
Municipal Management Series

Supplement to Managing Human Resources: Local Government Cases

**Published by the
International
City/County
Management
Association**

**Editor
James M. Banovetz
Northern Illinois University**





The International City/County Management Association (ICMA) is the professional and educational organization for appointed administrators and assistant administrators in local government. The purposes of ICMA are to enhance the quality of local government and to nurture and assist professional local government administrators in the United States and other countries. To further its mission, ICMA develops and disseminates new approaches to management through training programs, information services, and publications.

Local government managers—carrying a wide range of titles—serve cities, towns, counties, councils of governments, and state/provincial associations of local governments. They serve at the direction of elected councils and governing boards. ICMA serves these managers and local governments through many programs

that aim at improving the manager's professional competence and strengthening the quality of all local governments.

ICMA was founded in 1914, adopted its City Management Code of Ethics in 1924, and established its Institute for Training in Municipal Administration in 1934. The institute, in turn, provided the basis for the Municipal Management Series, generally termed the "ICMA Green Books."

ICMA's interests and activities include public management education; standards of ethics for members; the *Municipal Year Book* and other data services; urban research; newsletters; a monthly magazine, *Public Management*; and other publications. ICMA's efforts toward the improvement of local government management—as represented by this book—are offered for all local governments and educational institutions.

Municipal Management Series

Managing Human Resources: Local Government Cases

Advanced Supervisory Practices

Effective Communication

The Effective Local Government Manager

Effective Supervisory Practices

Emergency Management

Local Government Police Management

Management of Local Planning

Management of Local Public Works

Management Policies in Local Government Finance

Managing Fire Services

Managing Local Government: Cases in Decision Making

Managing Local Government Finance: Cases in Decision Making

Managing Small Cities and Counties

The Practice of Local Government Planning

The Practice of State and Regional Planning

Service Contracting

Library of Congress Cataloging-in-Publication Data

Managing human resources: local government cases / editor, James M. Banovetz.

p. cm. — (Municipal management series)

ISBN 0-87326-162-3

1. Local government — Personnel management. I. Banovetz, James M.

II. International City/County Management Association. III. Series.

JS148.M36 1998

352.6'214—dc21

98-40339

CIP

Copyright © 1998 by the International City/County Management Association, 777 N. Capitol Street, N.E., Washington, D.C. 20002. All rights reserved, including rights of reproduction and use in any form or by any means, including the making of copies by any photographic process or by any electronic or mechanical device, printed or written or oral, or recording for sound or visual reproduction, or for use in any knowledge or retrieval system or device, unless permission in writing is obtained from the copyright owner.

Printed in the United States of America

06 05 04
7 6 5 4 3

Contents

Introduction / James M. Banovetz 1

Part one: Staffing

- 1 Recruitment, promotion, and affirmative action**
Case 1: Public safety promotional systems and minority officers / Kevin C. McGonegal and Jeffrey A. Raffel 5
 - 2 Reductions in force**
Case 2: Staff reduction with a human touch / Martin Vanacour and N. Joseph Cayer 7
-

Part two: Relations with individual employees

- 3 Sexual harassment issues**
Case 3: Problems in the building division / John Doe 11
 - 4 ADA issues**
Case 4: The disabled parks employee / Don A. Cozzetto and Helen E. Cozzetto 13
-

Part three: Relations with groups of employees

- 5 Fringe benefits and health care**
Case 5: Retiree health care in Sun City / Dave Millheim 14
 - 6 Labor-management relations**
Case 6: Cedar Valley slowdown / David N. Ammons and M. Lyle Lacy III 16
-

Introduction

James M. Banovetz

This supplement provides additional material for each of the six cases presented in *Managing Human Resources: Local Government Cases*, published by the International City/County Management Association (ICMA).

That book begins each case with background about the local community in which the case occurs, presents a detailed description of the events and forces shaping a management decision problem, summarizes the decision or decisions that must be made, and then concludes with discussion questions designed to help the reader focus on the management issues raised by the case. The intent of each case is to provide the reader—the teacher and students or the manager seeking to strengthen personal decision-making skills—with a real-life decision-making problem to ponder, discuss, and finally resolve.

To this discussion, this supplement adds a description of the decision that the actual decision maker made in the case being described. This *aftermath* then proceeds to describe the consequences of that decision. This gives readers an opportunity to compare their solutions with those of the administrator who lived the case. The aftermath also tells the reader how those affected by the decision—the community, the elected officials, the local government’s staff, individual staff members directly involved—responded to the decision and what impact, if any, the response had on public policy or government operations. In short, this supplement tells “the rest of the story.”

The aftermath is printed separately from the rest of the case for the same reason that solutions to crossword puzzles are made less accessible than the puzzles themselves. ICMA’s first publication of a book of local government decision cases included the aftermath with the rest of the case. Teachers using the book in the classroom, however, felt that student curiosity overcame the cases’ decision-making challenges. Students turned too quickly to the aftermath, thereby limiting the intensity and creativity with which they deliberated when formulating their own solutions. The separation encourages—indeed forces—students to pause and fulfill the pedagogical intent of the cases by deciding—without reference to the implemented solution—how they would act if they found themselves confronting the same or a similar decision problem during the course of their professional careers.

In addition, this supplement provides an additional set of *final decision questions* designed to help the student learn still more by pondering issues that deal with the totality of the case as it developed and issues that were posed by the case’s actual aftermath. And, as is explained later in this introduction, this supplement suggests for each case a set of roles that students might play should the case be used as a classroom simulation exercise.

Multiple approaches to the use of case studies

This supplement gives users of *Managing Human Resources: Local Government Cases* several options:

2 Supplement to Managing Human Resources

1. Local government managers and other individual users reading the book to practice and improve their own decision skills can either acquire the book alone or use the book together with the supplement and thus tailor their reading of the cases to their own preferences.
2. Classroom instructors can order just the book for their students, thereby avoiding student contact with the aftermaths altogether.
3. Instructors can order the book for students and then copy and distribute the aftermath to their students *after* the conclusion of classroom discussion.
4. Instructors can follow option #3, but distribute copies of the aftermath *during* the discussions so that the actual outcomes and their consequences can be added to the instructional exercise.
5. Instructors can order both the book and the supplement for their students, giving them access to the full case and its consequences *before* class discussions.
6. Instructors can place a copy of the supplement in the library reserve room, giving students less convenient access to the aftermath but still making it available to them. Instructors using this option should be forewarned, however, that if they place the whole supplement on library reserve at the beginning of the case study discussions, enterprising students will probably copy all of the aftermaths at once and thus have them in their possession when they read each case. Alternately, the instructor can place each aftermath individually on library reserve only *after* the class has discussed the case.

In any event, this supplement is intended to maximize reader and instructor options in the use of *Managing Human Resources: Local Government Cases*.

Uses of case studies

Writing in the first edition of ICMA's *Managing Local Government: Cases in Decision Making*, Professor John J. Gargan noted that case studies have "proven to be an effective tool for learning, teaching, and even research."¹ The case studies in *Managing Human Resources: Local Government Cases* have been developed primarily for learning and teaching purposes; they are designed (1) to acquaint readers and students with the substance and complexities of human resource management at the local government level, and (2) to help readers and students improve their own analytical skills in human resource management—skills so essential to managerial success.

Gargan's essay on the subject was designed to help teachers find the most effective way to build these cases into their own classroom activities. One of the primary virtues of case studies is the considerable flexibility in the ways in which cases can be used. As Gargan noted,

There are no inherent limitations on the use of cases in teaching; cases can be used as the core material in a class or to complement other materials. . . . If a distinction is made between education for technical knowledge and skills on the one hand, and for reasoning and judgment abilities on the other, the case approach is more relevant to the latter.²

The cases in this book can be adapted to any preferred pedagogical method. To facilitate this variety of applications, two different sets of discussion questions have been provided for each case, one following the decision problem in the basic text and a second at the end of the aftermath in this supplement.

Using case studies as decision simulations

Organized as they are, these cases form an excellent basis for simulation exercises. They provide sufficient background and detail to support an intensive

discussion about how the decision maker should proceed with the problem at hand. Engaging students or workshop participants in simulations encourages them to dissect a case in detail and apply their own analytical powers to its solution. Furthermore, it allows them to experience, in a way that general classroom discussion cannot, the interplay between the objective details of problem resolution and the subjective tension of an atmosphere colored by the personalities and strategies of their staff colleagues. Perhaps most important, it gives the participants an opportunity to test, and the teacher or facilitator an opportunity to observe, their individual leadership skills in a group setting.

Such simulations are easy to set up. All they require is the definition of four to five staff roles for each case and the assignment of a student/participant to each role. Obviously, one staff role is that of the administrator—the person who must make the decision. The remaining roles are a staff assistant and other staff relevant to the case at hand—among them, the assistant city manager, the police chief, the fire chief, the director of planning and community development, the director of human resources, the finance director, the personnel director, the budget director, the parks director, and the city attorney. They represent the kinds of people to whom an administrator might normally turn for advice and counsel regarding a major issue or problem. This supplement suggests a list of simulation roles for each case.

The simulation setting is a staff meeting at which the decision maker/administrator presides. The agenda of the meeting is a discussion of the problem at hand. The staff assistant opens the discussion by presenting a report outlining and examining available options and suggesting a course of action. The administrator leads the ensuing discussion, during which each participant is charged with three tasks:

1. To represent the interests of his or her position (i.e., a personnel director should try to structure the decision so that it is consistent with good personnel policy)
2. To provide creative leadership to the group by developing and advocating his or her own ideas regarding a solution
3. To promote and achieve a group consensus about the solution to be implemented.

It is the administrator's job to facilitate the discussion, provide ongoing leadership, and summarize whatever decision is rendered at the end of the time allotted for the simulated meeting.

Within this simulation framework, as noted, the competition produced by the clash of assignments and the personalities of the participants will inject real-life tension into the process. In this structure, the charges to participants will provoke leadership-oriented behavior; the participants have a forum for testing their own leadership skills; and the real-world details of the case are supplemented by actual interpersonal complexities. In the process, students gain both practical experience and a sense of satisfaction.

1 James J. Gargan, "The Case Approach," in *Managing Local Government: Cases in Decision Making*, ed. James M. Banovetz (Washington, D.C.: International City Management Association, 1990), 3.

2 Ibid., 3–4; see also Ram Charan, "Classroom Techniques in Teaching by the Case Method," *Academy of Management Review* 1 (July 1976):116–23.

Case 1

Public safety promotional systems and minority officers

The aftermath

Public Safety Director Alex Short recommended that Wilton embark on a multistaged course of action to address the many concerns focused on this case. As adopted by the city administration and city council after considerable deliberation and some modification, the stages were as follows.

First, the police department proceeded with the current test to create a promotional list. However, only a bare minimum of promotions (seven) was made to take care of existing vacancies, after which the test was scrapped. As a result of this limited promotional list, the FOP filed suit against the city but later chose to drop it.

Second, two consultants were employed to conduct a joint review of the current police promotional exam. One, a white consultant, was chosen by the city administration; the other, a black consultant, was chosen by the city council. Although the city administration consultant viewed the test as job related, the city council consultant and the state human relations commission found that view to be problematic. The latter agency concluded that there was a disparity in job assignments and in participation in special schools that may have contributed to the disparate test results.

Third, the same two consultants jointly developed a new test in essentially the same format as the most recently contested fire examination, except that the threshold scoring system was adopted from the beginning.

Fourth, training programs open to all officers were established to help officers upgrade their written and verbal communication skills. These programs were well attended by white and minority officers in the aftermath of the last, contested police promotional exam. A sensitivity training course was also conducted for the officers.

Fifth, a study was done to explore ways to develop better career ladders for officers to create more promotional opportunities. Eventually, an additional rank was created between patrol officer and sergeant as well as a master sergeant rank.

In the first test given after these new procedures were put into effect, the results were much different: five whites and two minorities were promoted to sergeant, and three whites and two minorities were promoted to lieutenant. No lawsuits have been filed since these new procedures became operative.

Unfortunately but perhaps inevitably, these moves did not correct all the race-related problems in the public safety services. There was still a problem facing the city regarding how to hire racially diverse forces and maintain this diversity throughout the ranks. This problem was exemplified by the dropoff in minority participation in the second elective training program offered by the city.

Final discussion questions

This case comes with two sets of final discussion questions. The first set deals with the elements of personnel management raised in this specific case. The second set deals with the broader political, ethical, and policy questions raised by the case.

Personnel management function questions

1. What role should paper-and-pencil tests play in the promotion of public safety personnel? How can “street smarts” be measured (e.g., through interviews, performance, levels of experience, tests)?
2. What are the pros and cons of setting a minimum acceptable score versus ranking candidates by their scores?
3. If a test or procedure has a differential impact on a racial group, is the test/procedure necessarily flawed? Illegal? Inappropriate?
4. What role should the city play in helping candidates qualify for promotion?
5. How can a city balance subjective and objective measures of future performance in promotional procedures?
6. What lessons can be learned about the problems of implementing a concept—in this case, affirmative action—in the context of a particular setting?

Fundamental policy, political, and ethical questions affecting personnel management

1. What should be the responsibility of a local government to secure ethnic balance in its workforce? Is this strictly a “racial” issue or are there other considerations involved? If other considerations are involved, what are they? How should they be factored into decision equations?
2. Local government’s primary reason for existence is to provide for the health, welfare, and safety of people in the community. As these are vital functions, should they be compromised by other policy goals, such as achieving racial balance? If so, under what circumstances should such compromises be made?
3. Some argue that performance tests legitimately designed to measure job-related abilities, such as articulation skills or strength, should not be downplayed in importance, even through such techniques as threshold scoring, because such compromises will, over time, reduce the competency of the workforce and thus the ability of the local government to provide the best possible services to citizens. To what extent is this a valid consideration?
4. Others argue that no government can be effective unless those governed view it as legitimate, and that legitimacy is determined by considerations such as fair representation of all groups in both governing and service delivery functions. To what extent is this a valid argument?
5. How can the answers to questions 3 and 4 be reconciled into operational personnel policies?
6. The promotion of racial and ethnic equity has been required by law, usually under the label of “affirmative action.” Without such a legal requirement, is there any obligation to promote such equity? What, if any, are the moral and ethical implications of doing so? What, if any, are the administrative or operational advantages or disadvantages in such promotion?
7. Given your answer to question 6, how proactive should local government leaders be in promoting racial and ethnic equity? What should be the elements of a good racial equity promotion program?

Simulation roles

Public Safety Director Alex Short
Staff assistant
Chief of police
Fire chief
Assistant city manager for personnel

Case 2

Staff reduction with a human touch

The aftermath

When all the preliminary steps had been completed, City Manager Van had a plan and a process with which he was comfortable and which was supported by the council. As implemented, the plan had a number of components.

Process considerations

The management team decided that seniority, for layoff purposes, would be based on the official date on which an employee entered a job classification and would be calculated on calendar days and months, not on hours. Focusing on official date of entry into a job classification was necessary to preserve the integrity of the priorities established by the city council relative to service areas. Using calendar days and months provided for consistency in calculating seniority, regardless of the number of hours employees worked per day. Thus, seniority was calculated within functional service areas. Affected employees, of course, were in those service areas prioritized for cuts.

Since the city also had temporary employees, the management team addressed regular employee rights relative to temporary positions. It decided that laid-off regular employees would have a right to any available temporary position they were qualified to perform, with priority going to those who had seniority in continuous service with the city. As temporary positions were controlled by departments, it was necessary to ascertain what temporary positions existed. While time-consuming, the process was essential to the fairness of the whole RIF effort.

Fairness also dictated the need for an appeals process for affected employees. At the same time, management's ability to manage had to be protected. The management team decided that appeals would be limited to the accuracy with which seniority guidelines were applied in determining who was to be laid off. Thus, employees could not appeal the fact of layoff itself. This process resulted in only one appeal.

As for bumping, the management and legal team had to clarify who could bump and under what work history. Because many job titles had changed, the issue was more complex than it appeared on the surface. Bumping created some disruption, but it also protected some long-term city employees. At the same time, it restricted the discretion of managers in differentiating among "good" and "not-so-good" employees. Thus, decisions had to be made regarding how to deal with eliminated classifications, qualification requirements, and appropriate compensation.

Early retirement

The management team also decided that an early retirement incentive package would be offered to twenty employees in classifications targeted for reduction who were eligible for full retirement under the state's municipal retirement system. To make the process as humane as possible, human resources staff hand-carried incentive letters to affected employees and discussed them with both the employees and their families as needed. A retirement information seminar was offered for employees and their families prior to the date for them to make a decision.

Attracted by the early retirement incentive, twelve employees opted for retirement during March, three months before the start of the new budget year.

Voluntary separation

To further reduce the need for involuntary layoffs, the management team decided that a voluntary separation incentive was needed. The city manager approved sending letters to invite voluntary resignation by all employees in classifications being reduced by the layoff and to employees in classifications potentially affected by the bumping rights of other employees (see Exhibit 2). The letters were constructed carefully so as to minimize misunderstanding. The offer was called a severance incentive. The human resources department calculated all the severance benefits each employee could expect. Information was gathered from the state's retirement system and unemployment offices for each employee as well.

Exhibit 2 City of Daleglen

March 1998

Dear:

On January 10, 1998, you received a letter from the city manager describing the current financial situation of the city of Daleglen and some possible changes that might occur as a result of our budgetary constraints. After much discussion, the management team, with city council approval, has identified job classifications where reductions in staff will need to occur.

THIS IS NOT A LAYOFF NOTICE. However, a number of job classifications have been identified where positions will be reduced, or where existing employees may be displaced due to the bumping rights of others. You are in one or more of the following situations:

1. You are in a job classification that has positions identified to be eliminated, resulting in the layoff of one or more city employees.
2. You are in a job classification that people will have rights to bump into, resulting in the layoff of one or more city employees.
3. Based on your years of service, you are eligible for either normal or early retirement under the State Retirement System.

While you may have enough seniority within your classification to avoid being laid off or bumped, we wish to do everything possible to avoid the involuntary layoff of other employees.

We wish to make you aware of our severance incentives, which are available only to employees in classifications due to be affected by the layoff, or to employees eligible for normal or early retirement under the State Retirement System.

If employees wish to take advantage of one of these incentives and voluntarily leave city employment, it would reduce our need to lay off other employees.

The severance incentives are as follows:

Retirement If you are currently eligible, by years of service and age, to receive normal or early retirement benefits and you voluntarily retire at this time, you will be eligible for the current severance benefits. These include a lump-sum cash payment of two weeks of base pay, plus one week of base pay for each completed year of service with the city, normal payments of accrued vacation time, and one-third of accrued sick time; and three months of additional medical and dental benefits, at COBRA rates, beyond the normal cutoff time when individuals leave city employment. The lump-sum cash payment would increase your earned income for this last work year, thereby increasing the amount of your retirement benefit.

Voluntary resignation If you are in one of the classifications due to be affected by the layoff and you decide you would like to voluntarily resign at this time, you will be eligible for the current severance benefits. The cash payment and insurance benefits would be the same as described under the retirement incentives, with the cash payment being no less than two weeks' pay.

How to apply

Please consider these incentives and discuss them with your family. Electing to take this voluntary severance will not allow you to be placed on the layoff rehire list or to be eligible for placement in one of the city's temporary or seasonal positions. Employees taking the separation incentive (not retiring) would be eligible for reemployment the same way as any other individual who voluntarily left city employment and later wished to return.

Please complete the attached response form and return it, in person, to Human Resources, by _____. If you do not return this response, the Human Resource Department will assume that you *do not* wish to take advantage of one of the separation incentives.

If your position is targeted for reduction and you are formally laid off, this option of taking a voluntary separation, with severance benefits, will no longer be available to you.

The number of employees to be granted these separation incentives will be determined by the number of positions to be reduced in each classification. If more people volunteer than are necessary, the separation incentives will be available based on one's seniority with the city.

If you have any questions, please call the Human Resources Department at _____.

Sincerely,

Director, Human Resources

Employees had the opportunity to explore fully their separation benefits and severance package without making any commitment or decision. Spouses were encouraged to participate in information sessions and decision meetings.

Eleven employees accepted the voluntary separation invitation. The human resources department structured the process to allow these individuals to qualify for unemployment benefits.

Involuntary separation (layoffs)

With the twelve early retirements and eleven voluntary separations, a total of twenty-three positions were vacated. These vacancies either directly saved the jobs of others or created slots into which people from eliminated positions could move. As the city needed to reduce its workforce by forty-two, nineteen more individuals had to be laid off.

A deputy city manager and a department head personally informed each laid-off individual. The personal delivery of notice provided an opportunity for answering questions and for informing affected employees of all options available to them as spelled out earlier in this case.

Results

The policy, process, and implementation of the RIF accomplished the objectives set forth by the management team. The city reduced its workforce and balanced its budget, all the while demonstrating concern for its employees. Those laid off and those who “survived” the RIF were treated humanely.

Virtually everyone involved in the process voiced satisfaction and praise for the way the whole process was handled. Training helped managers cope with a very stressful situation, and affected employees found a management team ready and willing to be supportive. Those who remained on staff appreciated the open communication and caring attitude exhibited by the city.

Concerns about losing the “brightest and best” proved to be unfounded. There was an orderly process and stability reigned. Even among involuntarily separated employees, there was little in the way of difficulty; only one appealed for being bumped and that appeal focused on an issue that could not be appealed. Two other individuals considered appeals but abandoned the idea after consultation with human resources staff.

Final discussion questions

1. How early in a layoff process should the management team be prepared to share information with employees? What information should they be prepared to share?
2. How can the credibility of a team selected to handle a RIF process be established? How can this credibility be maintained?
3. If the role of a city council is to provide direction and confirm decisions delegated to a city manager, how should the city manager respond to council attempts to decide specific service reduction issues during layoff action? What are the repercussions of allowing such action?
4. What are the pros and cons of seniority versus a performance basis for layoff decisions?
5. How can an organization judge the stresses inherent in a work climate where the full impact of layoff decisions is yet unknown? What are the benefits of anticipating these employee dynamics?
6. Was the city manager correct in his assessment that the long-term advantage of taking voluntary separation benefits would offset the short-term fears of those receiving the letters? Was there anything else he could have done to lessen the short-term effects?
7. What decisions in a layoff situation should still be viewed as “management decisions”? Why?
8. The management team established bumping rights for employees who had previously occupied positions in other job classifications. Do you think bumping has negative or positive effects on a layoff process? Why?

9. Some RIF decisions have political overtones. What should a city manager do to reduce public perception that council members may have unduly influenced layoff decisions?
10. How should a city manager use an elected city council to validate a layoff process? Are there dangers inherent in trying to do this?
11. The city manager's first letter to employees acknowledging budget problems and mentioning a potential layoff was on January 10. The major part of the layoff was completed in June. Was this too long or were the individual steps necessary? How long is too long?
12. What security concerns should a city manager have when a layoff action occurs over several weeks' or months' time? Should employees who are leaving the organization be allowed or encouraged to work out their one- or two-week notification period? What are the pros and cons of keeping these employees in the workplace?

Simulation roles

Deputy City Manager for Administrative Services Martin Kent
Staff assistant
Director of human resources
City Budget Director Steve Scott

Case 3

Problems in the building division

The aftermath

After consulting with the city attorney, Gary Hopkins decided that he did have evidence to support a hostile work environment charge. While the evidence regarding Jones's actions and Meyer's reactions was unclear, both principals in the matter agreed to the content of Jones's language in talking with Meyer. Such language, itself, is widely regarded to constitute harassment and to create a hostile work environment.

With this in mind, Hopkins concluded that he had grounds for some disciplinary action against Jones. Further, given his negative view of Jones's performance in general, he decided to use the situation to encourage Jones to resign. Thus, in his second meeting with the chief building official, Hopkins offered Jones the following alternatives:

A three-week suspension without pay for using sexually inappropriate language that led to a hostile work environment, with the charge and the suspension to be made a part of Jones's permanent work record, or

An early retirement, effective immediately, with thirty days of severance pay and no notation of the matter on Jones's permanent record.

Jones selected the early retirement option, and Hopkins immediately presented him with a previously prepared letter of resignation for his signature. The letter read as follows:

Dear Mr. Hopkins:

This letter is to inform you of my decision to retire as chief building official for the city of Westwood Heights effective as of this date. As you know, my health has recently be-

come more of a concern, so it is in my best interest to relieve myself of the stress associated with the position of chief building official.

As we have informally discussed, I would like to make the transition as easy as possible for my successor. For that reason, I will accept your offer of a paid leave for the next thirty days, during which time I shall be available for consultation to the city at any time. In addition, I understand that I will receive payment for the vacation and sick leave time that I have accrued to date.

Thank you for your consideration.

Sincerely,

Bob Jones

After signing the letter, Jones threatened to file a workmen's compensation lawsuit against the city and a defamation suit against Hopkins personally. Hopkins fully expected that Jones would spend his first day of retirement gathering signatures on petitions to call for a referendum to abolish the city's council-manager form of government.

The local newspaper ran a story on Jones's retirement, but it made no reference to the sexual harassment or related issues that had arisen in recent weeks.

The day after Jones retired, Phyllis Meyer returned to her work at the building division. One month later, Gary Hopkins was contacted by a local attorney on behalf of Meyer. The attorney charged that the city was liable for damages to his client because the city manager had exposed her to a hostile work environment. Hopkins explained to the attorney that he had returned Meyer to her job only with her agreement and only because both were concerned about how to explain her absence to the employees, who included the chief's nephew and Meyer's boyfriend. Three months later, Hopkins received a letter from the attorney stating that he was no longer representing Meyer.

Because of his deteriorating health, Bob Jones also decided not to pursue the matter. Upon his retirement, Mark Thompson was named acting chief building official, and three months later he was awarded the position on a permanent basis. Sherri Broomfield and Phyllis Meyer continued to work for the city. Phyllis Meyer and Roy Atkinson were ultimately married.

Two years later, local political activists managed to collect enough signatures to support a referendum on the council-manager form of government. Council-manager government prevailed by a 61 to 39 percent margin.

Final discussion questions

1. Hopkins essentially traded any punishment of Jones for Jones's early resignation. While this solved the immediate problem, it left Jones unpunished (some might say rewarded by the severance benefit). Was Hopkins's decision appropriate? Should he have insisted on a punishment for Jones as a means of "making a statement" about the city's policy toward sexual harassment and providing a lesson to other city workers? Should the likely consequences of adverse publicity and a probable lawsuit justify letting Jones go unpunished? What are all the factors that affect such a decision?
2. Given the contradictory nature of the evidence, did Hopkins, in fact, have sufficient grounds to punish Jones? If so, was his action sufficiently severe? If not, was his gamble warranted?
3. What does this case suggest about the problem of sexual harassment? About the current status of public policy regarding sexual harassment and hostile work environments?
4. What conclusions can be drawn from this case regarding the actions that

public employers might or should take (a) to protect their employees from sexual harassment or hostile work environments; and (b) to protect the employer, and indeed work supervisors, from lawsuits charging them with liability for failure to provide such protection?

5. With this matter behind it, what, if any, changes should be made in Westwood Heights's employment policies to reduce the probability of a similar situation in the future and to provide city administrators with better guidelines on how to handle such problems.

Simulation roles

City Manager Gary Hopkins

Staff assistant

City personnel director

And either:

Planning and community development secretary Sherri Broomfield

Building services supervisor Mark Thompson

or

Chief planner, planning division

Senior mapper, mapping division

Case 4

The disabled parks employee

The aftermath

Bob Thomas decided that the district should participate in the arbitration, but he refused to consider any settlement that returned Susan Reid to her former position as assistant director of parks. Since such a return was Reid's only goal, the arbitration failed. Talking to Farber, Thomas justified his position by saying, "Ron, I have neither fired nor demoted Susan. I've not even reduced her job benefits. All I've done is reassign her to different job duties. Isn't that my right as her supervisor and the district's right as her employer?"

After trying unsuccessfully to arbitrate between Reid and the Hillside Park District, the EEOC heard the case. The commission found that the park district did not violate federal statute and therefore ruled that Reid was not subject to employment discrimination because of her disability. Reid's lawyer then brought the case before the U.S. District Court for the State of Washington. The court upheld the EEOC ruling. Although he admonished the park district for the manner in which the matter was handled, the judge acknowledged the employer's right to reassign work for Reid or any other district employee. To take away management's right to do so would constitute undue interference in the daily operations of the agency. He further reasoned that had the district dismissed Reid outright, the action would have been a clear violation of federal statute. He concluded that the district provided reasonable accommodation by offering to reassign Reid to another position of equal stature and pay within the agency and not attempting to curtail her benefits.

Final discussion questions

1. Do you think that Susan Reid was treated fairly? Why or why not?
2. The judge admonished the park district for the way in which it had han-

- dled Reid's reassignment. What mistakes did the park district make? If you had been Bob Thomas, what would you have done differently?
3. Do you agree with the judge's logic in concluding that the district made reasonable accommodation in offering to reassign Reid to an administrative position? Why or why not?
 4. How do you differentiate between Reid's role as a parks employee and the accessibility issue for the general public raised by her lawyer?
 5. What would the implications have been for the park system and municipal governments in general if Reid's appeal had been successful?
 6. Thomas's decision ultimately proved to be the "right" one in terms of accomplishing his objective. However, he took significant risks in making the decision, and his action could have had dire consequences. In retrospect, did he make the right decision for his role as park director? For his status as a sensitive, human being? Why or why not?
 7. Thomas obviously felt some conflict between his desire to serve the best interests of the park district and his desire to treat his employee properly "in the way he might want to be treated in similar circumstances." What guidelines can you offer to guide a manager in such circumstances?

Simulation roles

Director of Parks Bob Thomas
 Staff assistant
 Park district human resources director
 Attorney Ron Farber

Case 5

Retiree health care in Sun City

The aftermath

As the deadline for the follow-up report approached, Townsend put together a lengthy report and met several more times with both the insurance committee and the SCEO. But even though he had taken every step he could imagine to prepare for the council meeting, he had received little feedback from the council or Adams. Normally, he felt he had a pretty good understanding of how the council would vote on a particular issue, but in this case he was not so sure.

Since he expected that the council would insist on retirees paying at least 25 percent of the premium, with pressure for 100 percent city funding coming only from senior staff, he decided to take the risk of recommending, again, the formula that the mayor had announced her willingness to accept. He accompanied this with cost projections for the next twenty years and a notation emphasizing the need to develop a program that would be sensitive to the retirees' need for health care coverage, the city's obligation as an employer to provide some form of health care protection for its retired workers, and the current city officials' obligation to protect the city's long-range financial stability.

Townsend's staff report on the issue totaled almost forty single-spaced pages covering eleven specific issues and questions, including those concerning the premium. On the cover letter, he signed as the report's author and left a space for City Manager Adams to sign under the statement, "Reviewed and Concur."

He then forwarded the completed work to Adams for his review and, perhaps, concurring signature.

Two days later, Townsend received his copy of the materials sent to the council members in preparation for the forthcoming council meeting. In it was a copy of his report together with the cover letter and Adams's concurring signature. Although Adams included no personal acknowledgment of the report, Townsend still breathed a huge sigh of relief.

At the council meeting, Townsend verbally walked the city council through the written report very quickly. The entire presentation took less than ten minutes, and Townsend then offered to answer any questions.

Councilman Smith commended Townsend and the insurance committee for their efforts in putting together "an excellent program that will ensure that the city will be able to retain its employees." Councilman Connor agreed with Smith's comments in terms of the work accomplished and the clarity of the report.

Councilman White said he was very skeptical of this plan when it was first proposed. He, too, complimented Townsend on an outstanding job of research and a very clear and understandable report. White then said, "In over ten years on this city council, I have rarely voted in favor of a salary or benefits increase, and as much as it may surprise my colleagues on the council, I move we approve the staff's recommendations as outlined." The vote was 5–0 in favor.

As Townsend left the council meeting that night, Steward offered his hand in congratulations and said, "I knew they would approve it. Good job."

Final discussion questions

1. Was it necessary for Townsend to provide such a lengthy and detailed report to the city council? Why did the final cost-sharing recommendation differ little from what the city council had earlier refused to approve?
2. Townsend took a risk in making a recommendation that his senior colleagues directly and, judging by his actions on the issue, his new boss opposed. Townsend's decision would cost those people money when they retired. Townsend could have been putting his boss between the proverbial "rock and a hard place," forced either to overrule his subordinate and provide evidence of a conflict of interest or to accept some health care premium costs in retirement. At a minimum, Townsend risked his future relationship with his boss. Is this the kind of issue on which an administrator should take this kind of risk? Why or why not?
3. What issues of health care policy are raised in this case? Which issues are posed by the principles of employer obligation to employees? Which are simply optional matters? How much health care is an employer obligated to provide?
4. To what extent should the neighboring jurisdictions' financial shortfalls and staff cutbacks affect Sun City's decision?
5. If Sun City did not have an abundance of financial resources, how would this case have been different? List the possible different outcomes and justify your answers.
6. If times became tight and the city had to cut salaries and benefits, what problems would be encountered? What could Sun City do now to minimize such difficulties?
7. What issues of labor-management relations are demonstrated by this case? List them in the order of importance and explain your reasons.
8. What recommendations would you make to Adams regarding the labor-management process used in Sun City?

Simulation roles

Director of Human Resources Scott Townsend

Staff assistant

Finance director Peter Gordon

Economic development director Kathy Jones

Insurance broker Terri Lee (optional)

Case 6

Cedar Valley slowdown

The aftermath

Despite firefighter opposition, Martin continued to advocate option 5. In his presentation of the fire specialist proposal to the council, he stressed that this option would actually increase the fire department's response strength at fires and produce significant savings, releasing funds that could be used to improve fire safety through the smoke detector program and to upgrade the city's compensation plan. He acknowledged the firefighters' opposition, but he urged the council not to allow its policy-making prerogatives to be blocked by the intransigent self-interest of employee groups.

Despite persistent opposition by many fire department employees, the city council approved the reorganization plan. By the end of February, Chief Caro had started to recruit personnel for the twelve fire specialist positions required for the program. The initial invitation to join the specialist ranks was extended to fire department employees. Preliminary reactions among fire department employees swung from one extreme to another. At one point it appeared that they might boycott the program, and at another it looked as if they would use their priority status to lock up all fire specialist positions, thereby blocking other city employees from significant involvement.

Eventually, nine fire department employees joined the fire specialist program, thereby risking almost certain ostracism by the most zealous of the work slowdown advocates. Even more galling to program opponents was the fact that four police officers, including Jacksboro, who had been a leader in the police work slowdown, became fire specialists. Six employees from other city departments also joined the initial class of trainees. (Some of the specialists would serve only in backup roles, temporarily filling in when regular specialists could not serve on standby.) By late May, all participants had received at least thirty hours of training, and all necessary equipment had been obtained. On June 1, the fire specialist program began operating.

The fire specialist program proved overwhelmingly successful on virtually every measure. The first several months were characterized not by traffic accidents or by a devastating fire, as city management had secretly feared, but by incident after incident in which an early-arriving fire specialist was instrumental in controlling a small fire. City officials rarely missed an opportunity to report program successes, noting that having four fire specialists on standby more than doubled the points from which fire responses originated and thereby made possible a quicker response to at least some emergencies. The effectiveness of fire specialists at larger fires was similarly documented and publicized.

However, implementation of the fire specialist program was not problem free. A few supervisors from other departments resented what they perceived to be an intrusion on their authority over employees who served as fire specialists;

these supervisors relented only when upper management made its commitment to the program's success absolutely clear. In addition, fire department officials discovered that their responsibilities were much broader and a bit more complex as they learned how to supervise standby personnel. For example, they were forced at an early stage to administer quick and decisive discipline when a fire specialist's decision while on standby reflected adversely on the program: a specialist was suspended for thirty days for exercising poor judgment in going to a local tavern while on standby, even though he insisted that he had consumed no alcoholic beverages. Program successes, however, far outweighed any problems, suggesting a long-term role for fire specialists in the Cedar Valley fire service.

Final discussion questions

1. The city council in this case expected the city manager to maintain control of the situation and keep the council informed of developments. With few exceptions, council members did not attempt to move to the forefront of the controversy or go public with their opinions, choosing instead to allow the manager room to operate. How important is such a stance by the council to the outcome of a crisis? How could a different scenario have affected the outcome? What can a manager do to secure such support from the council?
2. How important is a long-term commitment by city management to nurturing labor-management relations? Could management in this case have involved labor more effectively in resolving the crisis or in designing program improvements? Given state law and existing policy, should management have made more of an effort to do so before the crisis developed? What can or should be done along this line in communities that do not have collective bargaining or an organized program of labor-management relations?
3. If more money could have been saved by contracting out fire services than by any other reasonable means, should Martin have pushed harder for that option? Why or why not?
4. Some experts argue that productivity improvements are most likely to occur in a stable environment. How did organizational turmoil and resource constraints affect the outcome of this case?
5. What can a newly appointed manager do to create a good relationship with workers and an environment favorable to worker productivity?
6. How would you advise Martin to improve the labor-management environment in Cedar Valley in the aftermath of this crisis?

Simulation roles

City Manager Bill Martin
 Staff assistant
 Director of Administration Larry Bristol
 Police Chief Carl Angelo
 Fire Chief Joe Caro

