 100,000 employees of the Government in the Federal capital, thousands yearly attend courses given by local universities, high schools and business schools. They have argued that the Government itself should undertake to supply educational facilities for its workers. Five questions require answer before it can be decided whether the present educational facilities should be supplemented by instruction given under Government supervision. They are:

1. Does there exist a demand among employees of the Government in Washington for a school conducted by the Government?
2. Is the kind of instruction that Government employees particularly need already available in other educational institutions?
3. What would be the probable cost of such a service school?
4. Would the Government itself gain, in the way of better and more efficient service, a return greater than the money expended?
5. What agency within the Government is best fitted to conduct such a school?

When these questions are answered definitely, it will be possible to pass judgment on the validity of the project. It may be said at this point that the Bureau of Efficiency has come to the conclusion that the Government would find it worth while to institute such a school, and, furthermore, that it will neglect a great opportunity if it fails to do so.

PROSPECTIVE PATRONS.

The records of the Civil Service Commission show that more than 100,000 persons of adult age are now employed by the Government of the United States in the District of Columbia. A vast majority of these persons are under 30 years of age. Figures are not available to show the amount of schooling these employees have had. However, it would be fair to assume that the employees of the Bureau of War Risk Insurance are typical of the whole service. In October, 1919, of 11,253 employees of that bureau, both men and women, 8 per cent were college or university graduates, 58 per cent had finished high school only, and 32 per cent had finished grade school only. This accounts for 98 per cent. The other 2 per cent had not completed the common school. Generally speaking, the employees in the Government have not had the opportunity to educate themselves to the extent of acquiring college degrees. Furthermore, the figures collected for employees of the Bureau of War Risk Insurance show that, although only 8 per cent had achieved college degrees, 37 per cent had entered college and had been forced to leave at the end of one, two, or three years. The reasons for the termination of their college careers were not specified, but doubtless the need for earning a living was a controlling factor in most cases. It is fair to assume that there are thousands of clerks in the Government service who would be glad to carry their education further.

Many Government employees now avail themselves of educational facilities in the District of Columbia. Last year about 5,500 persons attended special night classes given in high schools; about

1,500 more attended the evening classes of the Y. M. C. A.; about 2,000 others were enrolled in the various courses given after office hours in George Washington University; 1,000 attended the evening classes in law given by Georgetown University. The total of persons taking special courses in public or quasi public schools is 10,000. At least two-thirds are employees of the Government. In addition there are 22 private schools other than boarding schools in the District of Columbia, many of which recruit their clientele from the working staff of the Government. It should be noted in passing that all of these institutions charge tuition, the fee ranging from \$5 a month to \$10 a month or more.

Even more direct evidence may be found in the result of a questionnaire sent out by the Bureau of Education to all Government departments and independent establishments in October, 1918, designed to ascertain how many persons in the Government service were desirous of attending a school conducted by the Government. Eleven thousand seven hundred and ninety-seven employees declared their intention of enrolling if the courses should be started. Of these 8,804 were willing to pay tuition at the rate of \$4 a month if necessary. About half of the 11,700 declared that they desired instruction for the purpose of securing further advancement in their work.

From all the evidence available it would appear that the Government would have no difficulty in filling its classrooms. A service school conducted by the Government would not attempt to duplicate the courses of instruction given by existing public or private institutions. Its instruction would be adapted closely to the needs of Government work. The standards of study should be high. After making due allowance for the specialized nature of the instruction offered, and for outside competition, it would be safe to assume that the Government could attract at the beginning at least a thousand students a year to the courses it offered.

GOVERNMENT COURSES FOR GOVERNMENT WORKERS.

In constructing a curriculum the Government would have to choose, of course, from a wide range of possible subjects. It would be guided in its choice by the need for giving instruction fitted to its own purposes and by the desirability of avoiding duplication of courses offered by other schools. It would not attempt to offer courses on general high school and college subjects, such as algebra, physics, biology, economics, and the languages. Furthermore, it would not teach trade and commercial subjects, such as mechanical drawing, nursing, or engineering. A Government school should limit itself to courses which are not given in other schools, or which, if given, are taught in a manner that leaves out of consideration the particular needs of the Government.

Such a plan will leave open to the Government a special field of instruction. There are many subjects of which a knowledge would be peculiarly valuable to Government employees and in which instruction of a practical kind is not now available. For example, the ordinary courses given in bookkeeping and accounting are designed for the purpose of training students to take places in commercial con-

cerns. Such accounting courses do not emphasize at all the peculiarities of Government accounting procedures. Again, administrative law as invariably taught in our schools and colleges deals with State, city, and county law—with such topics as the abatement of nuisances, police powers, removals from office, and local taxation—and touches upon the National Government in the most cursory manner. Likewise with statistics, business English, and office procedure. It is impossible at present to secure in Washington, or, indeed, anywhere in the country, instruction which would be of direct assistance to Government employees in the performance of their duties.

The courses given at a Government service school would be, to a certain degree, new; that is to say, different from courses given elsewhere under similar titles. The material for these courses would have to be gathered by competent instructors, for no textbooks of the kind needed are now available. The following tentative schedule gives a list of courses which might well comprise the curriculum of a Government service school at the beginning:

1. Bookkeeping and elements of accounting.
2. Government accounting.
3. Elements of statistics.
4. Government statistics.
5. Filing systems and labor-saving devices.
6. Government office procedure.
7. Use of business English.
8. Executive management.
9. Organization of the National Government.
10. Administrative law and statutory construction.
11. History of the Federal Government.

It will be found desirable, of course, to add other subjects from time to time. The course on bookkeeping and elements of accounting and the course on elements of statistics would cover fundamentals, and would be preliminary to more advanced courses in the same subjects. The other courses would be geared directly to Government practices.

All of these courses would, of course, be so designed that they would make a special appeal and be of particular benefit to that class of Government clerks who are interested in their work and eager to get forward in the Government service.

PROBABLE COST OF SCHOOL.

The largest element that would enter into the cost of a Government school would be the wages of the instructing staff. This staff, however, could be largely drawn from the personnel of the executive departments. There are hundreds of men and women in the Government service who have received a thorough academic training and are fully competent to impart instruction. Many of these would be glad to secure an opportunity to earn additional money. If the school offered pay at the rate of \$25 a week for instruction in three classes it could attract excellent teaching talent. However, in order to secure whatever talent is available in executive departments, it would be necessary to exempt the faculty from the act of July 31,

1894, which prohibits any person who holds a position with an annual salary amounting to \$2,500 from holding any other paid office, and also from the provision of the act of May 10, 1916 (39 Stat. 120), as amended by the act of August 29, 1916 (39 Stat. 582), which reads in part as follows:

Unless otherwise specially authorized by law, no money appropriated by this or any other act shall be available for payment to any person receiving more than one salary when the combined amount of said salaries exceeds the sum of \$2,000 per annum.

If any act is passed authorizing the establishment of a Government school, it should specifically exempt the instructors in the school from the operation of these provisions, for otherwise the persons best fitted to teach in the school would be forced to give their services either gratuitously or not at all. In addition to the teachers, the service school would need two permanent administrative officers—a director, at not less than \$4,000 a year, whose duties would be entirely executive, and a secretary and registrar, at about \$2,500 a year, who would take care of the routine business of the school—and a stenographer, at \$1,500.

To make even a tentative calculation of the cost of the school it is necessary to estimate the number of students who will attend, the number of courses to be given, and the number of classes to be held during the year. For the purpose of such a calculation it may be assumed that courses are to be given each year in 12 subjects and that these 12 courses are patronized by 1,000 students. It may be assumed further that the school year is to be divided into two terms of 16 weeks each. The first term would probably include the months of October, November, December, and January; while the second term would cover the months of February, March, April, and May. Classes of about 50 students each would meet three times a week, a total of 20 classes running throughout a school year of 32 weeks. On the basis of one instructor to each of these 20 classes, with compensation at the rate of \$25 a week, the total cost for the faculty in salaries would be \$16,000 a year. Adding to this a salary of \$4,000 for the director, a salary of \$2,500 for the secretary and registrar, and \$1,500 for a stenographer, the total cost of personnel would be \$24,000 a year. Probably \$8,000 more would be sufficient for equipment, bringing the initial appropriation necessary for the school to \$32,000. Against this sum would be offset the tuition fees paid by the students. Of course, one large item of expense has purposely been omitted in this calculation, namely, the rental of buildings. The Government has on hand considerable space which could be made available for the use of the school. A number of the so-called "temporary" structures erected during the war are partitioned in such a way that they would afford excellent classrooms. Since all of the classes would be held in the evenings, it might not be absolutely necessary to preempt space for the school which could not be used for general clerical purposes during the day. The director and registrar would need two or three rooms permanently, equipped with desks, chairs, filing cabinets, and similar standard office equipment. The classrooms, outside of chairs and a few blackboards, would need very little equipment. About \$8,000 would cover this outlay.

If considered desirable, the Government could reimburse itself for the cost of the school through tuition fees. In answer to the

questionnaire sent out by the Commissioner of Education in the fall of 1918, 8,800 employees signified their willingness to pay tuition at the rate of \$4 a month. A thousand students paying \$4 a month throughout two terms of four months each would pay into the funds of the Government \$32,000 a year, which is an amount approximately equivalent to the estimated cost of the school. It might be desirable to charge the students less than \$4 a month in order that no one, even with heavy pecuniary obligations, would feel the burden. Two dollars a month would be a fee high enough to prevent idlers and triflers from taking the courses; whereas it would not be high enough to bar out anyone really desirous of obtaining instruction. Fees of \$2 a month would return to the Government \$16,000 a year, leaving the net cost of the school about \$16,000 for the first year. A fixed fee should be charged each student whether or not he took one course or two courses. Probably two courses would be the maximum that any one person should be allowed to carry during any one term.

ADVANTAGES TO THE GOVERNMENT.

The Government would profit in a number of ways from the maintenance of a service school. The persons who come into the Government service vary greatly in the amount of schooling which they have received, as well as in native intelligence. Very few of them have received any specialized training which would aid them in the particular tasks which they perform. They acquire proficiency in their tasks, if they acquire it at all, simply by actually doing the work. If they are engaged in doing some kind of Government accounting work, or in collecting and interpreting Government statistics, they have no place to go where they can receive competent instruction in the principles that should govern their work. If they dictate letters, they have no means of learning what are the best ways of conducting Government correspondence. A Government service school would afford facilities for instructing such employees in the best practices of their particular lines of work and would produce a constantly growing body of well-trained Government workers. Obviously, the service that they would render would be more intelligent and consequently more efficient.

In the second place, a service school would stimulate the ambition of the employees. It would be a concrete demonstration that the Government was eager for its workers to advance themselves within the service and to better their positions and salaries. It is often alleged, and with considerable truth, that although the Government service affords as good pay in the lower types of clerical work as commercial concerns it does not offer a future. Young men and women are quite as much interested in their chances of advancement as they are in their present incomes. Upon the successful completion of a course in the Government school, the student should be given a certificate of proficiency. This would be concrete evidence that he was qualified to do certain specific work. Of course, it would not be desirable to guarantee to graduates of the school places of greater responsibility or higher compensation. But they would be better qualified for such advancement and would have greater confidence in seeking more difficult and better paid positions in the

Government. It goes without saying that the present legal provision against transfer from one department or independent establishment to another at increased salary should be abrogated. The act of October 6, 1917 (40 Stat., 383), reads in part as follows:

No civil employee in any of the executive departments or other Government establishments, or who has been employed therein within the period of one year next preceding his proposed employment in any other executive department or other Government establishment, shall be employed hereafter and paid from a lump-sum appropriation in any other executive department or other Government establishment at an increased rate of compensation. And no civil employee in any of the executive departments or other Government establishment, or who has been employed therein within the period of one year next preceding his proposed employment in any other executive department or other Government establishment and who may be employed in another executive department or other Government establishment, shall be granted an increase in compensation within the period of one year following such reemployment.

For the good of the service this provision should be repealed. If it were allowed to stand and a Government school were instituted, the Government would place itself in the position of training its employees for higher grade positions and then denying access to them.

If the avenues of advancement were made easier to employees, a double advantage would accrue to the Government. In the first place, experience would be retained. In the second place, the labor turnover would be reduced. At present the labor turnover is abnormal. In 1916 the rate of separation for the Government service was 11.71 per cent. For 1917 it was 20.02 per cent. For 1919 it was much higher. These percentages include all separations. The rate of separations due to resignations was 5.64 per cent in 1916, 10.43 per cent in 1917, and approximately 30 per cent in 1919. Of course, the 1919 figure is far in excess of the normal. However, the figure for 1917, which shows a rate of resignation of over 10 per cent, is likely to be the normal rate for many years to come. A rate of resignation of 10 per cent in a clerical force of 100,000 means 10,000 resignations a year. Any business firm would be alarmed at such a turnover in its clerical help. It has been estimated that the cost of a single turnover—that is to say, the cost of securing a new employee to replace an employee who has left, and of training the new employee to perform the work with equal proficiency—is about \$50. If in the first year even 500 resignations could be prevented through the advantages offered by a service-training school, the money saved would amount to \$25,000.

A considerable reduction in the labor turnover of the Government through the creation of a training school is shown to be well within the bounds of possibility by the experience of corporation schools. In fact, over 200 manufacturers who have established training departments in their factories voluntarily testified that their labor turnover was cut in two. These figures were gathered by the United States Training Service of the Department of Labor. So effectual have training schools proved in reducing labor turnover that scores of corporations have embraced the plan. The National Association of Corporation Schools was started in April, 1913. In September, 1919, this association numbered 140 members, representing 68 lines of industry and half of the capital of the country invested in industries.

In other words, practically all of the biggest commercial concerns have established training schools of one sort or another.

Schools in commercial concerns are of three types: First, vestibule schools, through which employees are passed for a week or two of training immediately after their employment; second, apprenticeship schools, in which boys and young men are trained through a series of months for their trade while acting as helpers to journeymen; and, third, training and vocational schools with courses which run through a series of weeks or months and which are sometimes conducted during work hours, but more often in the late afternoon or evening. The subjects given in training and vocational schools cover a wide range; but they usually offer instruction in subjects that have particular application to the work of the plant or office. It is within this latter type that the proposed Government service school would fall.

The Government of the United States has not, to any considerable extent, followed the example of private industry in the matter of service schools. However, for six months previous to the armistice the Bureau of War Risk Insurance conducted a vestibule school for correspondence clerks and "awarders." At present there is a school in the Bureau of Internal Revenue which has as its purpose the training of employees of the Income Tax Division. Classes are held after hours through a term of about five months. Both the vestibule school in the Bureau of War Risk Insurance and the training school in the Bureau of Internal Revenue have proven decidedly worth while. The Government service school would have a wider scope than either of these two schools. The city of New York has, for a number of years, devoted particular attention to the schooling of its employees. Through the cooperation of the college of the city of New York, large classes are being conducted after work hours for municipal employees. Out of a force of 15,000 persons 10 per cent, or 1,500, are enrolled in these schools. The New York City government has found the plan of offering educational facilities to its employees to be more advantageous. The National Government should show itself to be equally progressive.

MANAGEMENT OF SCHOOL.

The Bureau of Efficiency feels strongly that the Government of the United States would gain vastly in more intelligent service, in stimulus to enthusiasm, in retention of experience, and in reduction of labor turnover by the establishment of a service school. These advantages can be obtained at a cost which would be, in view of the benefits, negligible. Of course, the realization of these benefits will depend to a considerable extent upon the wisdom with which the school is planned and conducted. There are several agencies in the Government which could handle the school adequately. However, since the primary purpose of the school would be to increase clerical efficiency in the departments, the logical agency for its administration is the Bureau of Efficiency, whose principal duty is to devise efficient methods of conducting Government business. This agency would have always in mind the direct practical application of the education received to the work of the departments. Much of the material for the courses, particularly those in accounting, Govern-

ment statistics, labor-saving devices, and office procedure, is readily available nowhere else in the Government.

AN ACT To establish a service school for civilian employees of the United States in the District of Columbia and to encourage the promotion of the most efficient employees to higher positions.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, (a) That for the fiscal year ending June 30, 1921, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$32,000, for the establishment and maintenance of a Government service school; Provided, That all fees for tuition which may be collected from employees of the Government who enroll as students in said school shall be covered into the general fund of the Treasury.

(b) That the Chief of the Bureau of Efficiency shall appoint a director and a registrar of the Government service school.

SEC. 2. That the director of the Government service school shall, under the supervision of the Chief of the Bureau of Efficiency, offer such courses of study as appear best fitted to increase the efficiency of the employees of the Government in the discharge of their present duties, and to qualify them for promotion to positions of greater responsibility within the Government service.

SEC. 3. That all temporary, probational, and permanent employees of the Government and of the District of Columbia shall be eligible, upon evidence of proper qualifications and the payment of the required fees for tuition, to enter upon the courses of study offered: *Provided, That no instruction shall be given during regular office hours: And provided further, That the fees assessed shall in no instance exceed \$2 a month for one person.*

SEC. 4. That space for offices and classrooms shall be allotted to the Government service school in such Government buildings as are not required for other purposes.

SEC. 5. That the teaching staff of the Government service school shall be drawn, so far as possible, from the personnel of the Government departments, and that persons employed as instructors in such school are hereby specifically exempted from the provision of the act of May 10, 1916 (39 Stat., 120), as amended by act of August 29, 1916 (39 Stat., 582), which prohibits the payment of two salaries to one person when the combined amount of said salaries exceeds the sum of \$2,000 per annum.

SEC. 6. That section 7 of the act approved October 6, 1917, entitled "An act making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years on account of war expenses, and for other purposes," is hereby repealed.

