

A COMPARATIVE STUDY OF SELECTED PROBLEM AREAS IN
THE ADMINISTRATION OF THE PERSONNEL FUNCTION
IN SMALL AND LARGE FIRMS

Thesis for the Degree of Ph.D.
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EDWARD ALDEN JOHNSON
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IN THE ADMINISTRATION OF THE PERSONNEL FUNCTION
IN SMALL AND LARGE FIRMS

presented by

EDWARD ALDEN JOHNSON

has been accepted towards fulfillment
of the requirements for

Ph.D. degree in MANAGEMENT

Edwin E. McFarland
Major professor

Date 5-1-68

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ABSTRACT

A COMPARATIVE STUDY OF SELECTED PROBLEM AREAS IN THE ADMINISTRATION OF THE PERSONNEL FUNCTION IN SMALL AND LARGE FIRMS

by Edward Alden Johnson

This study investigated selected problem areas in the administration of the personnel function in small and large firms. The purpose of the research was to gain a better understanding of the influence which the size of an organization may have on these administrative problem areas by examining and interrelating the points of view of the company president, the personnel executive, and other members of top management who have some personnel responsibility.

It was hypothesized that there are meaningful differences between personnel executives, company presidents, and operating (line) executives in small and large firms with respect to (1) interrelationships in administering the personnel function, (2) personnel activities, (3) expectations regarding personnel management, (4) evaluation of the results and effectiveness of personnel management, and (5) changes in personnel management.

This research was part of a larger study conducted in collaboration with the American Management Association. The sample for the over-all study was

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drawn from United States and Canadian firms listed in the 1966 edition of Poor's Register of Corporations, Directors, and Executives. Using a disproportional sampling technique, 300 firms were selected in each of three size groupings: 500 to 999 employees, 1,000 to 5,000 employees, and over 5,000 employees. Within these groupings, companies were selected at random as to geographic location and industry. Fabricating and processing firms dominated the sample, and the findings apply most literally to these industries. However, some transportation companies, financial institutions, retailers, utilities, and other organizations also participated.

For the purpose of this study, only firms in two of the three size categories were used: 500 to 999 employees and over 5,000 employees.

Three interrelated questionnaires were sent to three categories of executives: (1) the vice president, director, or manager in charge of the personnel department; (2) the president or chief executive of the company; and (3) a vice president heading a major functional department, who therefore had personnel responsibilities of his own. The functional executives participating were vice presidents of manufacturing, marketing, or finance.

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To assess whether there were any meaningful differences between the response patterns in small and large firms, three distinctions were made: percentage differences of 10 percent and over were classified as great; percentage differences which ranged between 5 percent but less than 10 percent were considered moderate; and any percentage differences of less than 5 percent were not classified as different. Although the data obtained in this study were not tested for statistical significance, the three distinctions made above provided a general guide for the interpretation of whether there were meaningful differences between the responses obtained from small and large firms.

On the basis of the data collected, the hypotheses were not strongly supported. That differences induced by size do exist in the five problem areas is undeniable, and conclusions were reached concerning variables such as: (1) time executives spend in joint sessions, (2) areas covered by executives in joint sessions, (3) changes in line-staff relations, (4) factors accounting for relations between the personnel department and other departments of the firm, (5) most time-consuming activities and concerns of executives, (6) areas in which executives feel changes have taken place in the past and

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in which they would like future changes to occur, (7) criticisms of the field of personnel management, (8) additional knowledge and training needed by personnel executives to meet present standards and to make significant future advances, (9) quantitative and qualitative criteria for evaluating the effectiveness of personnel management, (10) pace of change occurring generally in the field of personnel management, (11) improvements expected in the activities performed by the personnel department, and (12) consequences of changes in the personnel function.

Caution, however, must be used in drawing inferences about the above differences in order to avoid exaggerating them.

A COMPARATIVE STUDY OF SELECTED PROBLEM AREAS IN
THE ADMINISTRATION OF THE PERSONNEL FUNCTION
IN SMALL AND LARGE FIRMS

By

Edward Alden Johnson

A THESIS

Submitted to
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Department of Management

1968

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The most sustained aid, in the form of editorial criticism and genuine encouragement, came from my wife, Beryl. I dedicate this work to her.

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CHAPTER I

INTRODUCTION

Statement of the problem

Prior to the early 1950's, most of the literature pertaining to personnel management focused on meeting the needs and requirements of large organizations.¹ A number of textbooks placed an emphasis on designing personnel programs which included well-organized personnel departments; written policies; training programs; numerous recruitment, screening, selection, placement, and induction devices; batteries of tests to determine personality, interests, abilities and skills, and physical characteristics; complex wage structures and incentive programs; and research programs designed to provide management with information about employee attitudes, morale, motivation, training needs, absenteeism, turnover, and job satisfaction.²

¹Max S. Wortman, Jr. and William E. Reif, "An Analysis of the Industrial Relations Function in Small Manufacturing Firms: Part I," Journal of Small Business Management, III, No. 3 (July, 1965), 3.

²Ibid.

Moreover, many writers and practitioners assumed that a scaled-down model of such extensive programs could adequately meet the needs and requirements of small firms as well.³

Beginning around 1950, some writers began to question the application and use of such a formal approach to personnel administration in small firms.⁴ These writers improved the body of knowledge related to personnel management by describing the personnel function in small firms.

Much still remains, however, to be learned about the relationship between the size of an organization and its personnel function. For example, business enterprises, whether small or large, face problems of enormous complexity in the administration of the personnel function. Unless the personnel function can be examined within the total pattern of administrative behavior, little progress on many crucial problems will be made.

Purpose of the research

The purpose of this study is to investigate selected problem areas in the administration of the

³Ibid.

⁴Ibid.

personnel function in small and large business enterprises. The aim of the research is to gain a better understanding of the influence which the size of an organization may have on these administrative problem areas by examining and interrelating the points of view of the key executives in small and large firms who share responsibilities for the personnel function.

Throughout the study the term personnel function is used to include all phases of employee relations, including labor relations. It applies to all levels of managers as well as to rank-and-file employees.

Basic assumptions

For the purpose of this study, it is assumed that there are three principal roles involved in the administration of the personnel function, not two as popularly supposed. Two roles belong to line personnel: (1) the president or chief executive of the company, and (2) a vice president heading a major functional department, who therefore has personnel responsibilities of his own. The third is that of the vice president, director, or manager in charge of the personnel department, whose role interposes him between the president and the operating vice presidents. The analysis implies that the roles of chief executives and operating vice presidents are significantly different.

Problems investigated

Five general problem areas are investigated in this study: (1) interrelationships of the executives responsible for the administration of the personnel function, (2) personnel activities of the executives, (3) expectations of the executives regarding personnel management, (4) evaluation of the results and effectiveness of personnel management, and (5) changes in personnel management.

Questions such as the following were drawn up as initial guidelines:

1. How much time do the executives spend with each other?
2. What types of work do they perform when they are together?
3. How much time do company presidents and line executives devote to personnel matters of all kinds?
4. What are the personnel activities which company presidents and line executives do not delegate to personnel executives?
5. What is the nature of line and staff relationships in general?
6. Where line-staff conflict exists, is it improving? Where it is slight, is it stable rather than increasing?
7. How can line-staff relations be improved?

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8. What are the major personnel activities of the executives?

9. What are some of the personnel areas in which the executives feel that changes have taken place in the past with respect to personnel management?

10. What are some of the personnel areas in which the executives feel that they would like future changes to occur with respect to personnel management?

11. What do the executives regard as limitations of the field of personnel management and of personnel managers?

12. What are some of the criteria which the executives use for evaluating the effectiveness of personnel management?

13. How do the executives view the pace of change in personnel management?

14. How do the executives view the degree of change in personnel management?

15. What do the executives consider to be consequences of changes in the personnel function?

Hypotheses

Five hypotheses are formulated for this study:

1. There are meaningful differences between personnel executives, chief executives, and operating executives in small firms and personnel executives,

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chief executives, and operating executives in large firms with respect to their interrelationships in administering the personnel function.

2. There are meaningful differences between personnel executives, chief executives, and operating executives in small firms and personnel executives, chief executives, and operating executives in large firms with respect to their personnel activities.

3. There are meaningful differences between personnel executives, chief executives, and operating executives in small firms and personnel executives, chief executives, and operating executives in large firms with respect to their expectations regarding personnel management.

4. There are meaningful differences between personnel executives, chief executives, and operating executives in small firms and personnel executives, chief executives, and operating executives in large firms with respect to their evaluation of the results and effectiveness of personnel management.

5. There are meaningful differences between personnel executives, chief executives, and operating executives in small firms and personnel executives, chief executives, and operating executives in large firms with respect to their views concerning changes in personnel administration.

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Review of the literature

In 1950, twenty authors, under the auspices of the American Society of Mechanical Engineers, produced a book which represented the authors' individual as well as collective expression of what should be the best management for small plants.⁵

One of the topics, "How to Get Best Workers and Labor Relations," written by Wilbur R. Meredith, is of particular interest. Meredith took the position that personnel management in small plants has a different character from that existing in large plants.⁶ He indicated that small manufacturers have an inherent advantage over larger corporations:

The big producers with their specialists, laboratories, high production equipment, etc., have a material advantage over the small plants, but with increasing size there comes a dilution of the all-important personal relationship between the workman and the management. Here, then, is a competitive area in which the manager of a small plant can capitalize on the advantage of his small-sized operation. Proper attention to securing best suited workers and labor relations improves the competitive position of the small company out of all proportion to the time and money invested in properly handling the working force.⁷

⁵Edward H. Hempel, ed., Small Plant Management (New York: McGraw-Hill Book Company, Inc., 1950).

⁶Wilbur R. Meredith, "How to Get Best Workers and Labor Relations," in Small Plant Management, ed. by Edward H. Hempel (New York: McGraw Book Company, Inc., 1950), p. 248.

⁷Ibid.

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With the above thoughts in mind, Meredith suggested some policies and procedures which he thought would prove effective in small plants.

In 1951, the National Industrial Conference Board conducted a survey in order to obtain information about what kind of personnel program is possible in the small company and who in the organization handles it.⁸

Examining personnel administration in fifty-seven companies with less than 500 employees, the Conference Board found that every function considered within the scope of personnel administration by large companies in a former Conference Board survey was carried out in small plants. In general, these functions included: employment; maintenance of employee records; training; health and medical service; safety; wage and salary administration; employee services; administration of employee benefit plans; collective bargaining; employee communication; organization planning; and personnel research.⁹

⁸National Industrial Conference Board, Inc., Personnel Administration in the Small Company, Studies in Personnel Policy, No. 117 (New York: National Industrial Conference Board, Inc., 1951).

⁹Ibid., p. (93).

The Conference Board also found that in nine of the fifty-seven companies, personnel functions were handled by a committee or by several individuals in the company. But in forty-eight companies, most of the functions were centralized and were headed by one person. This centralization began in companies having between 100 and 200 employees and increased as the companies grew in size. Each company in the group which had between 400 and 500 employees had a personnel manager.¹⁰

A total of thirty-nine of the companies had personnel departments. Approximately half of the personnel managers (using this term to include titles of all heads of personnel departments) reported to the president of the company, while little less than half were responsible to a vice president.¹¹

In 1953, James M. Black and George Piccoli reported on industrial relations problems encountered in hundreds of companies, and they offered recommendations for small businesses confronted by similar situations. Much of the information was obtained from

¹⁰Ibid.

¹¹Ibid.

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personnel directors of Cleveland companies in response to surveys made by the Associated Industries of Cleveland.¹²

Alton W. Baker, in 1955, attempted to explain some of the more important aspects of personnel management applicable to the operations of small manufacturing plants.¹³

Baker stated:

There is a dearth of pertinent material since practically all of the available literature of the field of personnel management is concerned exclusively with the large company. The personnel programs of these companies cannot be duplicated in a small company due to the limited time, staff, and resources available to the small company for personnel activity.¹⁴

The study had several purposes. The first was to discuss the principles of personnel management as they specifically apply to small business. This information was to provide theoretical material which could be used by small businessmen to determine the degree to which their personnel practices adhere to

¹²James Menzies Black and J. George Piccoli, Successful Labor Relations for Small Business (New York: McGraw-Hill Book Company, Inc., 1953).

¹³Alton W. Baker, Personnel Management in Small Plants (Columbus, Ohio: Bureau of Business Research, College of Commerce and Administration, The Ohio State University, 1955).

¹⁴Ibid., p. 3.

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the principles generally accepted by writers in the field of personnel administration. The second was to provide empirical information which could assist in answering some of the questions of small businessmen about how the program could be organized, staffed, and administered. The final objective was to summarize the patterns found in personnel programs prevailing in small companies and to draw some conclusions regarding such programs.¹⁵

A questionnaire was mailed to a sample of manufacturing companies in Ohio employing from three to 299 persons in 1951. The names of the companies were obtained from the Manufacturers' Directory, 1951. The companies were selected at random without knowledge of the success of the company or its reputation for employee relations. The companies were selected from fifteen manufacturing industries.¹⁶

Baker reached the following conclusions on the basis of the survey:

1. The scope and complexity of the personnel program of a small manufacturing company is related to the size of the company. As the size of a company increases, the personnel function

¹⁵Ibid.

¹⁶Ibid., p. 6.

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of the company becomes increasingly differentiated from the line function of production and involves greater specialization of function. In addition, the larger the company, the greater number of personnel activities it will have as well as the greater the complexity of content of each of these activities.

2. Certain types of personnel functions are related to the union status of the company. Personnel activities which tend to reduce the control exercised by management are generally more prevalent in union companies than in nonunion companies. . . .

3. The relationship between the union status of the company and its personnel program is much greater in the case of shop workers than in the case of office employees. It is the shop workers that are organized rather than the office employees in small companies. . . .

4. The relationship between the size of the company and its personnel practices is much closer than that between personnel practices and union status. . . .¹⁷

In 1955, Sherrill Cleland conducted a descriptive and comparative study which dealt with the influence of plant size on industrial relations.¹⁸ The findings provided insights into the role that plant size may play in industrial relations, particularly in the Trenton, New Jersey, area.¹⁹

¹⁷Ibid., pp. 258-59.

¹⁸Sherrill Cleland, The Influence of Plant Size on Industrial Relations (Princeton, N. J.: Industrial Relations Section, Department of Economics and Sociology, Princeton University, 1955).

¹⁹Ibid., p. 7.

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CHAPTER II

METHODOLOGY AND DATA COLLECTION

Sample and sampling method

This research is part of a larger study conducted in collaboration with the American Management Association.¹ The sample for the over-all study was drawn from United States and Canadian firms listed in the 1966 edition of Poor's Register of Corporations, Directors, and Executives. Using a disproportional sampling technique, 300 firms were selected in each of three size groupings: 500 to 999 employees, 1,000 to 5,000 employees, and over 5,000 employees. Within these groupings, companies were selected at random as to geographic location and industry. Fabricating and processing firms dominate the sample, and the findings apply most literally to these industries. However, some transportation companies, financial institutions, retailers, utilities, and other organizations also participated.

¹Dalton E. McFarland, Company Officers Assess the Personnel Function, American Management Association Research Study, 79 (New York: American Management Association, Inc., 1967).

For the purpose of the present study, only firms in two of the three size categories were used: 500 to 999 employees and over 5,000 employees.

Three interrelated questionnaires, shown in Appendix A, were sent to three categories of executives: (1) the vice president, director, or manager in charge of the personnel department; (2) the president or chief executive of the company; and (3) a vice president heading a major functional department, who therefore had personnel responsibilities of his own. The functional executives participating were vice presidents of manufacturing, marketing, or finance. Throughout the report they are referred to as "operating executives."

Thus for each firm invited to participate, one questionnaire was sent to the personnel executive, a second to the chief executive, and a third to either the manufacturing, marketing, or finance executive. Although the questionnaires were similar, they were designed specifically for the three types of executives.

The personnel executive's survey produced 63 returns from small firms and 100 returns from large firms; the chief executive's survey, 32 from small firms and 51 from large firms; and the operating executive's survey, 32 from small firms and 50 from large firms.

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The percentage rates of response are shown in Table 2.1.

Table 2.1 Percentage response rate of executives returning questionnaires, by size of firm

<u>Personnel</u> <u>Executives</u>		<u>Chief</u> <u>Executives</u>		<u>Operating</u> <u>Executives</u>	
<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
Percent	Percent	Percent	Percent	Percent	Percent
21.0	33.3	10.7	16.7	10.7	17.0

Determination of the size of firm

The size of a firm may be measured in many dimensions: number of employees, material assets, actual or budgeted expenditures, quantity of output, etcetera.

The most useful dimension for this study is considered to be the number of employees. This is the only dimension for which data are obtainable from the original study.

Thus, for the purpose of this study, a small firm is defined as one employing between 500 and 999 employees, and a large firm as one employing over 5,000 employees.

Presentation of the data
and methods of analysis

Two types of tables are used in the presentation of the findings. One type shows the percentage distributions of the executive groups in small and large firms responding to the various questions. These tables are located in the text of the study. The other type of table provides a Relative Discrepancy Index. This index was constructed by computing the differences in the percentage response rates given by the executive groups in small and large firms replying to each question. These tables are found in Appendix D.

To assess whether there are any meaningful differences between the response patterns in small and large firms, three distinctions are made in the Relative Discrepancy Index tables: percentage differences of 10 percent and over are classified as great; percentage differences which range between 5 percent but less than 10 percent are considered moderate; and any percentage differences of less than 5 percent are not classified as different. Although the data obtained in this study are not tested for statistical significance, the three distinctions made provide a general guide for the interpretation of whether there are meaningful differences between the responses obtained from small and large firms.

Examples of tables and
interpretation of data

Table 2.2 shows the percentage distribution of nine criticisms or reservations of the field of personnel management made by personnel executives in small and large firms. The responses of the personnel executives in small firms are given in the left-hand column, and those of the personnel executives in large firms in the right-hand column. It should be noted that when the results are presented in this manner, the differences are relative and do not necessarily indicate that one item was favored by the majority of one group and not by the other group. A majority of both groups may have responded to the same item, but one group emphasized it more than the other group.

Table 2.3 provides a Relative Discrepancy Index for each criticism or reservation of the field of personnel management mentioned by the personnel executives in small and large firms. When the differences in the percentage response rates between the personnel executives in small firms and the personnel executives in large firms are computed, three differences are found to be meaningful. One of these three meaningful differences is classified as great and the other two are classified as moderate. For example, the personnel executives in small firms respond more frequently to

the criticism concerning lack of recognition and acceptance. The percentage difference is 12.4, and this is large enough to be classified as a great difference.

Table 2.2 Criticisms or reservations of the field of personnel management made by personnel executives, by size of firm

	<u>Personnel</u> <u>Small</u>	<u>Executives</u> <u>Large</u>
	Percent (N = 40)	Percent (N = 74)
Department's own weaknesses	37.5	41.9
Lack of recognition and acceptance	30.0	17.6
No future for advancement	0.0	1.4
Pressure of details	10.0	4.1
Lack of resources	0.0	1.4
No basis for evaluating progress	2.5	2.7
Too much emphasis on techniques	0.0	6.8
Poor public relations	20.0	24.3
Lack of line or general management knowledge by personnel executives	0.0	0.0

Table 2.3 Criticisms or reservations of the field of personnel management made by personnel executives, by size of firm

	$P_s P_l$
Department's own weaknesses	--
Lack of recognition and acceptance	$P_s(12.4)$
No future for advancement	--
Pressure of details	$P_s(5.9)$
Lack of resources	--
No basis for evaluating progress	--
Too much emphasis on techniques	$P_l(6.8)$
Poor public relations	--
Lack of line or general management knowledge by personnel executives	--

The personnel executives in small firms also respond more frequently to the criticism related to pressure of details. In this case, the percentage difference is 5.9, and this is large enough to be classified as a moderate difference. On the other hand, the personnel executives in large firms respond more frequently to the criticism regarding too much emphasis on techniques. The percentage difference is 6.8, and

this is large enough to be classified as a moderate difference.

When the differences in the percentage rates between the personnel executives in small and large firms are computed for the other six criticisms, the differences between the two groups are all less than 5 percent. Thus, these are classified as not different.

In terms of reading the tables, the following symbols are used:

P_s represents the personnel respondents in small firms.

P_l represents the personnel respondents in large firms.

C_s represents the chief executive respondents in small firms.

C_l represents the chief executive respondents in large firms.

O_s represents the operating respondents in small firms.

O_l represents the operating respondents in large firms.

If there are meaningful differences between the executive groups being compared, the group with the higher response is identified beside the item. If there are no meaningful differences between the executive groups being compared, a line is found after the item. The Relative Discrepancy Index for each item is found in parentheses.

CHAPTER III

INTERRELATIONSHIPS IN ADMINISTERING
THE PERSONNEL FUNCTION

The personnel executive, the chief executive, and the operating executives in any business organization make up a working team that is vital to the personnel function. Therefore, it is important to examine their relationships with each other. The central focus of this chapter is on those aspects of these relationships which have a bearing on the administrative behavior of the three types of executives. The analysis is divided into five parts: the amounts of time the three types of executives spend with each other; the types of work they perform when they are together; the total amount of time the chief executives and the operating executives devote to personnel matters of all kinds; the personnel activities which the chief executives and operating executives do not delegate; and the relationship between line and staff in general.

The Amounts of Time Spent in Relationships

Length of time personnel executives have been in their present positions

Regardless of the size of firm, many of the personnel respondents participating in this study are relatively new to their present positions. For example, the data in Table 3.1 show that 50 percent of the personnel respondents in small firms and 45 percent of the personnel executives in large firms have held their present position for five years or less. Further, over 80 percent of the personnel respondents in small firms and 75 percent of the personnel respondents in large firms have been in their current positions for ten years or less.

Table 3.1 Length of time personnel executives have been in their present positions, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 63)	Percent (N = 96)
1-5 years	50.8	44.8
6-10 years	30.2	30.2
11-14 years	11.1	14.6
15-19 years	6.3	4.2
20 years and over	1.6	6.3

Thus a number of the personnel respondents in both size groups have had limited opportunity to develop firmly established organizational relationships in their roles as personnel executives.

The fact that so many of the personnel respondents in both small and large firms have been in their positions for such short periods of time suggests that many of them have not had enough time to establish personnel programs and achieve measurable results. Furthermore, they probably have had little opportunity to carry out their programs and demonstrate progress toward long-term objectives.

Length of time personnel executives
have been with their present firms

The data in Table 3.2 show that a greater percentage of the personnel respondents in large firms, compared with the personnel respondents in small firms, have been with their present firm for longer periods of time. For example, two-thirds of the personnel respondents in large firms report having been with their present firm eleven or more years, compared to only one-third of the personnel respondents in small firms. The reverse holds true for periods of time amounting to ten years or less.

Table 3.2 Length of time personnel executives have been with their present firms, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 63)	Percent (N = 100)
1-5 years	42.9	11.0
6-10 years	23.8	21.0
11-14 years	12.7	8.0
15-19 years	12.7	17.0
20 years and over	7.9	43.0

These data suggest that personnel respondents in small firms are more mobile than personnel respondents in large firms. However, the fact that personnel respondents in large firms have remained with their present company for longer periods of time means that they have had more time to develop mature working relationships and establish rapport with other executives in their organization, both in terms of their chief executive and their operating executives. Situations where a personnel executive and a chief executive or an operating executive have known each other and have worked together for a long period of time may, in part, increase the possibility for better working relations

between them and produce understandings that make the personnel executive's job less difficult.

Percentage of work week executives
spend in joint relationships

The greater the interaction rate between personnel executives and their chief executives and personnel executives and their operating executives, the better their relationships with one another are likely to be. The amounts of time these executives spend with each other are important because they indicate what opportunities the executives have for communication, joint planning, and other interactions. Such interaction patterns may greatly influence the results that personnel executives can expect to achieve.

In general, the personnel executives and the chief executives in each size group are rather close in estimating the amount of time which they spend with each other during the work week.¹ However, further analysis reveals that a greater percentage of the personnel respondents and the chief executive respondents in large firms estimate spending more time with one

¹One possible exception is in the case of large firms. A greater percentage of personnel respondents indicate spending less than 5 percent of their time with chief executives, while a greater percentage of the chief executives report spending between 5 and 10 percent of their time with the head of the personnel function.

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another than do the personnel respondents and the chief executive respondents in small firms. For example, as shown in Table 3.3, approximately 90 percent of the personnel respondents and chief executive respondents in small firms, compared with slightly over 80 percent of the personnel respondents and chief executive respondents in large firms, estimate that they spend 10 percent or less of their time with one another. On the other hand, close to 20 percent of the personnel respondents and chief executives in large firms, compared to about 10 percent of the personnel respondents and chief executive respondents in small firms, report spending over 10 percent of their time together.

An analysis of the personnel executives and operating executives (Table 3.4) shows that approximately 30 percent of both personnel groups report spending less than 10 percent of their time during the work week with managers in non-personnel functions, while approximately 70 percent of both personnel groups report spending over 10 percent of their time with managers in non-personnel functions. Additional analysis, however, reveals that almost 45 percent of the personnel respondents in small firms as compared to 35 percent of the personnel respondents in large firms estimate that they spend between 10 and 25 percent of their time with managers in non-personnel functions. Thus, in general,

Table 3.3 Percentage of work week personnel executives and chief executives spend in joint relationships, by size of firm

	Personnel Executives' Estimate of Time Spent with Chief Executive		Chief Executives' Estimate of Time Spent with Personnel Executive	
	<u>Small</u> Percent (N = 63)	<u>Large</u> Percent (N = 98)	<u>Small</u> Percent (N = 31)	<u>Large</u> Percent (N = 50)
Less than 5 percent	50.8	44.9	51.6	24.0
5-10 percent	36.5	37.8	38.7	48.0
10-25 percent	11.1	14.3	9.7	18.0
Over 25 percent	1.6	3.1	0.0	0.0

Table 3.4 Percentage of work week personnel executives and operating executives spend in joint relationships, by size of firm

Table 3.4 Percentage of work week personnel executives and operating executives spend in joint relationships, by size of firm

	Personnel Executives' Estimate of Time Spent with Operating Executive		Operating Executives' Estimate of Time Spent with Personnel Executive	
	<u>Small</u> Percent (N = 63)	<u>Large</u> Percent (N = 100)	<u>Small</u> Percent (N = 30)	<u>Large</u> Percent (N = 51)
Less than 5 percent	14.3	7.0	46.7	41.2
5-10 percent	17.5	20.0	46.7	41.2
10-25 percent	44.4	35.0	6.7	17.6
Over 25 percent	23.8	38.0	0.0	0.0

the larger the firm, the more time personnel executives report spending with operating executives.

Analysis of the time operating executives estimate spending with personnel executives indicates that slightly over 90 percent of the operating respondents in small firms report spending less than 10 percent of their time with the head of personnel, as compared with 80 percent of the operating respondents in large firms. Further, over 15 percent of the operating respondents in large firms indicate spending between 10 and 25 percent of their time with personnel executives, as compared with slightly over 5 percent of the operating executive respondents in large firms. In general, the larger the firm, the more time the operating executives report spending with the head of personnel.

While Table 3.4 shows that approximately 70 percent of both personnel groups report spending over 10 percent of their time with operating managers, only about 7 percent of the operating respondents in small firms and 18 percent of the operating respondents in large firms estimate that they spend over 10 percent of their time with personnel executives. Almost 95 percent of the operating respondents in small firms and close to 85 percent of the operating respondents in large firms indicate spending less than 10 percent of their time with the head of personnel. The reason for

these differences is that each operating executive estimated the time he spent with the head of his personnel function, while each personnel respondent reported the total time he spent with all operating executives.

In general, the data indicate that in large firms the personnel executives and chief executives and the personnel executives and operating executives spend more time with one another than do the same types of executives in small firms. Thus, the executives in large firms have more opportunities for communicating, joint planning, and other interactions. This, in part, should increase the possibility of better relationships between the personnel executives and the chief executives and the personnel executives and the operating executives in large firms, compared with the same types of executives in small firms.

Since the chief executives have authority over both the personnel function and the operating functions, one might expect the personnel executives to cultivate the relationships with their chief executives. However, as the data show, many of the personnel executives spend more time with the operating executives than with their chief executives. This condition exists regardless of the size of firm.

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Length of time operating executives
have known present head of personnel

In general, operating executives in large firms, compared with operating executives in small firms, report more lengthy acquaintances with the head of the personnel department in their firms. As Table 3.5 indicates, nearly 60 percent of the operating respondents in large firms report knowing the head of the company's personnel function for eleven years or more, compared to less than 40 percent of the operating respondents in small firms. The reverse holds true for relationships of less than eleven years.

Table 3.5 Length of time operating executives have known present head of personnel, by size of firm

	<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 29)	Percent (N = 51)
1-5 years	24.1	25.5
5-10 years	37.9	15.7
11-14 years	24.1	9.8
15-19 years	3.4	21.6
20 years and over	10.3	27.5

Situations where an operating executive has known a personnel executive for a long period of time and has worked together with him over time may increase the possibility for mature working relations between them and produce understandings that make the personnel executive's job easier. The data in Table 3.5 suggest that the possibility for mature working relations between operating executives and personnel executives is better in large firms.

Percentage of work week chief executives and operating executives spend on personnel matters of all kinds

The chief executives and operating executives were also asked about the total amount of time which they devote to all types of personnel matters during a typical work week.

An analysis of the time chief executives spend on personnel matters of all kinds reveals no substantial differences between the two sample groups. As Table 3.6 shows, approximately 50 percent of both groups report that they devote between 10 and 25 percent of their time to personnel matters of all kinds. Close to 15 percent of both groups estimate spending between 25 and 50 percent of their time on such matters. On the other hand, about one-third of the respondents in both groups

... of chief executives and operating executives
... size of firm

Table 3.6 Percentage of work week chief executives and operating executives spend on personnel matters of all kinds, by size of firm

	Chief Executives		Operating Executives	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 32)	Percent (N = 50)	Percent (N = 30)	Percent (N = 51)
Less than 10 percent	31.3	34.0	73.3	43.1
10-25 percent	56.3	48.0	20.0	41.2
25-50 percent	12.5	16.0	6.7	15.7
Over 50 percent	0.0	2.0	0.0	0.0

estimate that they spend less than 10 percent of their time on personnel matters.

An analysis of the time operating executives spend on personnel matters of all kinds shows that, in general, operating executives in large firms spend more time on personnel matters than do operating executives in small firms. Almost 75 percent of the operating executives in small firms report that they devote less than 10 percent of their time to personnel matters, as compared to slightly less than 45 percent of the operating executives in large firms. On the other hand, over 40 percent of the operating executives in large firms report that they spend from 10 to 25 percent of their time on personnel matters, as compared to 20 percent of the operating executives in small firms. In addition, 15 percent of the operating executives in large firms report spending from 25 to 50 percent of their time on personnel matters, as compared to less than 7 percent of the operating executives in small firms.

In general, regardless of the size of firm, the chief executives, compared with the operating executives, spend more of their time on personnel matters of all kinds. It is noted, however, that a greater percentage of operating executives in large firms spend more time on such matters than do operating executives

in small firms. Thus, it appears that a more substantial part of the chief executive's job, compared with the operating executive's job, consists of personnel matters. The same generally holds true for the operating executives in large firms when compared with the operating executives in small firms.

The time spent by the chief executives and operating executives in both sample groups on personnel matters may in part reflect the effectiveness of their personnel executive in administering his part of the function. The chief executives in both small and large firms may devote more time to personnel matters because they have greater concern for and make greater demands on the personnel department than do the operating executives in small and large firms. Another possibility is that the chief executives and operating executives in both sample groups have different ideas about the specific activities that they characterize as "personnel."

Types of subjects with which executives deal in joint sessions

In addition to gaining information about the frequency of interaction between the various executives, it is desirable to know something about the subjects with which the executives deal when they work together.

The personnel executives were asked to indicate the areas dealt with during the course of interactions

with chief executives and operating executives. Tables 3.7 and 3.8 show these areas and the percentage of personnel respondents who reported spending time with the chief executive and operating executives on each.

Although it was noted previously that the personnel respondents in both sample groups spend different amounts of time with chief executives and operating executives, the types of activities conducted during their interactions with their chief executives and line executives are quite similar, regardless of the size of firm.

In only two areas are there any differences: matters related to policy and economic problems dealing with cost and efficiency. In both small and large firms, more personnel executives spend time with their chief executives, compared to the operating executives, on policy matters. This difference is more noticeable in small firms. On the other hand, in the case of small firms, moderately more personnel respondents report spending time with their operating executives, compared to their chief executives, on economic problems related to cost and efficiency.

Organization design and manpower planning and labor relations are reported by the personnel respondents in both sample groups as accounting for the greatest amounts of time spent with their chief

Table 3.7 Types of subjects with which personnel executives and chief executives deal in joint sessions, by size of firm

	Personnel Executives' Sessions with Chief Executive		Chief Executives' Sessions with Personnel Executive	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 93)	Percent (N = 164)	Percent (N = 41)	Percent (N = 67)
Labor relations problems and policies	18.3	22.0	19.5	22.4
Personnel procedures and techniques	10.8	15.9	14.6	10.4
Policy matters (excluding labor relations)	19.4	18.9	17.1	14.9
Economic matters (costs and efficiency)	6.5	12.8	7.3	9.0
Organization design and manpower planning	29.0	25.0	26.8	31.3

Table 3.7--continued

	Personnel Executives' Sessions with Chief Executive		Chief Executives' Sessions with Personnel Executive	
	<u>Small</u> Percent (N = 93)	<u>Large</u> Percent (N = 164)	<u>Small</u> Percent (N = 41)	<u>Large</u> Percent (N = 67)
Departmental planning and administration	7.5	1.8	2.4	4.5
Motivation, communication, and human relations	8.6	1.8	12.2	7.5
Public, community, and governmental relations	0.0	1.8	0.0	0.0

Table 3.8 Types of subjects with which personnel executives and operating executives deal in joint sessions, by size of firm

	Personnel Executives' Sessions with Operating Executives		Operating Executives' Sessions with Personnel Executives	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 96)	Percent (N = 173)	Percent (N = 39)	Percent (N = 69)
Labor relations problems and policies	21.9	20.2	25.6	17.4
Personnel procedures and techniques	15.6	16.2	5.1	14.5
Policy matters (excluding labor relations)	7.3	11.6	7.7	8.7
Economic matters (costs and efficiency)	12.5	11.6	15.4	23.2
Organization design and manpower planning	28.1	28.9	20.5	30.4

Table 3.8--continued

	Personnel Executives' Sessions with Operating Executive <u>Small</u> <u>Large</u>		Operating Executives' Sessions with Personnel Executive <u>Small</u> <u>Large</u>	
	Percent (N = 96)	Percent (N = 173)	Percent (N = 39)	Percent (N = 69)
Departmental planning and administration	3.1	5.2	10.3	2.9
Motivation, communication, and human relations	9.4	5.8	12.8	2.9
Public, community, and governmental relations	2.1	0.6	2.6	0.0

executives and operating executives. The subjects receiving the least emphasis, as reported by both personnel groups, are public, community, and governmental relations, and departmental planning and administration.

As shown in Tables 3.7 and 3.8, there are some differences between the chief executives and the operating executives in both small and large firms with respect to what they deal with during the time they spend with the personnel executives. In only two areas, however, are there major differences.

With respect to small firms, about 15 percent of the chief executives, compared to 5 percent of the operating executives, report spending time with the head of their personnel function on matters related to personnel procedure and techniques.

Regarding large firms, close to 25 percent of the operating executives, compared to about 12 percent of the chief executives, indicate spending time with the head of their personnel function on economic matters related to cost and efficiency.

A detailed examination of the three types of executives by size of firm shows that there are some differences in their views, although most of these differences are moderate (Appendix D).

Of particular interest is the fact that one of the major subjects mentioned by the three types of

executives in both sample groups refers to organization design and manpower planning, an area closely associated with longer-range and broader-scale problems involving company growth and changing technology. In general, however, the focus of the various executives appears to be more on operating problems, such as labor relations, improving personnel procedures and techniques, etc. The selection of these subjects was probably influenced by the fact that line and staff people usually meet in order to resolve operating problems.

Personnel areas chief executives and
operating executives do not delegate

The extent to which various matters are considered delegable by chief executives and operating executives is a factor of great importance to the personnel function. Analysis of data reveals that, regardless of the size of firm, the two areas mentioned most frequently as not delegable by both types of executives are organization structure and design and wage and salary decisions (Table 3.9).

Organization design together with manpower planning, however, was reported as a major area of interaction between the personnel executives and these executives in both small and large firms, as was pointed out earlier. This additional information seems to suggest that most of the interaction between the three

Table 3.9 Personnel areas chief executives and operating executives do not delegate, by size of firm

	Chief Executives		Operating Executives	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 52)	Percent (N = 79)	Percent (N = 46)	Percent (N = 77)
Organization structure and design	38.5	51.9	43.5	54.5
Final decisions of major issues and policies	13.5	11.4	6.5	9.1
Wage and salary decisions	19.2	17.7	28.3	19.5
Labor relations decisions	13.5	10.1	15.2	9.1
Morale and motivational problems	9.6	2.5	2.2	5.2
Personnel budgets or cost changes	1.9	2.5	0.0	1.3
Miscellaneous	3.8	3.8	4.3	1.3

types of executives deals mostly with manpower planning rather than organizational design.

Additional analysis reveals the following:

(1) Although the major area both groups of chief executives are unwilling to delegate is organization structure and design, a greater percentage of the respondents in large firms place more emphasis on it. On the other hand, a moderately higher percentage of chief executives in small firms are less willing to delegate problems in human relations.

(2) The major area which both groups of operating executives are most unwilling to delegate is organization structure and design, although the operating executives in large firms are more emphatic. On the other hand, a moderately higher percentage of operating executives in small firms are less willing to delegate matters related to wage and salary administration and labor relations.

(3) In general, the chief executives and operating executives in large firms are less willing to delegate responsibilities related to organization planning and design than are the chief executives and operating executives in small firms.

(4) There appears to be no differences in the views of the chief executives and operating executives in large firms with respect to what they believe cannot be delegated. Moderate differences exist between the two types of executives in small firms. The chief executives place moderately more stress on not delegating personnel responsibilities related to final decisions on major issues or policies and morale and motivational problems, whereas the operating executives place moderately more emphasis on not delegating responsibilities related to organization structure and design and wage and salary decisions.

Activities about which chief executives consult head of personnel

Although chief executives may or may not delegate responsibility for specific activities, they do consult or seek advice from the head of personnel (among others) before taking action on them. Eight general areas are considered: operational planning, decisions about people, labor relations, company relationships, strategic planning, control decisions, organization design, and other (miscellaneous).

Regardless of the size of firm, the chief executives frequently seek the advice of their personnel

managers on operational planning, as shown in Table 3.10. In addition, the chief executives in both size groups often consult their personnel heads on labor relations, company relationships, and decisions about people. With reference to decisions about people, it appears that more chief executives in large firms, compared with chief executives in small firms, consult their personnel heads. Strategic planning, control decisions, organization design, and miscellaneous areas are cited by fewer of the chief executive participants in both small and large firms.

Table 3.10 Activities about which chief executives consult head of personnel, by size of firm

	<u>Chief Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 412)	Percent (N = 673)
Operational planning	22.6	21.2
Decisions about people	12.4	20.5
Labor relations	19.2	15.3
Company relationships	14.1	14.4
Strategic planning	12.4	10.0
Control decisions	10.0	9.2
Organization design	8.3	8.3
Other	1.2	1.0

The range of areas on which the chief executives in both small and large firms consult their personnel managers is large. However, the information suggests that the chief executives, regardless of the size of firm, view the personnel executive as a source of help on matters that are basically operational or problem-oriented, rather than broad, strategic, organizational, or long-term matters.

Line-Staff Relations

From one business firm to another, whether small or large, the line-and-staff organization structure is the universal pattern. In nearly every firm large enough to give explicit recognition to a personnel function, that function is related to the total organization through a combined line-and-staff structure.

Many administrative problems, such as the cost of performing personnel work, evaluating the personnel function, etc., relate to the basic decisions of accepting the line-and-staff pattern of organization. In this study, answers were sought to the following questions: Is line-staff conflict in the personnel function in the firms studied a critical issue? Where it does exist, is it improving? Where it is slight, is it stable rather than increasing? In addition, how can line-staff relations be improved?

Length of time personnel executives
have spent in operating (line) positions

Personnel executives often assert that actual experience as line executives is important for the effective performance of staff work. Yet over 40 percent of the personnel executives in small organizations and close to 35 percent of the personnel executives in large organizations have not had any line experience (Table 3.11). Of those personnel respondents who do report having line experience, in general, the respondents in large firms have had more than the respondents in small firms. For example, Table 3.12 shows that close to 90 percent of the respondents in small firms, compared to about two-thirds of the respondents in large firms, have had ten years or less experience in operating positions. On the other hand, more than one-third of the respondents in large firms report having eleven or more years experience in operating positions, compared to less than 15 percent of the respondents in small firms who report the same.

Thus, many of the personnel respondents in both sample groups have no line experience. Of those who do report having line experience, the personnel respondents in large firms generally have more. This greater amount of line experience on the part of the personnel executives in large firms may, in part,

possibly increase the tendency of building rapport in the personnel-operating executive relationships in their firms.

Table 3.11 Personnel executives who report having line experience and personnel executives who report not having line experience, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 41)	Percent (N = 64)
Line experience	41.5	32.8
No line experience	58.5	67.2

Table 3.12 Length of time personnel executives have spent in operating (line) positions, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 24)	Percent (N = 43)
1-5 years	62.5	44.2
6-10 years	25.0	18.6
11-14 years	4.2	16.3
15-19 years	8.3	9.3
20-29 years	0.0	9.3
30 years and over	0.0	2.3

Length of time personnel executives
have spent in staff positions

With reference to staff experience, close to 70 percent of the personnel respondents in large firms report having more than 15 years of experience, compared to 40 percent of the personnel respondents in small firms (Table 3.13).

Table 3.13 Length of time personnel executives have spent in staff positions, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 61)	Percent (N = 95)
1-5 years	21.3	5.3
6-10 years	21.3	16.8
11-14 years	18.0	9.5
15-19 years	18.0	21.1
20-29 years	16.4	37.9
30 years and over	4.9	9.5

Thus, in general, it appears that personnel respondents in large firms compared with personnel respondents in small firms may, in part, be more effective in their work because of their greater staff experience.

Although the personnel respondents in large firms generally report more line-and-staff experience, on the basis of the overall experiences of the personnel participants in this study, both groups seem to be more heavily staff-oriented.

Personnel executives' views
on line-staff relations

As shown in Table 3.14, the majority of personnel respondents in both size groups see relatively little conflict between their department and other departments in their company.

In addition, most of the personnel respondents in both sample groups have favorable views about the changes taking place in line-staff relations. For example, Table 3.15 shows that about 40 percent of the personnel respondents in small firms and slightly over 45 percent of the personnel respondents in large firms feel that the situation is improving, while over 55 percent of the personnel respondents in small firms and about 50 percent of the personnel respondents in large firms believe that the situation is stable. In contrast, only 2 percent of the personnel respondents in small firms and 1 percent of the personnel respondents in large firms report that the situation is getting worse.

Table 3.14 Conflict in line-staff relations, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 60)	Percent (N = 98)	Percent (N = 31)	Percent (N = 49)	Percent (N = 29)	Percent (N = 50)
Little or no conflict in current relations	58.3	59.2	71.0	69.4	72.4	82.0
Moderate conflict in current relations	40.0	39.8	25.8	30.6	27.6	16.0
Considerable conflict in current relations	1.7	1.0	3.2	0.0	0.0	2.0

Table 3.15 Change in line-staff relations, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 48)	Percent (N = 86)	Percent (N = 23)	Percent (N = 39)	Percent (N = 23)	Percent (N = 36)
Situation improving	39.6	46.5	47.8	46.2	26.1	27.8
Situation stable	58.3	52.3	52.2	53.8	69.6	72.2
Situation getting worse	2.1	1.2	0.0	0.0	4.3	0.0

The views of chief executives
and operating executives
on line-staff relations

The majority of chief executives and operating executives in both size groups also report experiencing little or no conflict in current line-staff relations (Table 3.14).

The chief executives in both groups, however, are more optimistic about changes taking place in line-staff relations than are the operating executives. For example, close to 50 percent of both groups of chief executives, compared to about 25 percent of both operating groups, report that they believe the situation is improving. In contrast, about 70 percent of both groups of operating respondents, compared to approximately 50 percent of both chief executive groups, report that the situation is stable (Table 3.15).

Thus, the data obtained from the three types of executives seem to suggest that, in general, line-staff conflict in the personnel function is not a critical issue in either small or large firms. Where it does exist, the situation is generally either stable or improving rather than getting worse. This finding holds for both small and large firms. Apparently, the various line-and-staff executives in small and large firms have established patterns of interaction that make

possible a satisfactory sharing of the responsibilities of the personnel function.

Factors accounting for relations
between the personnel department
and other departments in the firm

As shown in Table 3.16, personnel executives in both groups indicate that improvements in the attitudes of line management and top management and a better record of success on the part of the personnel department are the main factors which they consider instrumental in determining the line-staff relations existing in their firms. Only moderate differences are noted when the data are analyzed by size of firm. For example, the personnel respondents in small firms place moderately more emphasis on an improvement in line management attitude, whereas the personnel respondents in large firms place moderately more emphasis on changes in the organization structure.

Other factors shown in Table 3.16 provide a summary of the explanations given by the personnel respondents for the cooperation or conflict situation in which they find themselves.

Table 3.16 Factors accounting for relations between the personnel department and other departments in the firm, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 79)	Percent (N = 133)	Percent (N = 39)	Percent (N = 58)	Percent (N = 39)	Percent (N = 62)
Company attitude	2.5	2.3	0.0	8.6	0.0	0.0
Improved human relations	10.1	7.5	25.6	25.9	17.9	9.7
Improved line management attitudes	39.2	30.8	23.1	19.0	25.6	22.6
Improved top management attitudes	16.5	19.5	15.4	6.9	5.1	12.9
Better record of personnel department	16.5	17.3	7.7	12.1	35.9	41.9
Changes in organization structure	10.1	15.8	15.4	20.7	10.3	8.1
Personnel is a new function	0.0	0.0	5.1	1.7	0.0	0.0
Personnel function more important	5.1	6.8	7.7	5.2	5.1	4.8

Factors which chief executives
and operating executives believe
account for relations between
the personnel department and
other departments in the firm

The chief executives and operating executives were also asked to identify factors which they consider instrumental in determining the line-staff relations existing in their firms. For the most part, the two categories of executives in both sample groups do not agree closely about these factors (Table 3.16). However, they do agree that one of the major determinants is the improved attitude of line management.

When the three types of executives are compared, there are many differences in both small and large firms. These differences are summarized below. It should be noted, however, that all of the executives in both small and large firms agree that improvement in the attitudes of line management is an important factor.

(1) Chief executives in large firms place moderately more emphasis on the attitude of the company than do personnel executives and operating executives in firms of the same size.

(2) Chief executives in both small and large firms, compared with personnel executives and operating executives, indicate more emphasis on improvement in human relations. In small firms, operating executives mention

this moderately more than do personnel executives.

(3) Personnel executives in large and small firms, compared with chief executives and operating executives, place more emphasis on improvement of line management attitudes.

(4) In small firms, personnel executives and chief executives place greater emphasis on improvement in the attitude of top management than do the operating executives. In large firms, personnel executives place more emphasis on improvement of top management attitudes compared with chief executives and operating executives. Operating executives, however, are moderately more inclined to mention this factor than are chief executives.

(5) Operating executives in both size groups place greater emphasis on a better record of the personnel department than personnel executives and chief executives do. Personnel executives in both size groups, however, cite this factor more frequently than do the chief executives.

(6) In small firms, chief executives place moderately more emphasis on changes in organization structure than personnel executives and

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operating executives do. In large firms, more emphasis is placed on this factor by personnel executives and chief executives, compared with operating executives.

(7) Chief executives in small firms place moderately more emphasis on the fact that the personnel function is new than do personnel executives and operating executives.

Summary

In general, the data in this study indicate that the three types of executives in large firms spend more time with one another than do the three types of executives in small firms.

Since the chief executives have authority over both the personnel function and the operating functions, one might expect the personnel executives to cultivate the relationships with their chief executives. However, as the data in this study show, many of the personnel executives spend more time with their operating executives than with their chief executive. This condition exists regardless of the size of firm.

In general, operating executives in large firms, compared with operating executives in small firms, report more lengthy acquaintances with the head of the personnel department in their firms.

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The study shows that, regardless of the size of firm, the chief executives, compared with the operating executives, generally spend more of their time on personnel matters of all kinds. The data indicate, however, that a greater percentage of operating executives in large firms spend more time on such matters than do operating executives in small firms.

Although the study finds that the personnel executives in both size groups spend different amounts of time with their chief executives and operating executives, additional data show that the types of activities conducted during their interactions with their chief executives and line executives are very similar, regardless of the size of firm. In only two areas are there any differences: matters related to policy and economic problems dealing with cost and efficiency.

The data indicate that there are some differences between the chief executives and the operating executives in both small and large firms with respect to what they deal with during the time they spend with the personnel executives. However, there are only two areas in which there are major differences: personnel procedures and techniques and economic matters related to cost and efficiency.

The focus of the various executives in terms of their joint activities appears to be more on

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operating problems, such as labor relations, improving personnel procedures and techniques, etcetera.

The study finds that, regardless of the size of firm, the areas mentioned most frequently by both the chief executives and operating executives as not delegable to personnel executives are matters related to organization structure and design and wage and salary decisions. Additional analysis by size of firm, however, reveals a number of differences.

The study finds that, regardless of the size of firm, the chief executives consult or seek advice from the head of personnel on specific activities.

The range of areas on which the chief executives in both small and large firms consult their personnel managers is large. However, the information suggests that the chief executives, regardless of the size of firm, view the personnel executive as a source of help on matters that are primarily operational or problem-oriented, rather than broad, strategic, organizational, or long-term matters.

A major finding of this study is that, in general, line-staff conflict in the personnel function is not a critical issue in either small or large firms.

The data show that the majority of personnel respondents in both size groups see relatively little conflict between their department and other departments

in their company. In addition, most of the personnel respondents in both sample groups have favorable views about the changes taking place in line-staff relations.

The majority of chief executives and operating executives in both size groups also report experiencing little or no conflict in current line-staff relations.

The chief executives in both groups, however, are more optimistic about changes taking place in line-staff relations than are operating executives.

The personnel executives in both size groups indicate that improvements in the attitudes of line management and top management and a better record of success on the part of the personnel department are the main factors which they consider instrumental in determining the line-staff relations existing in their firms. Several moderate differences are noted when their responses are analyzed by size of firm.

For the most part, the chief executives and the operating executives in both sample groups do not agree about the factors accounting for relations between the personnel department and other departments in their firms. However, they do agree that one of the major determinants is the improved attitude of line management.

When the three types of executives are compared with respect to the factors accounting for line-staff

relations, there are many differences in both small and large firms. It should be noted, however, that all of the executives in both small and large firms agree that improvement in the attitudes of line management is an important factor.

CHAPTER IV

PERSONNEL ACTIVITIES AND EXPECTATIONS REGARDING PERSONNEL MANAGEMENT

The head of the personnel function in any firm occupies a strategic position in his relationship with his chief executive and with all members of top and middle management. Since the head of personnel has delegated to him staff responsibilities that affect the well-being of employees, he is the focal point of activities in which all executives are greatly interested. Thus his position is pivotal inside the firm as well as vital to its success in both inside and outside relationships.

Because the head of personnel occupies a key position, this chapter examines his characteristics, his goals, and his activities. It also examines the personnel activities of the chief executive and the operating executives. In addition, an effort is made to identify some of the personnel areas in which the three types of executives feel that changes have taken place in the past and in which they would like future changes to occur.

Characteristics of the Personnel Executive

In order to obtain a better understanding of the personnel respondents who participated in this study, several characteristics are examined. Those that seem most important for the issues under consideration are education, reporting relationships, membership on executive and management committees, and supervision.

Educational Level of Personnel Executives

The largest proportion of both personnel groups who are college graduates have one degree. For those who have more than one degree, the response rate is greater for respondents from large firms. As Table 4.1 shows, 39.3 percent of the personnel executives in large firms have advanced degrees, compared to 26.6 percent in small firms. Most obvious is the fact that a greater percentage of the respondents from large firms reported having an advanced degree in law.

College major of personnel executives

In both small and large firms, there is evidence that the educational backgrounds of the personnel executives are varied. A major in business administration was mentioned most frequently by both groups. Table 4.2 shows that a greater percentage of respondents in small firms majored in areas related to the behavioral sciences, whereas a moderately higher percentage

Table 4.1 Educational level of personnel executives,
by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 49)	Percent (N = 84)
Bachelor's degree	73.5	60.7
Master's degree	14.3	15.5
Law degree	8.2	21.4
Doctor's degree	4.1	2.4

Table 4.2 College major of personnel executives, by
size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 55)	Percent (N = 89)
Business Administration	41.9	49.4
Humanities and Education	14.5	11.2
Behavioral Science	23.6	2.2
Engineering	7.3	12.4
Law	5.5	12.4
Natural Science	5.5	4.5
Government	1.8	7.9

of respondents in large firms concentrated in law, engineering, and government.

The data regarding the low number of degrees which the personnel respondents have and the variety of major studies suggest that, regardless of the size of firm, there appears to be no clear-cut agreement about the requirements of personnel management as a specialized occupation.

Reporting relationships
of personnel executives

Personnel executives frequently take the position that their function should be at the top of the firm's organization structure. By placing the personnel executive at a high level within the firm, better company decisions may be promoted by requiring all executives to give weight to personnel factors in their decision making. It may also enhance the personnel executive's status, since this position reflects the importance the firm attaches to his function. With sufficiently high status, the personnel executive can urge the establishment of new programs and carry out existing ones more successfully. Moreover, the level to which a personnel executive reports may to some extent reveal the closeness of thinking of the chief executive with the personnel executive. For example, personnel executives reporting to higher levels of line management

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may show considerably stronger company-centered thinking than those who report to lower levels of line management. Furthermore, providing suitable status for executives may help to stabilize relationships among them.

The data in Table 4.3 show that personnel respondents in both sample groups report to a variety of different officers within their companies. Most obvious, however, is the fact that a greater percentage of personnel executives in large firms report to higher level positions. For example, over 70 percent of the personnel respondents in large firms, compared to less than 50 percent of the personnel respondents in small firms, report to either the chairman of the board or the president of their companies. In contrast, 25 percent of the personnel respondents in small firms, compared to 15 percent of the personnel respondents in large firms, report to either an executive vice president or a group vice president.

The data indicate that personnel respondents in both small and large firms are in positions where they can influence top management. However, the information does seem to suggest that the closeness of thinking of the chief executive with the personnel executive is generally greater in large firms.

Table 4.3 Reporting relationships of personnel executives, by size of firm

	Personnel Executives	
	<u>Small</u>	<u>Large</u>
	Percent (N = 63)	Percent (N = 100)
Chairman of the Board	3.2	12.0
President	44.4	59.0
Executive Vice President or Group Vice President	25.4	15.0
Treasurer, Secretary, or Controller	7.9	3.0
Line Vice President	9.5	5.0
Staff Vice President	1.6	4.0
Manager or Superintendent	7.9	2.0

Chief executives who report whether
head of personnel is a regular
member of the executive committee

Many personnel respondents in both sample groups are regular members of their firms' executive committees. As shown in Table 4.4, 40 percent of the chief executives in small firms and 34 percent of the chief executives in large firms indicate that the head of their personnel function is a member of the committee.

Table 4.4 Chief executives who report whether head of personnel is a regular member of the executive committee, by size of firm

	Chief Executives	
	<u>Small</u>	<u>Large</u>
	Percent (N = 32)	Percent (N = 47)
Yes	40.6	34.0
No	59.4	66.0

Chief executives who expect head of personnel function to participate in some of the executive committee meetings

A substantial number of chief executives, especially in large firms, expect the personnel executives to participate in some of the executive committee meetings, even though they may not be appointed members of the committee (Table 4.5).

Management committees of which head of personnel is a member

The data in Table 4.6 show that personnel executives are frequently members of other management committees. Examination of the data shows that 40 percent of the chief executives in small firms and 28 percent of the chief executives in large firms mention that the heads of their personnel function are members of general management committees, while close to 60 percent of the

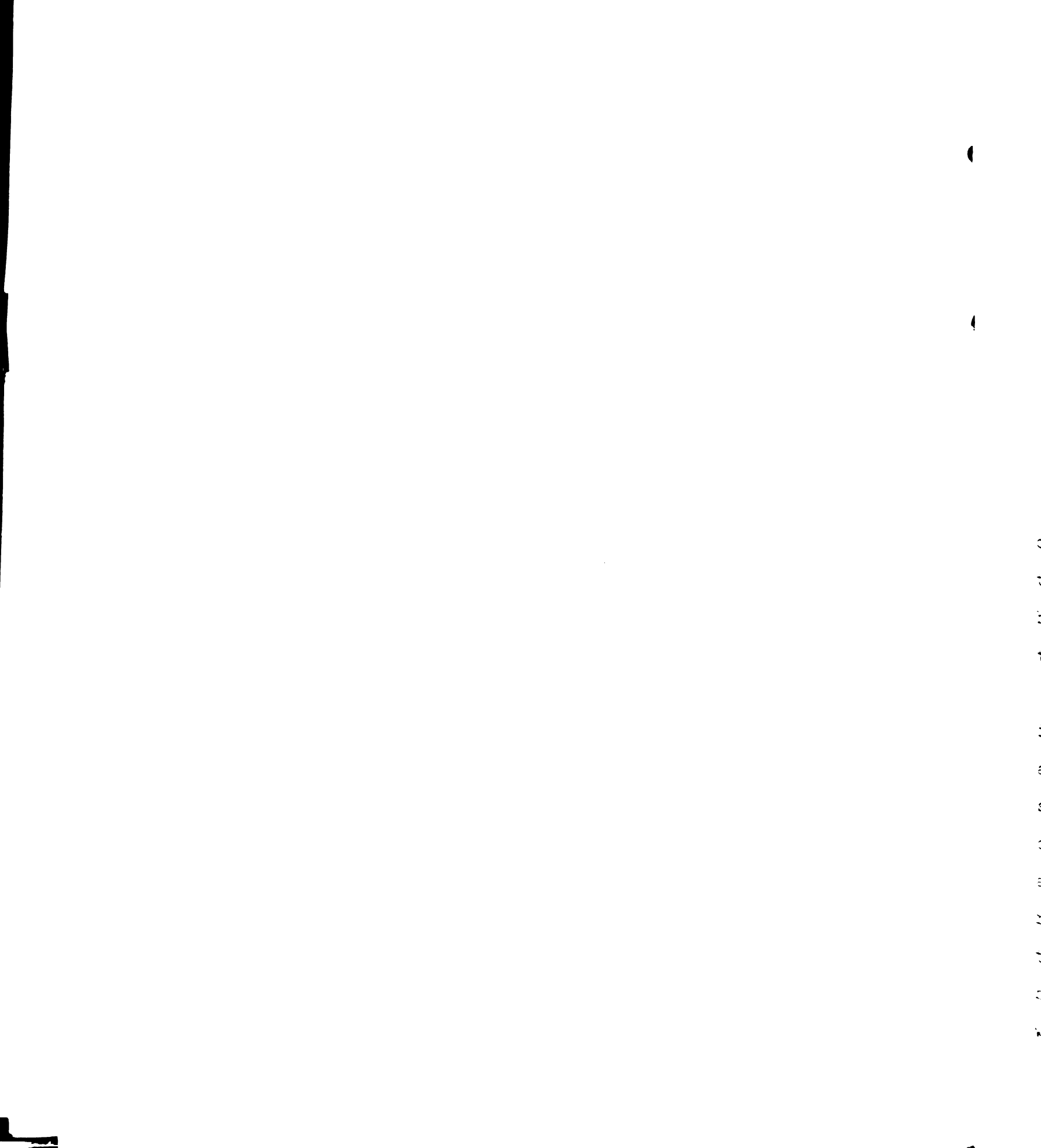


Table 4.5 Chief executives who expect head of personnel function to participate in some of the executive committee meetings, by size of firm

	Chief Executives	
	<u>Small</u>	<u>Large</u>
	Percent (N = 20)	Percent (N = 33)
Yes	55.0	81.8
No	45.0	18.2

chief executives in small firms and over 70 percent of the chief executives in large firms report that the heads of personnel are members of specialized committees related to personnel matters.

The data reveal that many personnel executives in both small and large firms are members of executive and management committees. The personnel heads in small firms serve more frequently on general management committees, whereas the personnel heads in large firms are more frequently appointed to specialized committees related to personnel matters. Placing personnel executives on these various committees may, in part, enhance mutual understanding and provide more suitable working relationships in both small and large firms.

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Table 4.6 Management committees of which head of personnel is a member, by size of firm

	Chief Executives	
	<u>Small</u>	<u>Large</u>
	Percent (N = 42)	Percent (N = 74)
General management		
Executive policy	28.6	20.3
Long-range planning	2.4	2.7
President's staff	9.5	5.4
Specialized		
Salary	23.8	12.2
Operations	11.9	13.5
Employee benefits	4.8	23.0
Human relations	2.4	10.8
Personnel policy	7.1	4.1
Safety	9.5	2.7
Public relations	0.0	5.4

Number of exempts in personnel
department and number of exempts
in personnel function in firm as a whole

In general, the personnel respondents in small firms, compared with the personnel respondents in large firms, have smaller departments and supervise fewer employees (Tables 4.7 and 4.8). For example, in terms

of the number of exempts in their departments, all of the personnel respondents in small firms supervise ten or less exempt employees, while almost 50 percent of the personnel respondents in large firms supervise eleven or more exempt employees. In addition, with regard to the number of exempts in the personnel function in the company as a whole, over 90 percent of the personnel respondents in small firms have ten or less exempt employees, while over 85 percent of the personnel respondents in large firms report having eleven or more exempt employees.

Table 4.7 Number of exempts in personnel department, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 61)	Percent (N = 89)
Less than 5	96.7	20.2
6-10	3.3	30.3
11-20	0.0	19.1
21-30	0.0	18.0
31-50	0.0	7.9
51-75	0.0	3.4
76-100	0.0	0.0
Over 100	0.0	1.1

Table 4.8 Number of exempts in personnel function in firms as a whole, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 57)	Percent (N = 83)
Less than 5	87.7	6.0
6-10	5.3	8.4
11-20	1.8	20.5
21-30	0.0	13.3
31-50	0.0	19.3
51-75	0.0	10.8
76-100	1.8	8.4
Over 100	3.5	13.3

These data seem to suggest that more limited demands for supervisory and departmental skills are made on the personnel respondents in small firms, compared with those in large firms.

Personnel Goals and Activities

Current Goals of the Personnel Department

Table 4.9 indicates that there are no substantial differences in the distribution of current goals by size of firm, although the personnel respondents in

small firms are moderately more interested in establishing better relations with line and top management.

Table 4.9 Current goals of personnel department, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 130)	Percent (N = 255)
Programs	56.9	57.2
Manpower development	27.7	30.6
Human relations	16.9	13.7
Labor relations	12.3	12.9
Economic: productivity and efficiency	23.1	27.5
Firm	9.2	14.1
Employees	10.8	11.8
Personnel department	3.1	1.6
Organization planning and design	3.7	5.9
Personnel policies	6.9	5.5
Improved relationships with top management	9.2	3.9

Both sample groups indicate that they are more concerned about programs than they are about productivity and efficiency, organization planning, personnel

policies, and relationships with line and top management.

Thus, although the personnel respondents in both size groups are in positions to influence top levels of management, the data provide evidence of the personnel respondents' concentrated interest in programmatic goals and their relative disinterest in broader corporate matters, regardless of the size of firm.

Relationship between personnel executives' current goals and their most time-consuming activity

Table 4.10 shows the activities and concerns of personnel management which occupied the largest block of the personnel respondents' time during the last two years. Whereas both sample groups have goals which are concentrated on programs, both groups of personnel respondents spent most of their time on matters related to labor relations, administration of the personnel department, and personnel techniques--none of which are considered major goals by either group of respondents.

Further analysis reveals that personnel respondents in small firms respond moderately more to activities concerning the administration of their departments and matters related to personnel policies.

On the other hand, personnel respondents in large firms report moderately higher responses to spending more time on organization planning and design and labor relations.

Table 4.10 Most time-consuming activities and concerns of personnel executives during the past two years, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 61)	Percent (N = 91)
Labor relations	33.4	38.5
Departmental administration	25.0	16.5
Personnel techniques	16.6	16.5
Personnel policies	13.4	7.7
Organization planning and design	3.3	12.1
Human relations and employee welfare	3.4	6.6
Economic problems of the firm	1.7	1.1
Other	3.3	1.1

In order to obtain a better understanding of the relationship between the current goals and the most time-consuming activity of the personnel respondents in both small and large firms, the data were cross-tabulated.

Tables 4.11 and 4.12 show this relationship. It can be seen that the personnel respondents in both groups appear to be spending their time on concerns other than those for which their goals are set. The closest relationship between goals and activities is in the area of labor relations (56.3 percent for small firms and 60.0 percent for large firms).

Several reasons might be offered to explain the differences between the goals and the most time-consuming activity of the personnel respondents in small and large firms. For example, the personnel executives may not have enough time to devote to the pursuit of their goals, or perhaps they are not aware of the fact that their activities are not taking them toward their expressed goals. On the basis of other data obtained in the study, the former hypothesis seems more likely to be valid than the latter. Another explanation could be that the goals selected by the personnel executives are somewhat idealistic or unrealistic. At least they appear to be difficult for the personnel executives to attain in their pursuit of current activities.

Most time-consuming activities
and concerns of the executives
during the past two years

The data in Table 4.13 show that a number of personnel activities are important to all executives.

Table 4.11 Relationship between personnel executives' current goals and their most time-consuming activity, for small firms

Activity	Goals							
	Personnel policies (N = 8)	Economic (Company) (N = 12)	Economic (Employees) (N = 14)	Economic (Personnel department) (N = 4)	Manpower development (N = 34)	Organization planning (N = 5)	Human relations (N = 20)	Labor relations (N = 16)
Personnel policies	12.5	0.0	7.1	25.0	14.7	20.0	15.0	0.0
Productivity and efficiency of company	12.5	8.3	0.0	0.0	0.0	0.0	0.0	0.0
Economic benefits for employees	0.0	0.0	7.1	0.0	2.9	0.0	10.0	0.0
Administration, improvement of personnel department	25.0	58.3	35.7	25.0	29.4	60.0	20.0	37.5

Table 4.11--continued

<u>Activity</u>	<u>Goals</u>							
	Personnel policies (N = 8)	Economic (Company) (N = 12)	Economic (Employees) (N = 14)	Economic (Personnel depart- ment) (N = 4)	Manpower develop- ment (N = 34)	Organi- zation planning (N = 5)	Human rela- tions (N = 20)	Labor rela- tions (N = 16)
Manpower de- velopment and training	25.0	0.0	0.0	0.0	17.6	20.0	5.0	6.3
Organization planning and design	0.0	0.0	7.1	0.0	2.9	0.0	5.0	0.0
Morale, moti- vation and human relations	0.0	0.0	0.0	0.0	2.9	0.0	5.0	0.0
Labor relations	25.0	33.3	42.9	50.0	29.4	0.0	40.0	56.3

Table 4.12 Relationship between personnel executives' current goals and their most time-consuming activity, for large firms

<u>Activity</u>	<u>Goals</u>							
	Personnel policies (N = 12)	Economic (Company) (N = 34)	Economic (Employees) (N = 29)	Economic (Personnel department) (N = 4)	Manpower development (N = 71)	Organization planning (N = 15)	Human relations (N = 30)	Labor relations (N = 30)
Personnel policies	0.0	8.8	3.4	25.0	7.0	6.7	3.3	6.7
Productivity and efficiency of company	0.0	0.0	3.4	0.0	1.4	6.7	0.0	0.0
Economic benefits for employees	8.3	2.9	6.9	0.0	2.8	0.0	0.0	0.0
Administration, improvement of personnel department	25.0	14.7	17.2	25.0	18.3	13.3	23.3	16.7

Table 4.12--continued

<u>Activity</u>	<u>Goals</u>							
	Personnel policies (N = 12)	Economic (Company) (N = 34)	Economic (Employ- ees) (N = 29)	Economic (Personnel depart- ment) (N = 4)	Manpower develop- ment (N = 71)	Organi- zation planning (N = 15)	Human rela- tions (N = 30)	Labor rela- tions (N = 30)
Manpower de- velopment and training	8.3	11.8	17.2	0.0	16.9	26.7	10.0	0.0
Organization planning and design	8.3	11.8	10.3	25.0	14.1	20.0	10.0	0.0
Morale, moti- vation and human relations	8.3	8.8	3.4	0.0	5.6	0.0	3.3	3.3
Labor relations	41.7	41.2	37.9	25.0	33.8	26.7	36.7	60.0

Table 4.13 Most time-consuming activities and concerns of the executives during the past two years, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 61)	Percent (N = 91)	Percent (N = 31)	Percent (N = 48)	Percent (N = 22)	Percent (N = 44)
Labor relations	33.4	38.5	22.6	10.4	13.6	4.6
Departmental administration	25.0	16.5	0.0	2.1	0.0	0.0
Personnel techniques	16.6	16.5	19.3	33.4	59.0	51.2
Personnel policies	13.4	7.7	6.5	12.5	4.5	9.3
Organization planning and design	3.3	12.1	22.6	27.1	22.7	30.0
Human relations and employee welfare	3.4	6.6	6.5	6.3	0.0	4.6
Economic problems of the firm	1.7	1.1	12.9	8.4	0.0	4.7
Other	3.3	1.1	9.7	0.0	0.0	0.0

However, when the data are analyzed by size of firm, there are considerable variations. These variations are discussed in detail in Appendix D.

In brief, regardless of the size of firm, personnel executives spent most of their time dealing with labor relations problems, administering their departments, and acquiring a better understanding of personnel techniques. A comparison by size of firm, however, reveals that personnel respondents in small firms were more concerned about administering their own departments and developing and implementing personnel policies. On the other hand, personnel respondents in large firms spent more time on matters related to organization planning.

In general, regardless of the size of firm, the chief executives and the operating executives spent most of their time on activities concerned with personnel techniques and organization planning. It is noted, however, that chief executives in small firms were more concerned about labor relations problems and other miscellaneous activities than were the chief executives in large firms. The latter group devoted more time to personnel techniques and organization planning. In addition, operating executives in small firms spent more time handling labor relations problems, while

operating executives in large firms devoted more time to organization planning problems.

Economic matters and human relations problems seem to be of comparatively little interest to all three categories of executives in both small and large firms.

When the three types of executives are compared with each other, Table 4.13 shows that, regardless of the size of firm, personnel executives--compared with chief executives and operating executives--are more concerned about labor relations and administrative matters. Organization planning and various economic problems are of more concern to chief executives and operating executives.

In small firms, personnel executives are more concerned about developing and implementing personnel policies, whereas chief executives and operating executives are more concerned about improving human relations and employee welfare. In addition, chief executives are more concerned about various miscellaneous activities than are the personnel executives and the operating executives. Also, operating executives are more concerned about personnel techniques than the personnel executives and chief executives are.

In large firms, personnel techniques are of greater concern to chief executives and operating executives than to personnel executives.

Expectations and Desired Improvements

Changes in executives' expectations of personnel management during the past five years

The data in Table 4.14 show substantial disagreement among the personnel executives, the chief executives, and the operating executives in both small and large firms about changes in their expectations during the past five years.

Regardless of the size of firm, the personnel respondents, compared with the chief executive and operating respondents, report more changes in their expectations. For example, less than 30 percent of the personnel executives in small firms report that they perceived no changes at all compared to about 45 percent of the chief executives and operating executives in firms of the same size. Also, less than 15 percent of the personnel executives in large firms indicate that their expectations did not change compared to 50 percent of the chief executives and 30 percent of the operating executives in large firms.

In general, most of the executives whose expectations changed during the last five years mention two

Table 4.14 Changes in executives' expectations of personnel management during the past five years, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 55)	Percent (N = 117)	Percent (N = 23)	Percent (N = 36)	Percent (N = 26)	Percent (N = 48)
Better understanding, respect, influence, participation, or cooperation	40.1	41.0	30.3	25.1	34.6	45.9
More or better results from department	29.1	45.3	13.0	22.3	19.2	20.9
More emphasis on or acceptance of personnel techniques	1.8	1.7	13.0	2.8	0.0	4.2
No changes perceived	29.1	12.0	43.5	50.0	46.2	29.2

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areas: better understanding, increased participation, and more cooperation from the personnel department as well as better results from the personnel department.

When the data are analyzed by size of firm, the following differences are noted:

(1) A greater percentage of the personnel executives in small firms report that they did not perceive any change in their expectations, whereas a greater percentage of the personnel executives in large firms report that they expected more and better results from their departments.

(2) A greater percentage of the chief executives in small firms report that they expected changes in personnel techniques, and moderately more of these executives expected better understanding, increased participation, and more cooperation from the personnel department. In turn, moderately more chief executives in large firms report that they expected better results from the personnel department and no change in their expectations at all.

(3) A greater percentage of operating executives in small firms report that they expected no changes at all, whereas a greater number of operating executives in large firms

indicate that they expected better understanding, increased participation, and more cooperation from the personnel department.

(4) Regardless of the size of firm, more personnel respondents sensed change in the form of more and better results coming from the personnel department, while more chief executives and operating executives report no changes in their expectations.

(5) In small firms, personnel respondents, compared to chief executives and operating executives, report more response to changes associated with better understanding, increased participation, and more cooperation from the personnel department. The same holds true for personnel executives and operating executives in large firms, compared to chief executives in firms of the same size. On the other hand, chief executives in small firms, compared to personnel executives and operating executives, report more responsiveness to change in the area of personnel techniques.

Improvements in results or effectiveness
of personnel management desired by
executives for the next five years

Table 4.15 shows the improvements in results or effectiveness of personnel management which personnel executives, chief executives, and operating executives want to bring about within the next five years. All of the groups express considerable concern for improvements in the areas of personnel programs and economic productivity and efficiency, although there are variations within these general categories. In contrast, few of the executives express interest in improving organization planning, personnel policies, or relationships with top or line management.

An examination of the data by size of firm, however, reveals a number of differences. These differences are summarized below. A more detailed discussion is found in Appendix D.

(1) Personnel executives in small firms are moderately more interested in improving economic productivity and efficiency in general and improving the productivity and efficiency of employees in particular, whereas personnel executives in large firms are moderately more concerned about improving manpower development programs and organization planning.

Improvements in results or effectiveness of personnel management desired
for the next five years, by size of firm

Table 4.15 Improvements in results or effectiveness of personnel management desired by executives for the next five years, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 105)	Percent (N = 203)	Percent (N = 47)	Percent (N = 93)	Percent (N = 36)	Percent (N = 74)
Programs	48.6	51.2	63.8	66.7	72.2	60.9
Manpower development	22.9	30.0	38.3	40.9	47.2	41.9
Human relations	19.0	15.3	19.1	17.2	16.7	12.2
Labor relations	6.7	5.9	6.4	8.6	8.3	6.8
Economic: productivity and efficiency	34.9	29.0	21.3	22.6	13.9	20.3
Firm	5.7	10.3	6.4	8.6	2.8	5.4
Employees	16.2	8.4	12.8	11.8	2.8	8.1
Personnel department	13.0	10.3	2.1	2.2	8.3	6.8

Table 4.15--continued

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 105)	Percent (N = 203)	Percent (N = 47)	Percent (N = 93)	Percent (N = 36)	Percent (N = 74)
Organization planning and design	1.0	6.4	6.4	0.0	0.0	5.4
Personnel policies	6.7	2.5	6.4	2.2	8.3	8.1
Improved relationships with top management	8.6	10.8	2.1	8.6	5.6	5.4

(2) Chief executives in small firms are moderately more concerned about improving organization planning, while chief executives in large firms express moderately more interest in improving the relationships between the personnel department and line and top management.

(3) Operating executives in small firms express greater concern for improving personnel programs in general and manpower programs in particular. On the other hand, operating executives in large firms indicate moderately more interest in improving economic productivity and efficiency in general and productivity and efficiency of employees in particular. They also place moderately more emphasis on improving organization planning.

(4) Regardless of the size of firm, the personnel respondents are more interested in improving economic productivity and efficiency in general. In contrast, the chief executive respondents and the operating respondents are more concerned about improving personnel programs, especially those related to manpower development.

(5) In small firms, the personnel respondents and the chief executive respondents, compared with the operating respondents, express more interest in improving the economic productivity and efficiency of employees. The personnel respondents are also more interested than the other two types of executives in improving the economic productivity of the personnel department. In addition, the chief executive respondents, compared with the personnel respondents and the operating respondents, are more concerned about improving organization planning.

(6) In large firms, the personnel respondents and operating respondents, compared with the chief executive respondents, express more concern for improving organization planning. The opposite is noted in the case of small firms. The operating executives in large firms are also more interested in improving personnel policies than are the other two types of executives.

In general, regardless of the size of firm, the personnel executives, the chief executives, and the operating executives seem to agree more about the

improvements they want in the future than about the changes they expected in the past.

Summary

The data in this study show that there are no substantial differences in the distribution of the personnel executives' current goals by size of firm, although the personnel executives in small firms are moderately more interested in establishing better relations with line and top management. Both sample groups indicate that they are more concerned about programs than they are about productivity and efficiency, organization planning, personnel policies, and relationships with line and top management.

Thus, although the personnel respondents in both size groups are in positions to influence top levels of management, the data provide evidence of the personnel respondents' concentrated interest in programmatic goals and their relative disinterest in broader corporate matters, regardless of the size of firm.

The data in the study also indicate that the personnel respondents in both groups appear to be spending their time on concerns other than those for which their goals are set. For example, whereas both sample groups have goals which are concentrated on programs, most of their time is spent on matters related to labor

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relations, administration of the personnel department, and personnel techniques--none of which are considered major goals by either group of respondents.

Although a number of personnel activities are important to all executives, when the data are analyzed by size of firm, there are considerable variations in their response patterns.

The study finds substantial disagreement among the personnel executives, the chief executives, and the operating executives in both small and large firms concerning changes in their expectations during the past five years.

Regardless of the size of firm, the personnel respondents, compared with the chief executive and operating respondents, report more changes in their expectations.

In general, most of the executives whose expectations changed during the last five years mention two areas: better understanding, increased participation, and more cooperation from the personnel department as well as better results from the personnel department.

With respect to improvement in results or effectiveness of personnel management desired by the three types of executives for the next five years, all of the groups express considerable concern for improvements in

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the areas of personnel programs and economic productivity and efficiency, although there are variations within these general categories. In contrast, few of the executives express interest in improving organization planning, personnel policies, or relationships with top or line management. An examination of the data by size of firm, however, reveals a number of differences in the responses of the three types of executives.

In general, regardless of the size of firm, the personnel executives, the chief executives, and the operating executives seem to agree more about the improvements they want in the future than about the changes they expected in the past.

CHAPTER V

EVALUATION OF THE RESULTS AND EFFECTIVENESS OF PERSONNEL MANAGEMENT

An important element of the interrelationships among the three types of executives is their evaluation of themselves and each other. In personnel management, the roles of the personnel executive, the chief executive, and the operating executive are highly evaluative. Although a lack of objective criteria complicates the process, these executives evaluate each other and judge each other's programs, projects, and activities.

In this chapter, several questions focus on the opinions of the three types of executives regarding limitations in the field of personnel management and of personnel managers, criticisms of the field of personnel management and of personnel managers, and criteria for evaluating the effectiveness of personnel management.

Personnel Executives' Opinions About
Their Own Limitations

Factors that personnel executives
believe inhibit their effectiveness

The data in Table 5.1 reveal that both groups of personnel respondents are sensitive to a number of limitations on their general effectiveness. The two groups report that the pressure of details is the major factor limiting their effectiveness. This factor is mentioned by over 25 percent of both groups. On the other hand, the respondents in small firms are moderately more sensitive to a lack of well-trained personnel workers, and the respondents in large firms express a greater awareness of a lack of top management support.

Evaluations of Personnel Effectiveness

Criticisms or reservations of the field
of personnel management made by executives

As shown in Table 5.2, over 55 percent of the operating executives and over 40 percent of the chief executives in both sample groups have no criticisms to make of personnel management as a field. Thirty-six percent of the personnel respondents in large firms and close to 25 percent of the personnel respondents in small firms are not critical of their field.

Regardless of the size of firm, the greatest criticism exists among personnel executives, although the personnel respondents in large firms display a

Table 5.1 Factors that personnel executives believe inhibit their effectiveness, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 69)	Percent (N = 106)
Pressure of details	26.0	28.3
Poorly trained or insufficient numbers of personnel workers	21.7	9.4
Lack of access to or acceptance by top management	14.5	21.7
Personal limitations	13.0	11.3
Lack of line management acceptance or understanding	10.1	11.0
Bureaucratic factors in company	8.7	12.3
Lack of funds or resources	6.0	6.0

greater amount of criticism than do the personnel respondents in small firms. The next greatest criticism is among the chief executives, and the least critical are the operating executives.

As the data in Table 5.3 show, the personnel respondents in both sample groups who are critical provide three major kinds of criticism about the personnel

Table 5.2 Executives who are critical of the field of personnel management and executives who are not critical of the field of personnel management, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 50)	Percent (N = 86)	Percent (N = 21)	Percent (N = 33)	Percent (N = 24)	Percent (N = 45)
Critical	64.0	75.6	57.1	57.6	41.7	44.4
Not critical	36.0	24.4	42.9	42.4	58.3	55.6

field: weaknesses of the personnel department, lack of recognition or acceptance, and poor public relations. The personnel executive group in small firms, however, expresses a greater amount of criticism over the lack of recognition or acceptance.

With respect to other criticisms, the personnel executive group in small firms is moderately more critical of too much pressure and unrealistic demands, whereas the personnel executive group in large firms is moderately more critical of too much emphasis being placed on techniques.

The major criticism mentioned by the chief executives in both groups is the personnel executives' lack of line or general management knowledge. This is by far one of the greatest criticisms made.

Of the other criticisms made by the chief executives, the respondents in small firms display a greater amount of criticism over the lack of adequate resources, and they are moderately more critical of the lack of recognition or acceptance. In turn, the chief executive group in large firms expresses greater criticism over inadequate line or general management experience.

Only two issues seem to bother the operating executives, both in small and large firms. These are the weaknesses and limitations of the personnel department and the lack of line or general management knowledge.

Table 5.3 Criticisms or reservations of the field of personnel management made by executives, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 40)	Percent (N = 74)	Percent (N = 14)	Percent (N = 22)	Percent (N = 10)	Percent (N = 25)
Department's own weaknesses	37.5	41.9	14.3	13.6	40.0	44.0
Lack of recognition and acceptance	30.0	17.6	7.1	0.0	10.0	10.0
No future for advancement	0.0	1.4	0.0	0.0	0.0	0.0
Pressure of details	10.0	4.1	0.0	4.5	10.0	0.0
Lack of resources	0.0	1.4	28.6	13.6	0.0	0.0
No basis for evaluating progress	2.5	2.7	0.0	4.5	0.0	4.0
Too much emphasis on techniques	0.0	6.8	7.1	9.1	0.0	8.0

Table 5.3--continued

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 40)	Percent (N = 74)	Percent (N = 14)	Percent (N = 22)	Percent (N = 10)	Percent (N = 25)
Poor public relations	20.0	24.3	0.0	0.0	0.0	0.0
Lack of line or general management knowledge by personnel executives	0.0	0.0	42.9	54.5	40.0	40.0

With respect to other criticisms, a greater percentage of the operating respondents in small firms is critical of too much pressure and unrealistic demands. The operating executives in small firms are also moderately more critical of the lack of recognition and acceptance. On the other hand, the operating respondents in large firms are moderately more critical of too much concern being placed on techniques.

In comparing the various executives with respect to their criticisms of the field of personnel management, the following findings are noted:

(1) Regardless of the size of firm, the personnel respondents and operating respondents are more inclined to recognize the weaknesses of the personnel department than are the chief executives.

(2) Compared to chief executives and operating executives, both personnel groups are more conscious of a lack of recognition and acceptance and poor public relations. On the other hand, both groups of personnel respondents do not attach as much importance to having general management knowledge as do both groups of chief executives and operating executives.

(3) Both chief executive groups are more aware of a lack of adequate resources, compared with both groups of personnel executives and operating executives.

(4) In small firms, the personnel respondents and operating executives are more conscious of pressure and unrealistic demands than are the chief executive respondents.

(5) In large firms, the operating respondents are more inclined to recognize too much pressure and unrealistic demands than are the personnel respondents and chief executive respondents.

As these data show, the attempt to obtain an appraisal of the personnel field in general was not entirely successful. Despite the wording of the question, many respondents answered by commenting on the personnel department or the personnel manager.

Areas in which personnel department
assisted operating executives
during the past two years

Operating executives were asked to indicate how their personnel departments have assisted them during the past two years. As Table 5.4 shows, both sample groups received assistance in a number of ways.

Table 5.4 Areas in which personnel department assisted operating executives during the past two years, by size of firm

	<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 44)	Percent (N = 61)
Advice, counsel, and direct assistance	15.9	31.1
Information, reports, records and research	18.2	14.8
Manpower acquisition and development	15.9	16.4
Labor relations	11.4	6.6
Morale, motivation, human relations	2.3	0.0
Wage and salary, appraisal, and benefit programs	15.9	8.2
Development of new or current personnel policies or programs	20.5	19.7
Organization planning	0.0	3.3

When the data are analyzed by size of firm, only two areas differ. Operating executives in small firms cite receiving assistance on matters related to wage and salary administration moderately more than operating executives in large firms do. Also, when compared with operating executives in small firms, a greater percentage of operating executives in large

firms report receiving advice and counsel from the personnel department.

Areas in which operating executives receive insufficient help from their personnel departments

Operating executives were also asked to indicate the areas in which they believe they do not receive enough help from their personnel departments. As shown in Table 5.5, almost 45 percent of the operating executives in small firms and 35 percent of the operating executives in large firms indicate that there are no areas in which they want more assistance from their personnel department.

Table 5.5 Operating executives who report that there are areas in which they are not getting sufficient help from their personnel departments and operating executives who report that there are no areas in which they want more help from their personnel departments, by size of firm

	<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 25)	Percent (N = 43)
Areas	56.0	65.1
No areas	44.0	34.9

Regardless of the size of firm, the operating executives who mention needing help from their personnel departments cite two major areas: employment programs and problems, and executive and employee training, development, and appraisal. The operating executive group in large firms places moderately more emphasis on the former area (Table 5.6).

Table 5.6 Areas in which operating executives receive insufficient help from their personnel departments, by size of firm

	<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent	Percent
Improving or administering policies, planning, or research	12.5	7.9
Problems of organization planning and design	0.0	7.9
Employment programs and problems	37.5	47.4
Problems of motivation, morale, and human relations	18.8	2.6
Executive development and employee training and appraisal	25.0	26.3
Labor relations, grievances, and disciplinary action	0.0	5.3
Economic problems: wages, salaries, pensions, safety	6.3	2.6

With regard to the other areas mentioned by the two groups, it is found that the respondents in small groups express a greater need for help with human relations problems. The respondents in large firms indicate moderately more concern for help with organization planning and design and labor relations problems.

The areas listed in Table 5.6 are important responsibilities of every personnel department. Therefore, operating executives' dissatisfaction in these areas is a significant problem.

Additional areas of knowledge and training needed by personnel executives

Although broad inquiries provided some information about the two groups of personnel executives participating in this study, an attempt was also made to obtain more information about their abilities. Therefore, all three categories of executives in both size groups were asked what additional knowledge and training they believe the head of the personnel function needs to meet present standards and to make significant advances.

When the data shown in Tables 5.7 and 5.8 regarding the additional knowledge and training which the three types of executives feel personnel executives need to meet present standards and to make significant future advances are analyzed by size of firm, there are

many differences. A detailed analysis is provided in Appendix D. Some of the more striking findings are summarized below:

Knowledge required to meet present standards:
Executive differences in small firms

(1) The need for personnel managers to have more know-how about quantitative skills, behavioral sciences, and line or general management experience is mentioned more often by chief executives.

(2) The personnel manager's need for acquiring additional knowledge about labor relations received greater emphasis from operating executives.

(3) That personnel managers should have a better understanding of fringe benefits is stressed more by personnel executives and chief executives.

(4) Personnel executives and operating executives favor placing greater emphasis on gaining additional knowledge about personnel techniques.

Executive differences in large firms

(1) That personnel managers should have more knowledge of quantitative skills and new

personnel techniques is stressed more by personnel executives.

(2) The need for personnel managers to have more knowledge about behavioral sciences receives greater emphasis from chief executives.

(3) The personnel manager's need for acquiring additional line or general management experience is stated more frequently by operating executives.

(4) Chief executives and operating executives favor placing more emphasis on gaining a better understanding of fringe benefits.

Executive differences in large firms

(1) That personnel managers should have more knowledge of quantitative skills and new personnel techniques is stressed more by personnel executives.

(2) The need for personnel managers to have more knowledge about behavioral sciences receives greater emphasis from chief executives.

(3) The personnel manager's need for acquiring additional line or general management experience is stated more frequently by operating executives.

(4) Chief executives and operating executives favor placing more emphasis on gaining a better understanding of fringe benefits.

Executive differences between
small and large firms

(1) The need for the head of the personnel function to have more knowledge about techniques is mentioned more often by personnel executives and operating executives in small firms and personnel executives in large firms.

(2) Operating executives in small firms emphasize that the head of personnel needs more training in labor relations skills.

(3) The operating executives in large firms stress that the head of personnel needs additional line experience.

Knowledge required to insure future effectiveness:
Executive differences in small firms

(1) The personnel manager's need for acquiring additional knowledge about fringe benefits and new personnel techniques receives more emphasis from personnel executives.

(2) That personnel managers should have more know-how about line or general management experience is stressed more by chief executives.

Table 5.7 Additional areas of knowledge and training needed by personnel executives to meet present standards, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 60)	Percent (N = 85)	Percent (N = 24)	Percent (N = 22)	Percent (N = 13)	Percent (N = 21)
Quantitative skills	1.7	12.9	8.3	4.5	0.0	4.8
Labor relations skills	20.0	7.0	16.7	9.1	30.8	9.6
Behavioral science knowledge	15.0	15.3	20.8	36.4	7.7	0.0
Line or general management knowledge	11.7	14.1	20.8	27.2	15.4	52.3
Fringe benefits knowledge	10.0	7.1	8.3	13.6	0.0	4.8
New personnel techniques	41.7	43.5	25.0	9.1	46.2	28.6

(3) The need for personnel managers to have a better understanding of quantitative skills is mentioned moderately more by personnel executives and chief executives.

(4) Chief executives and operating executives favor placing greater emphasis on gaining additional knowledge about the behavioral sciences.

Executive differences in large firms

(1) That personnel managers should have more know-how about quantitative skills is stressed moderately more by personnel executives.

(2) Operating executives favor placing moderately more emphasis on gaining additional knowledge about labor relations, and new personnel techniques.

(3) The need for personnel managers to have a better understanding of the behavioral sciences receives a greater emphasis from personnel executives and chief executives.

(4) The personnel manager's need for additional line or general management experience is mentioned more by chief executives and operating executives.

Table 5.8 Additional areas of knowledge and training needed by personnel executives to make significant advances in effectiveness, by size of firm

	Personnel Executives		Chief Executives		Operating Executives	
	Small	Large	Small	Large	Small	Large
	Percent (N = 74)	Percent (N = 103)	Percent (N = 21)	Percent (N = 31)	Percent (N = 26)	Percent (N = 26)
Quantitative skills	10.8	15.5	9.5	6.5	3.8	7.7
Labor relations skills	10.8	1.9	9.6	3.2	7.6	11.5
Behavioral science knowledge	13.5	24.3	23.8	22.6	30.8	3.8
Line or general management knowledge	28.4	16.6	38.1	22.6	23.0	26.9
Fringe benefits knowledge	14.9	7.8	9.5	9.7	7.7	7.7
New personnel techniques	21.6	34.0	9.5	35.5	26.9	42.3

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Executive differences between
small and large firms

- (1) The executives in large firms stress new personnel techniques.
- (2) The chief executives in small firms emphasize additional line experience.
- (3) The operating executives in small firms favor additional knowledge about the behavioral sciences.
- (4) That the head of personnel should have greater knowledge about the behavioral sciences is stated more frequently by chief executives in large firms.

Main strengths attributed to head
of personnel by chief executives
and operating executives

The chief executives and operating executives were asked to identify the major strengths which they believe the head of the personnel function brings to his work.

As the data in Table 5.9 show, the chief executives and operating executives in both size groups consider the following to be quite important:

- (1) Legal or collective bargaining experience.

Table 5.9 Main strengths attributed to head of personnel by chief executives and operating executives, by size of firm

	<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 32)	Percent (N = 50)	Percent (N = 30)	Percent (N = 51)
Graduate degree in business administration	12.5	12.0	10.0	11.8
Background in operating management	15.6	40.0	40.0	49.0
Legal or collective bargaining experience	65.5	60.0	56.7	68.6
Good planner	37.5	42.0	30.1	39.2
Decision maker and problem solving ability	34.4	58.0	46.7	45.1
Knows what to delegate and what to work on himself	21.9	36.0	26.7	54.9
Effective organizer	40.6	40.0	33.3	47.1
Ability to get things done through people, with minimum wear and tear	53.1	46.0	46.7	54.9

Table 5.9---continued

	Chief Executives		Operating Executives	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 32)	Percent (N = 50)	Percent (N = 30)	Percent (N = 51)
Accepts responsibility and seeks challenge	46.9	62.0	46.7	62.7
Good communicator, able to represent view of management	65.6	70.0	53.3	66.7
Keep costs in line	25.0	28.0	23.3	23.5
Strong executive recruiting abilities and good insight into people	43.8	46.0	16.7	37.3
Profit oriented	34.4	42.0	20.0	35.3
Has top management's view of company's business and interests	59.4	86.0	56.7	74.5
Other	12.5	14.0	10.0	19.6

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(2) Ability to get things done through people with minimum wear and tear.

(3) Accepting responsibility and seeking challenge.

(4) Communicating well and representing the view of management.

(5) A top management viewpoint of the company's business and interests.

From two-fifths to three-fourths of the executives consider these characteristics to be major strengths.

A more detailed examination of the data (Appendix D), however, reveals that differences of opinion do exist between chief executives and operating executives in small and large firms, and the respondents in large firms, in general, are more aware and appreciative of the personnel heads' strengths.

One of the interesting findings is that the importance of many of the strengths grows as the firms become larger: background in operating management (chief executives); legal or collective bargaining experience (operating executives); decision maker and problem solving ability (chief executives); knows what to delegate and what to work on himself (both types of executives); effective organizer (operating executives); accepts responsibility and seeks challenge (both types of executives); good communicator, able to represent

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view of management (operating executives); strong executive recruiting abilities and good insight into people (operating executives); profit oriented (operating executives); and has top management view of company's business and interests (both types of executives).

Criteria for Evaluating Effectiveness Of Personnel Management

Although objective criteria of known validity may not exist, executives frequently make judgments about other executives and their functions on the basis of approximate or rule-of-thumb criteria.

In order to gain some understanding of the criteria used for evaluating the effectiveness of personnel management, the chief executives and operating executives were asked to identify the criteria they use, and the personnel executives were asked to give criteria by which they believe chief executives can measure the effectiveness of personnel management. Two categories of criteria were examined: quantitative and qualitative.

Quantitative criteria for evaluating the effectiveness of personnel management

The executives participating in this survey mention many quantitative criteria. In general, the criteria mentioned most frequently are improved absenteeism, turnover, and safety; savings in labor relations;

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an adequate supply of manpower; and lower management costs (Table 5.10). A detailed analysis of the data by size of firm, however, reveals some differences.

These differences are summarized below:

(1) Personnel executives in small firms make moderately more use of lower per capita personnel costs as a criterion compared with personnel executives in large firms.

(2) Chief executives in small firms tend to mention the use of criteria such as improved absenteeism, turnover, and safety moderately more than chief executives in large firms do. The latter group indicates moderately more use of lower manpower costs and corporate profit as criteria.

(3) Operating executives in small firms indicate moderately more used of criteria such as improved absenteeism, turnover, and safety and corporate profit or productivity, whereas operating executives in large firms make greater use of an adequate supply of manpower as a criterion.

(4) The use of criteria such as improved absenteeism, turnover, and safety is cited moderately more by operating executives in small

Table 5.10 Quantitative criteria for evaluating the effectiveness of personnel management, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 108)	Percent (N = 203)	Percent (N = 44)	Percent (N = 72)	Percent (N = 39)	Percent (N = 62)
Improved absenteeism, turnover, and safety	24.1	23.6	27.3	19.4	33.3	24.2
Savings in labor contract or grievances handled	17.6	17.2	25.0	20.8	15.4	14.6
Adequate supply of manpower	15.7	16.7	20.5	20.8	10.3	21.0
Lower per capita personnel costs	14.8	8.4	6.8	4.2	12.8	14.5
Corporate profit or productivity	9.3	13.3	6.8	13.9	12.8	4.8
Lower manpower costs	14.8	19.2	11.4	19.4	15.4	16.1
Number of programs and services	3.7	1.5	2.3	1.4	0.0	4.8

firms compared with personnel executives and chief executives in firms of the same size.

(5) The use of savings in labor relations as a criterion is mentioned moderately more by chief executives in small firms than personnel executives in the same sized firms. Similar findings are noted for chief executives in large firms, when they are compared with operating executives in large firms.

(6) Personnel executives and chief executives in small firms, when compared with operating executives in the same sized firms, report more use of adequate supply of manpower as a criterion.

(7) Personnel executives and operating executives in small firms make moderately more use of lower per capita personnel costs as a criterion than chief executives in small firms do.

On the other hand, operating executives in large firms report more use of the above factor than do personnel executives and chief executives in firms of the same size.

(8) Corporate profit or productivity as criteria are mentioned moderately more by operating executives in small firms than by chief executives in small firms. On the other hand,

personnel executives and chief executives in large firms cite the above factor moderately more than operating executives in firms of the same size do.

Qualitative criteria for evaluating the effectiveness of personnel management

That the executives use a number of qualitative criteria to evaluate their personnel departments is confirmed in Table 5.11. The two criteria used most frequently by the executives relate to the areas of program effectiveness and higher employee morale and better communications. Analysis of the data by size of firm, however, indicates that there are differences. These differences are noted below:

(1) Personnel executives in small firms report moderately more use of improved employee morale and better communications, and respect and use of programs by line executives as criteria, whereas personnel executives in large firms indicate moderately more use of effectiveness of programs in meeting company objectives as a criterion.

(2) Respect and use of programs by line executives as criteria are cited moderately more by chief executives in large firms compared with chief executives in small firms.

Table 5.11 Qualitative criteria for evaluating the effectiveness of personnel management, by size of firm

	Personnel Executives		Chief Executives		Operating Executives	
	Small	Large	Small	Large	Small	Large
	Percent (N = 81)	Percent (N = 167)	Percent (N = 31)	Percent (N = 62)	Percent (N = 40)	Percent (N = 56)
Effectiveness of programs in meeting company objectives	30.9	38.3	38.7	38.7	35.0	50.0
Higher employee morale, better communications	25.9	19.2	35.5	33.9	32.5	21.4
Reduction of labor troubles	16.0	13.2	9.7	6.5	20.0	10.7
Quality of personnel policies	12.3	9.0	9.7	4.8	7.5	8.9
Respect and use of programs by line	14.8	20.4	6.5	16.2	5.0	9.0

(3) Operating executives in small firms make moderately more use of reduction of labor trouble as a criterion; whereas operating executives in large firms indicate greater use of effectiveness of programs in meeting company objectives, and high employee morale and better communications as criteria.

(4) When compared with personnel executives in small firms, chief executives in small firms make moderately more use of the effectiveness of programs in meeting company objectives as a criterion. Operating executives in large firms report greater use of the criterion mentioned above compared with personnel executives and chief executives in large firms.

(5) Chief executives and operating executives in small firms indicate moderately more use of high employee morale and better communications as criteria than do personnel executives in firms of the same size. In large firms, the criteria mentioned above is used with greater frequency by chief executives than personnel executives and operating executives.

(6) The reduction of labor troubles as a criterion is mentioned more by personnel executives and operating executives than by chief

executives in small firms. The above criterion is also given moderately more attention by personnel executives in large firms compared with chief executives in the same sized firms.

(7) Personnel executives in small firms indicate moderately more use of respect and use of programs by line executives as criteria than do chief executives and operating executives in firms of the same size. The above criteria are also cited more by personnel executives and chief executives compared with operating executives in large firms.

Summary

The study finds that both groups of personnel executives are sensitive to a number of limitations on their general effectiveness. Both groups report that the pressure of details is the major factor limiting their effectiveness. Executives in small firms are moderately more sensitive to a lack of well-trained personnel workers and executives in large firms express a greater awareness of a lack of top management support.

In terms of the field of personnel management in general, regardless of the size of firm, the greatest criticisms of the field are made by personnel

executives; the next greatest criticisms are made by chief executives; and the least criticisms are made by operating executives.

The data indicate that the personnel executives in both sample groups who are critical provide three major kinds of criticism about the personnel field: weaknesses of the personnel department, lack of recognition or acceptance, and poor public relations.

The major criticism mentioned by the chief executives in both groups is the personnel executives' lack of line or general management knowledge. This is one of the greatest criticisms made.

Only two issues seem to bother both the operating executives in small and large firms. These are the weaknesses and limitations of the personnel department and the lack of line or general management knowledge.

In comparing the various executives with respect to their criticisms of the field, several differences are noted.

The data show that, regardless of the size of firm, operating executives receive assistance in a number of ways. When the data are analyzed by size of firm, only two areas differ. A moderately higher percentage of the operating executives in small firms cite receiving more assistance with matters related to wage and salary administration, while a greater percentage

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of the operating executives in large firms report receiving advice and counsel from the personnel department.

The data also show that many of the operating executives in both size groups report that there are no areas in which they want more help from their personnel departments.

Regardless of the size of firm, the operating executives who mention needing help from their personnel departments cite two major areas: employment programs and problems, and executive and employee training, development, and appraisal.

The data regarding additional knowledge and training which the three types of executives feel personnel executives need to meet present standards and to make significant future advances show many variations when analyzed by size of firm.

The study finds that the chief executives and operating executives in both small and large firms identify a number of strengths which they believe the personnel executives bring to their work. However, the data does show that differences of opinion exist between the chief executives and the operating executives in both small and large firms. In general, the respondents in large firms are more aware and appreciative of the personnel head's strengths.

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The three types of executives participating in this study use many quantitative criteria for evaluating the effectiveness of personnel management. In general, the criteria mentioned most frequently by the three types of executives in both sample groups are improved absenteeism, turnover, and safety; savings in labor relations; an adequate supply of manpower; and lower manpower costs. A detailed analysis of the data by size of firm, however, reveals some differences in the response patterns.

Regardless of the size of firm, the three types of executives also use a number of qualitative criteria to evaluate their personnel departments. The data indicate that two criteria are used most frequently by the executives. These criteria relate to program effectiveness and higher employee morale and better communications. Analysis of the data by size of firm, however, indicates several differences in the patterns of response.

CHAPTER VI

CHANGE IN PERSONNEL ADMINISTRATION

Changes in economic patterns, technological changes, expanding markets, and increasingly complex laws and regulations are creating new problems for the personnel manager and other executives who are concerned with the personnel function.

If the personnel function is to adapt successfully to such changes, it is necessary for the executives who have the responsibility for it to recognize the changes and understand the effects they will have. Should executives not recognize these changes, the personnel function may assume a relatively unimportant role in the firm and other departments may assume its responsibilities. On the other hand, if personnel executives, chief executives, and operating executives agree on the effects of change and on the adaptations needed, the personnel function may become innovative and creative, and acquire greater status.

To learn more about whether the executives who share responsibility for the personnel function are aware of the forces of change and its demands for the

future, this chapter explores the views of the personnel executives, the chief executives, and the operating executives on change in personnel administration. Also, in order to develop some insight about the changes anticipated and their impact on management, the three types of executives were asked for their opinions about the pace and degree of change, as well as its nature and the problems it creates for firms in carrying out their personnel activities.

Pace of Change Occurring Generally
In the Field of Personnel
Management

The pace of change is significant because it may serve as a pressure on executives involved in decision making. Discrepancies in perceptions regarding change may increase the possibility of hesitation and conflict in the planning and executing of personnel programs, projects, and activities.

As shown in Table 6.1, most of the executives agree that the pace of change is gradual, although more intensive analysis reveals various discrepancies (Appendix D).

In general, the personnel respondents in small firms are less optimistic than the personnel executives in large firms. For example, over 50 percent of the executives in small firms report that the pace is

Table 6.1 Pace of change occurring generally in the field of personnel management,
by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 59)	Percent (N = 100)	Percent (N = 32)	Percent (N = 50)	Percent (N = 30)	Percent (N = 50)
Quite slow	6.7	1.0	12.5	8.0	16.7	8.0
Gradual	56.7	40.0	56.3	64.0	56.7	62.0
Rapid	35.0	54.0	31.3	28.0	23.3	30.0
Revolutionary	1.7	5.0	0.0	0.0	3.3	0.0

gradual, whereas over 50 percent of the executives in large firms report that the pace is rapid.

In comparing the chief executive groups, no substantial differences are noted. The majority of both groups report that the pace of change is gradual. Chief executives in large firms, however, do place moderately more emphasis on the pace of change being gradual.

The majority of operating executives in both groups believe that the pace of change is gradual. Although there are no great differences between the two groups, the operating executive group in small firms reports a moderately higher response to the pace being quite slow, whereas the operating executive group in large firms reports moderately higher responses to a gradual and a rapid pace.

When the three types of executives are compared with one another, the following differences are noted:

- (1) In general, regardless of the size of firm, chief executives and operating executives, compared with personnel executives, place more emphasis on change being quite slow.

- (2) In large firms, chief executives and operating executives, compared with personnel executives, generally place more emphasis on a gradual pace of change.

(3) Personnel executives and chief executives in small firms generally place greater emphasis on a rapid pace of change.

(4) Personnel executives in large firms place greater emphasis on a rapid pace of change and moderately more emphasis on a revolutionary pace of change than do chief executives and operating executives in large firms.

Even though most of the executives in small and large firms agree that changes are gradual, the various differences noted above suggest that, in part, there may be some hesitation and conflict between the three types of executives regarding the planning and executing of various personnel programs, projects, and activities. Also, because more personnel executives than chief executives and operating executives in both small and large firms expect rapid change, they are probably subject to greater stresses and pressures. This is more obvious in the case of personnel executives in large firms.

Degree of Change

The speed at which changes take place in the field of personnel management is influenced by a number of factors. One important factor is the

improvements in personnel techniques. Therefore, this factor is studied in greater detail.

Degree of change in personnel
activities expected by executives
during the next five years

Participants were asked to indicate the degree of change (great, moderate, little) that they expect to occur in nineteen personnel activities performed by the department during the next five years. For this purpose, change was defined as improvement in techniques for discharging each responsibility.

The views of the personnel executives, chief executives, and operating executives on the degree of change expected in the nineteen areas of responsibility are compared in Tables 6.2, 6.3, and 6.4. In general, there is little disagreement among the three types of executives, in either small or large firms. Between two-fifths and two-thirds of the various executives, in both small and large firms, expect moderate change in most activities.

Closer examination of Tables 6.2, 6.3, and 6.4, however, discloses areas in which there are departures from this pattern. These are summarized below.

Organization planning.--With the exception of operating executives in small firms, between one-third and one-half of the respondents in the other groups

Table 6... Degree of change (great improvement) in personnel activities expected by executives during the next five years, by size of firm

Table 6.2 Degree of change (great improvement) in personnel activities expected by executives during the next five years, by size of firm

	Great Improvement					
	Personnel Executives		Chief Executives		Operating Executives	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 237)	Percent (N = 540)	Percent (N = 169)	Percent (N = 206)	Percent (N = 91)	Percent (N = 210)
Personnel policy development	25.8	22.0	31.3	12.2	14.3	16.3
Personnel policy implementation	24.6	21.6	18.8	18.4	14.3	20.4
Organization planning	33.3	54.5	37.5	43.2	12.0	43.8
Executive and/or professional employment	24.6	27.4	25.8	28.6	24.0	20.0
Morale building	19.4	15.2	35.5	22.4	13.8	10.4
Training	52.5	49.0	63.3	42.0	42.9	48.0
Individual productivity	18.9	26.4	30.8	16.3	17.4	23.8

Table 6.2--continued

	Great Improvement					
	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 237)	Percent (N = 540)	Percent (N = 169)	Percent (N = 206)	Percent (N = 91)	Percent (N = 210)
Overhead control	21.3	25.3	6.3	16.2	23.8	19.4
Management development	48.3	69.4	55.2	59.2	44.0	39.1
Communications to employees	39.3	36.8	37.5	28.6	27.6	34.0
Negotiations with labor unions	14.6	11.0	20.7	8.5	16.0	11.1
Employee benefits	16.4	22.4	16.7	8.0	13.8	20.0
Employee services	14.8	5.2	10.0	6.4	10.7	12.0
Appraisals of performance	42.6	44.8	45.2	40.4	14.8	33.3
Wage and salary administration	33.9	30.8	32.3	18.0	17.9	23.4

Table 6.2--continued

	Great Improvement					
	Personnel Executives		Chief Executives		Operating Executives	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 237)	Percent (N = 540)	Percent (N = 169)	Percent (N = 206)	Percent (N = 91)	Percent (N = 210)
Health and safety	20.0	11.3	25.0	12.2	10.7	12.8
Psychological testing and counseling	6.9	15.8	15.6	12.5	11.5	10.9
Manpower forecasting and planning	21.1	54.8	36.0	21.7	8.7	31.7
Personnel research	10.0	24.2	17.2	14.6	8.0	18.4

Table 6.3 Degree of change (moderate improvement) in personnel activities expected by executives during the next five years, by size of firm

	Moderate Improvement					
	Personnel Executives		Chief Executives		Operating Executives	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 585)	Percent (N = 942)	Percent (N = 242)	Percent (N = 494)	Percent (N = 264)	Percent (N = 483)
Personnel policy development	58.1	58.0	53.1	73.5	67.9	71.4
Personnel policy implementation	60.6	72.1	65.6	67.3	67.9	63.3
Organization planning	50.0	38.6	37.5	43.2	48.0	45.8
Executive and/or professional development	54.1	55.2	38.7	45.2	28.0	64.4
Morale building	67.7	60.6	48.4	51.0	69.0	58.3
Training	34.4	47.0	30.0	50.0	46.4	38.0
Individual productivity	64.2	58.2	57.7	69.8	52.2	50.0

Table 6.3---continued

	Moderate Improvement					
	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 585)	Percent (N = 942)	Percent (N = 242)	Percent (N = 494)	Percent (N = 264)	Percent (N = 483)
Overhead control	51.1	55.2	53.1	48.6	23.8	41.7
Management development	45.0	29.6	34.5	36.7	32.0	56.5
Communications to employees	49.2	54.1	40.6	63.3	72.4	50.0
Negotiations with labor unions	56.3	60.4	34.5	63.8	68.0	51.1
Employee benefits	63.9	57.1	36.7	60.0	55.2	66.0
Employee services	45.9	54.2	50.0	44.7	53.6	62.0
Appraisals of performance	34.4	41.7	35.5	44.7	66.7	50.0
Wage and salary administration	51.6	52.6	32.3	62.0	60.7	63.8

Table 6.3--continued

	Moderate Improvement					
	Personnel Executives		Chief Executives		Operating Executives	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 585)	Percent (N = 942)	Percent (N = 242)	Percent (N = 494)	Percent (N = 264)	Percent (N = 483)
Health and safety	53.3	56.7	46.9	46.9	64.3	37.4
Psychological testing and counseling	53.4	48.4	31.3	45.8	42.3	47.8
Manpower forecasting and planning	61.4	34.4	28.0	65.2	47.8	48.8
Personnel research	48.3	49.5	31.0	66.7	20.0	44.9

Table 6.4 Degree of change (little improvement) in personnel activities expected by executives during the next five years, by size of firm

	Little Improvement					
	Personnel Executives		Chief Executives		Operating Executives	
	Small	Large	Small	Large	Small	Large
	Percent (N = 237)	Percent (N = 334)	Percent (N = 152)	Percent (N = 197)	Percent (N = 145)	Percent (N = 193)
Personnel policy development	16.1	20.0	15.6	14.3	17.9	12.2
Personnel policy implementation	14.8	6.2	15.6	14.3	17.9	16.3
Organization planning	16.7	5.7	25.0	13.6	40.0	10.4
Executive and/or professional employment	21.3	17.7	35.5	26.2	48.0	15.6
Morale building	12.9	24.2	16.1	26.5	17.2	31.3
Training	13.1	4.0	6.7	8.0	10.7	14.0
Individual productivity	17.0	15.4	11.5	14.0	30.4	26.2

Table 6.4---continued

	Little Improvement					
	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 237)	Percent (N = 334)	Percent (N = 152)	Percent (N = 197)	Percent (N = 145)	Percent (N = 193)
Overhead control	27.7	19.5	12.5	35.1	52.4	38.9
Management development	6.7	2.0	10.3	4.1	24.0	4.3
Communications to employees	11.5	9.2	21.9	8.2	0.0	16.0
Negotiations with labor unions	29.2	28.7	44.8	27.7	16.0	37.8
Employee benefits	19.7	20.4	26.7	32.0	31.0	14.0
Employee services	39.3	40.6	40.0	48.9	35.7	26.0
Appraisals of performance	23.0	13.5	19.4	14.9	18.5	16.7
Wage and salary administration	14.5	16.5	35.5	20.0	21.4	12.8

Table 6.4--continued

	Little Improvement					
	Personnel Executives		Chief Executives		Operating Executives	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 237)	Percent (N = 334)	Percent (N = 152)	Percent (N = 197)	Percent (N = 145)	Percent (N = 193)
Health and safety	26.7	32.0	28.1	40.8	25.0	29.8
Psychological testing and counseling	39.7	36.8	53.1	41.7	46.2	41.3
Manpower forecasting and planning	17.5	10.8	36.0	13.0	43.5	19.5
Personnel research	41.7	26.3	51.7	18.8	72.0	36.7

expect great improvement. Two-fifths of the operating executives in small firms anticipate little improvement.

Executive/professional employment.--One-third of the chief executives and one-half of the operating executives in small firms expect little improvement.

Morale building.--Over one-third of the chief executives in small firms anticipate great improvement, while close to one-third of the operating executives in large firms expect little improvement.

Training.--Between 40 and 65 percent of all of the groups expect great improvement.

Individual productivity.--Close to 30 percent of the operating executives in both small and large firms expect little improvement.

Overhead control.--Between one-third and one-half of the operating executives in both size groups and the chief executives in large firms expect little improvement.

Management development.--Between 40 and 70 percent of all of the groups anticipate great improvement.

Communications to employees.--Between 30 and 40 percent of all of the groups anticipate great improvement.

Negotiations with unions.--Close to 40 percent of the operating executives in large firms and 45 percent of the chief executives in small firms expect little improvement.

Employee benefits.--Close to one-third of the chief executives in large firms and operating executives in small firms expect little improvement.

Employee services.--Between 35 and 50 percent of all of the groups with the exception of operating executives in large firms expect little improvement.

Appraisals of performance.--With the exception of operating executives in small firms, between 33 and 45 percent of all of the other groups expect great improvement.

Wage and salary administration.--Close to one-third of both personnel executive groups and chief executives in small firms expect great improvement, while over one-third of the chief executives in small firms expect little improvement.

Health and safety.--Between 30 and 40 percent of the personnel executives and chief executives in large firms expect little improvement.

Psychological testing and counseling.--Between 35 and 55 percent of all of the groups expect little improvement.

Manpower forecasting.--Approximately one-third of the chief executives in small firms and operating executives in large firms and almost 55 percent of the personnel executives in large firms expect great improvement. On the other hand, over 35 percent of the chief executives in small firms expect little improvement.

Personnel research.--Approximately 40 percent of the personnel executives in small firms and operating executives in large firms, 50 percent of the chief executives in small firms, and 70 percent of the operating executives in large firms anticipate little improvement.

Nature and Consequences of Change

In order to develop additional insight into the nature of change in the personnel function, three additional factors are examined: changes in the personnel ratio, modification of responsibilities, and consequences of changes.

Changes in the ratio of personnel department
employees to total number of employees in
the firm during the next five years

Analysis of the data in Table 6.5 shows that there are a number of differences between the three types of executives, both in small and large firms, with respect to changes in the ratio of personnel department employees to total company employees.

The data reveal that a greater percentage of the personnel respondents in small firms believe that the ratio will increase, whereas a greater percentage of the personnel respondents in large firms believe that the ratio will remain the same. There is little difference between the two groups with respect to a decrease in the ratio.

In addition, over 40 percent of both chief executive groups anticipate an increase in the ratio. Twenty percent of both groups expect a decrease in the ratio, while over one-third of both groups believe there will not be any change.

Also, close to 70 percent of both operating executive groups expect an increase in the ratio. Approximately 15 percent of both groups believe there will be a decrease, while another 15 percent of both groups anticipate no change.

When the three types of executives are compared with each other, the following differences are noted:

Table 6.5 Changes in the ratio of personnel department employees to total number of employees in the firm during the next five years, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 62)	Percent (N = 98)	Percent (N = 32)	Percent (N = 49)	Percent (N = 30)	Percent (N = 51)
Increase	75.8	56.1	43.8	40.8	70.0	68.6
Decrease	11.3	15.3	21.9	20.4	13.3	15.7
Remain constant	12.9	28.6	34.4	38.8	16.7	15.7

(1) When compared with chief executives and operating executives in small firms, a larger percentage of the personnel executives in small firms agree that there will be an increase in the ratio. A greater percentage of operating executives in small firms respond to an increase in the ratio than do chief executives in the same sized firms. In large firms, a greater percentage of operating executives, compared with personnel executives and chief executives, believe that the ratio will increase. The personnel executives in large firms express greater optimism about an increase in the ratio than do chief executives in firms of the same size.

(2) Chief executives in small firms indicate a higher response to a decrease in the ratio, compared with personnel executives and operating executives in small firms. In large firms a moderately higher percentage of chief executives than personnel executives believe that the ratio will decrease.

(3) Chief executives in both small and large firms place greater emphasis on the ratio not changing, compared with personnel executives and operating executives in small

and large firms. Personnel executives in large firms cite no change in the ratio with greater frequency than operating executives in firms of the same size do.

(4) A greater percentage of personnel executives in small firms believe that the ratio will increase, whereas a greater percentage of personnel executives in large firms feel that there will be no change in the ratio.

In small firms, personnel executives, compared with chief executives and operating executives, are more optimistic about an increase in the personnel ratio. However, in large firms operating executives, compared with personnel executives and chief executives, are generally more optimistic about an increase in the ratio.

Regardless of the size of firm, chief executives, compared with the other two types of executives, appear to be more pessimistic. They generally place more emphasis on the ratio decreasing or not changing at all.

One other point of interest is that personnel respondents in small firms generally appear more "administratively optimistic," whereas personnel

respondents in large firms generally appear more "administratively pessimistic."

Reasons for changes in the ratio
of personnel department employees
to total number of employees in
the firm during the next five years

In general, there are many differences in the reasons given by the various types of executives for changes in the personnel ratio. However, since the number of respondents in the sample groups are quite small, no further discussion is given here.

Modifications in personnel
management responsibilities

The allocation of personnel activities among the various organizational units of a business firm has been a continuous and perplexing problem. While there can be no way in which a firm can quickly attain an ideal organization structure for the personnel function, a systematic guiding rationale is important.

Indifference to the matters of careful allocation of personnel activities may result in considerable waste of executive time and energy, particularly in the case of personnel executives. In addition, it may create elements of disagreement between the three types of executives participating in this study.

One important fact that both personnel groups establish is that a large number of personnel

activities have been reassigned during the past five years.

As Table 6.6 shows, the personnel respondents in both sample groups report that most of these functions have been created as new responsibilities or transferred to the personnel department--rather than transferred from the personnel department.

An analysis of the newly created personnel department responsibilities (Table 6.7) shows that employee benefits are frequently assigned to personnel departments in both small and large firms. Additional analysis reveals that there is a greater tendency to assign health, safety, and employee services and personnel policy and implementation to small firms and organization planning and design to large firms. In addition, a moderately higher percentage of personnel departments in large firms are assigned responsibilities related to executive employment and development and public and government relations.

With respect to responsibilities transferred to the personnel department from other departments (Table 6.8), analysis reveals that, regardless of the size of firm, the most frequently transferred responsibility is related to employee benefits. There is a greater tendency to transfer health, safety, and employee services to personnel departments in small firms,

Table 6.6 Personnel executives who report modifications in personnel management responsibilities and personnel executives who do not report modifications in personnel management responsibilities, by size of firm

	Duties Created as New Responsibilities		Duties Transferred Into Department		Duties Transferred From Department	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 57)	Percent (N = 98)	Percent (N = 58)	Percent (N = 93)	Percent (N = 56)	Percent (N = 86)
Yes	57.9	59.6	53.4	46.2	12.5	22.1
No	42.1	40.4	46.6	53.8	87.5	77.9

while a moderately higher percentage of personnel departments in large firms have public and government relations and record keeping, data processing, and office administration transferred to them.

Table 6.7 Newly created personnel department responsibilities, by size of firm

	<u>Personnel Executives</u>	
	<u>Small</u>	<u>Large</u>
	Percent (N = 33)	Percent (N = 80)
Employee benefits, insurance, wage and salary	24.2	22.4
Health, safety, and employee services	21.2	2.5
Executive employment and development	15.2	21.3
Personnel policy making and implementation	15.2	2.5
Manpower planning and utilization	12.1	16.3
Labor relations and collective bargaining	12.1	8.8
Organization planning and design	0.0	21.3
Public relations and government relations	0.0	5.0
Record keeping, data processing and office administration	0.0	0.0

Table 6.8 Responsibilities transferred to the personnel department from other departments, by size of firm

	Personnel <u>Small</u>	Executives <u>Large</u>
	Percent (N = 32)	Percent (N = 48)
Employee benefits, insurance, wage and salary	31.3	35.4
Health, safety, and employee service	21.9	8.3
Executive employment and development	6.3	6.3
Personnel policy making and implementation	3.0	2.1
Manpower planning and utilization	18.8	16.7
Labor relations and collective bargaining	9.4	8.3
Organization planning and design	3.3	8.3
Public relations and government relations	0.0	8.3
Record keeping, data processing and office administration	6.3	6.3

With regard to responsibilities transferred from the personnel department to other departments (Table 6.9), the activity mentioned most frequently by both groups of respondents refers to employee benefits.

However, it is noted that there is a great tendency in both small and large firms to either create this activity as a new responsibility for the personnel department or transfer it to the personnel department from other departments. Thus, this area appears difficult to assign in both small and large firms.

Further analysis reveals that labor relations and collective bargaining and health, safety, and employee services are transferred from the personnel department to other departments with greater frequency in small firms. It is noted, however, that there is a great tendency in small firms to either create health, safety, and employee services as a new responsibility for the personnel department or transfer it to the personnel department from other departments. Apparently, this area is difficult to assign in small firms.

With reference to other differences, there is a greater tendency to transfer record keeping, data processing, and office administration and public and government relations from the personnel department to other departments in large firms. Also, a moderately higher percentage of personnel respondents in small firms indicate that employee benefits are transferred, while a moderately higher percentage of personnel respondents in large firms mention executive employment

and development, manpower planning and utilization and organization planning and design as being transferred.

Table 6.9 Responsibilities transferred from the personnel department to other departments, by size of firm

	<u>Personnel</u> <u>Small</u>	<u>Executives</u> <u>Large</u>
	Percent (N = 3)	Percent (N = 18)
Employee benefits, insurance, wage and salary	33.4	27.8
Health, safety, and employee services	33.3	11.0
Executive employment and development	0.0	5.6
Manpower planning and utilization	0.0	5.6
Labor relations and collective bargaining	33.3	0.0
Organization planning and design	0.0	5.6
Public relations and government relations	0.0	22.2
Record keeping, data processing and office administration	0.0	22.2

The above data suggest that employee benefits is a difficult activity to allocate in both small and large firms. In addition, there is a problem with

health, safety, and employee services in small firms. These activities are important cornerstones for the personnel function. The problems of carefully allocating these activities could result in considerable wastes of times, especially for the personnel executives. In addition, these problems may create disagreement between the various types of executives participating in this study.

Consequences of changes
in the personnel function

With respect to how changes in the personnel function will affect personnel departments in the future, many of the executives expect that there will be a greater number of specialties in personnel and an increase in personnel costs. In addition, a number of the executives anticipate a greater centralization of personnel decisions and a need for increased resources (Table 6.10).

A study of the data in Table 6.10 reveals that between 50 and 75 percent of the personnel executives in both sample groups expect the following changes: greater centralization, increased specialties, increased resources, and increased costs.

Between 30 and 50 percent of the chief executives and operating executives in both sample groups expect greater centralization and between 40 and 70 percent

Table 6.10 Consequences of changes in the personnel function, by size of firm

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 63)	Percent (N = 106)	Percent (N = 32)	Percent (N = 50)	Percent (N = 30)	Percent (N = 51)
Increased resources will be needed	54.0	63.0	28.1	28.0	46.7	43.1
Per capita personnel management costs will be reduced	14.3	23.0	34.4	16.0	16.7	21.6
Per capita personnel management costs will increase	55.6	56.0	40.6	46.0	53.3	68.6
Total personnel management costs will be lower	6.3	10.0	9.4	8.0	10.0	5.9
Personnel department will report to higher management level	34.9	12.0	15.6	8.0	6.7	5.9

Table 6.10--continued

	<u>Personnel Executives</u>		<u>Chief Executives</u>		<u>Operating Executives</u>	
	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>	<u>Small</u>	<u>Large</u>
	Percent (N = 63)	Percent (N = 106)	Percent (N = 32)	Percent (N = 50)	Percent (N = 30)	Percent (N = 51)
Greater number of personnel decisions will become centralized	49.2	51.0	28.1	38.0	30.0	47.1
Number of specialties will increase	68.3	69.0	43.8	52.0	73.3	60.8
Personnel department will generate its funds through inter- departmental charges	11.1	11.0	9.4	2.0	6.7	9.8

of them anticipate increases in personnel costs. In addition, between 45 and 75 percent of these two types of executives foresee an increase in the number of personnel specialties, while only 30 to 45 percent of them believe that greater resources will be needed.

When the responses are analyzed by size of firm, a number of variances are noted (Appendix D):

(1) A greater percentage of personnel respondents in small firms expect the personnel department to report to a higher level of management, whereas a greater percentage of personnel respondents in large firms indicate they are moderately more aware of a need for increased resources and a reduction in per capita personnel management costs.

(2) Chief executives in small firms place greater emphasis on expecting changes related to a reduction in per capita personnel costs. In addition, they place moderately more emphasis on the personnel department reporting to a higher level and the personnel department generating its funds through interdepartmental charges. On the other hand, chief executives in large firms place moderately more emphasis on changes

related to a greater number of personnel decisions becoming centralized, an increase in the number of personnel specialties and an increase in per capita personnel costs.

(3) Operating executives in small firms place greater emphasis on the number of personnel specialties increasing. On the other hand, operating executives in large firms place greater emphasis on changes related to a great number of personnel decisions becoming centralized and per capita personnel management costs increasing.

(4) In general, regardless of the size of firm, personnel executives expect a greater need for increased resources compared with chief executives and operating executives. The operating executives in both sample groups, when compared with both chief executive groups, anticipate a greater need for increased resources.

(5) A greater percentage of chief executives in small firms anticipate a reduction in per capita personnel costs, compared with personnel executives and operating executives. The reverse holds true in the case

of large firms, where moderately more personnel executives and operating executives expect a reduction in per capita personnel costs.

(6) When compared with chief executives, personnel executives and operating executives in both size groups report a greater response to an increase in per capita personnel management costs. In large firms, operating executives cite an increase in per capita personnel management costs with greater frequency than do personnel executives.

(7) When compared with chief executives and operating executives in small firms, a greater percentage of personnel executives believe that the personnel department will report to a higher management level. Chief executives in small firms, when compared with operating executives in firms of the same size, respond moderately more to the above factor. Personnel executives in large firms are also moderately more optimistic about the above factor than are the operating executives in large firms.

(8) Personnel executives in small firms, compared with chief executives and operating

executives in the same sized firms, report greater belief in more personnel decisions becoming centralized. In large firms, it is noted that the personnel executives and operating executives are more inclined to mention the above factor than are chief executives.

(9) That the number of personnel responsibilities will increase as a consequence of change in the function is mentioned more by operating executives in small firms, compared with personnel executives and chief executives in firms of the same size. In addition, personnel executives in small firms indicate a greater belief in a change in the above factor than do operating executives in small firms. On the other hand, personnel executives in large firms report more anticipation of an increase in the number of personnel specialties than do chief executives and operating executives in large firms. The operating executives in large firms, however, report moderately more awareness of an increase in the number of specialties, compared with chief executives in large firms.

(10) Personnel executives and operating executives in large firms, compared with chief executives in large firms, report moderately higher responses to the personnel department generating its funds through interdepartmental charges.

Summary

Regardless of the size of firm, the data show that most of the executives participating in this study agree that the pace of change occurring generally in the field of personnel management is gradual, although more intensive analysis of their responses reveals various discrepancies.

In general, there is little disagreement among the three types of executives, regardless of the size of firm, regarding the degree of change expected in the activities performed by the personnel department during the next five years. Between two-fifths and two-thirds of the various executives, in both small and large firms, expect moderate change in most activities. Closer examination, however, discloses areas in which there are departures from this pattern.

The study also shows that there are a number of differences between the three types of executives, both in small and large firms, with respect to their

) opinions about changes in the ratio of personnel department employees to total company employees during the next five years.

) One important fact that both personnel groups established in this study is that a large number of personnel activities have been reassigned during the past five years. The personnel respondents in both sample groups report that most of these functions have been created as new responsibilities or transferred to the personnel department--rather than transferred from the personnel department.

With respect to how changes in the personnel function will affect personnel departments in the future, many of the executives participating in the study expect that there will be a greater number of specialties in personnel and an increase in personnel costs. In addition, a number of executives anticipate a greater centralization of personnel decisions and a need for increased resources. When the responses of the executives are analyzed by size of firm, however, a number of variances are noted.

CHAPTER VII

SUMMARY

This study investigated selected problem areas in the administration of the personnel function in small and large firms. The purpose of the research was to gain a better understanding of the influence which the size of an organization may have on these administrative problem areas by examining and inter-relating the points of view of the company president, the personnel executive, and other members of top management who have some personnel responsibility.

For the purpose of the study, it was assumed that there are three principal roles involved in the administration of the personnel function. Two roles belong to line personnel: (1) the president or chief executive of the company, and (2) a vice president heading a major functional department, who therefore has personnel responsibilities of his own. The third is that of the vice president, director, or manager in charge of the personnel department, whose role interposes him between the president and the operating vice presidents.

It was hypothesized that there are meaningful differences between personnel executives, company presidents, and operating (line) executives in small and large firms with respect to (1) interrelationships in administering the personnel function, (2) personnel activities, (3) expectations regarding personnel management, (4) evaluation of the results and effectiveness of personnel management, and (5) changes in personnel management.

The sample for the study was drawn from United States and Canadian firms listed in the 1966 edition of Poor's Register of Corporations, Directors, and Executives. Using a disproportional sampling technique, 300 firms were selected in each of two size groupings: 500 to 999 employees and over 5,000 employees.

Three interrelated questionnaires were sent to three categories of executives: (1) the vice president, director, or manager in charge of the personnel department; (2) the president or chief executive of the company; and (3) a vice president heading a major functional department, who therefore has personnel responsibilities of his own. The functional executives participating were vice presidents of manufacturing, marketing, or finance. Throughout the report they are referred to as "operating executives."

Thus for each firm invited to participate, one questionnaire was sent to the personnel executive, a second to the chief executive, and a third to either the manufacturing, marketing, or finance executive. Although the questionnaires were similar, they were designed specifically for the three types of executives.

On the basis of the data collected, the hypotheses were not strongly supported. That differences induced by size do exist in the five problem areas is undeniable. Caution, however, must be used in drawing inferences about the differences in order to avoid exaggerating them.

The more striking findings are summarized below.

In general, the data in this study indicate that the three types of executives in large firms spend more time with one another than do the three types of executives in small firms.

Since the chief executives have authority over both the personnel function and the operating functions, one might expect the personnel executives to cultivate their relationships with their chief executives. However, many of the personnel executives spend more time with their operating executives than with their chief executives. This condition exists regardless of the size of firm.

The study shows that, regardless of the size of firm, the chief executives, compared with the operating executives, generally spend more of their time on personnel matters of all kinds. The data indicate, however, that a greater percentage of operating executives in large firms spend more time on such matters than do operating executives in small firms.

Although the study finds that the personnel executives in both size groups spend different amounts of time with their chief executives and operating executives, additional data show that the types of activities conducted during their interactions with their chief executives and line executives are very similar, regardless of the size of firm. In only two areas are there any differences--matters related to policy and economic problems dealing with cost and efficiency.

The data indicate that there are some major differences between the chief executives and the operating executives in both small and large firms with respect to what they deal with during the time they spend with the personnel executives. However, there are only two areas in which there are major differences: personnel procedures and techniques and economic matters related to cost and efficiency.

The focus of the various executives in terms of their joint activities appears to be more on operating problems, such as labor relations, improving personnel procedures and techniques, etcetera.

The study finds that, regardless of the size of firm, the areas mentioned most frequently by both the chief executives and operating executives as not delegable to personnel executives are matters related to organization structure and design and wage and salary decisions. Additional analysis by size of firm, however, reveals a number of differences.

The study finds that, regardless of the size of firm, the chief executives consult or seek advice from the head of personnel on specific activities. The range of areas on which chief executives in both small and large firms consult their personnel manager is large. However, the information suggests that the chief executives, regardless of the size of firm, view the personnel executive as a source of help on matters that are primarily operational or problem-oriented, rather than broad, strategic, organizational, or long-term matters.

A major finding of this study is that, in general, line-staff conflict in the personnel function is not a critical issue in either large or small firms.

The data show that the majority of personnel respondents in both size groups see relatively little conflict between their department and other departments in their company. In addition, most of the personnel respondents in both sample groups have favorable views about the changes taking place in line-staff relations.

The majority of chief executives and operating executives in both size groups also report experiencing little or no conflict in current line-staff relations. The chief executives in both groups, however, are more optimistic about changes taking place in line-staff relations than are the operating executives.

The personnel executives in both size groups indicate that improvements in the attitudes of line management and top management and a better record of success on the part of the personnel department are the main factors which they consider instrumental in determining the line-staff relations existing in their firms. Several moderate differences are noted when their responses are analyzed by size of firm.

For the most part, the chief executives and the operating executives in both sample groups do not agree about the factors accounting for relations between the personnel department and other departments

in their firms. However, they do agree that one of the major determinants is the improved attitude of line management.

When the three types of executives are compared with respect to the factors accounting for line-staff relations, there are many differences in both small and large firms. It is noted, however, that all of the executives in both small and large firms agree that improvement in the attitudes of line management is an important factor.

The data in this study show that there are no substantial differences in the distribution of the personnel executives' current goals by size of firm, although the personnel executives in small firms are moderately more interested in establishing better relations with line and top management. Both sample groups indicate that they are more concerned about programs than they are about productivity and efficiency, organization planning, personnel policies, and relationships with line and top management.

Although the personnel respondents in both size groups are in positions to influence top levels of management, the data provide evidence of the personnel respondents' concentrated interest in programmatic goals and their relative disinterest in broader corporate matters, regardless of the size of firm.

The data in the study also indicate that the personnel respondents in both groups appear to be spending their time on concerns other than those for which their goals are set. For example, whereas both sample groups have goals which are concentrated on programs, most of their time is spent on matters related to labor relations, administration of the personnel department, and personnel techniques--none of which are considered major goals by either group of respondents.

Although a number of personnel activities are important to all executives, when the data are analyzed by size of firm, there are considerable variations in their response patterns.

The study finds substantial disagreement among the personnel executives, the chief executives, and the operating executives in both small and large firms concerning changes in their expectations during the past five years.

Regardless of the size of firm, the personnel respondents, compared with the chief executive and operating respondents, report more changes in their expectations.

In general, most of the executives whose expectations changed during the last five years mention two areas: better understanding, increased

participation, and more cooperation from the personnel department as well as better results from the personnel department.

With respect to improvement in results or effectiveness of personnel management desired by the three types of executives for the next five years, all of the groups express considerable concern for improvements in the areas of personnel programs and economic productivity and efficiency, although there are variations within these general categories. In contrast, few of the executives express interest in improving organization planning, personnel policies, or relationships with top or line management. An examination of the data by size of firm, however, reveals a number of differences in the responses of the three types of executives.

In general, regardless of the size of firm, the personnel executives, the chief executives, and the operating executives seem to agree more about the improvements they want in the future than about the changes they expected in the past.

The study finds that both groups of personnel executives are sensitive to a number of limitations on their general effectiveness. Both groups report that the pressure of details is the major factor

limiting their effectiveness. Executives in small firms are moderately more sensitive to a lack of top management support and executives in large firms express a greater awareness of the lack of well-trained personnel workers.

In terms of the field of personnel management in general, regardless of the size of firm, the greatest criticisms of the field are made by personnel executives; the next greatest criticisms are made by chief executives; and the least criticisms are made by operating executives.

The data indicate that the personnel executives in both sample groups who are critical provide three major kinds of criticism about the personnel field: weaknesses of the personnel department, lack of recognition or acceptance, and poor public relations.

The major criticism mentioned by the chief executives in both groups is the personnel executives' lack of line or general management knowledge. This is one of the greatest criticisms made.

Only two issues seem to bother the operating executives in small and large firms. These are the weaknesses and limitations of the personnel department and the lack of line or general management knowledge.

In comparing the various executives with respect to their criticisms of the field of personnel management, several differences are noted.

When analyzed by size of firm, the data regarding additional knowledge and training which the three types of executives feel personnel executives need to meet present standards and to make significant future advances show many variations.

The study finds that the chief executives and operating executives in both small and large firms identify a number of strengths which they believe the personnel executives bring to their work. However, the data does show that differences of opinion exist between the chief executives and the operating executives in both small and large firms. In general, the respondents in large firms are more aware and appreciative of the personnel head's strengths.

The three types of executives also mention using many quantitative criteria for evaluating the effectiveness of personnel management. In general, the criteria mentioned most frequently by the three types of executives in both sample groups are improved absenteeism, turnover, and safety; savings in labor relations; an adequate supply of manpower; and lower manpower costs. A detailed analysis by size of firm, however, reveals some differences in response patterns.

Regardless of the size of firm, the three types of executives also use a number of qualitative criteria to evaluate their personnel departments. The data indicate that two criteria are used most frequently by the executives. These criteria relate to program effectiveness and higher employee morale and better communications. Analysis of the data by size of firm, however, indicates several differences in the patterns of response.

Regardless of the size of firm, the data show that most of the executives participating in the study agree that the pace of change occurring generally in the field of personnel management is gradual, although more intensive analysis of their responses reveals various discrepancies.

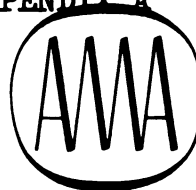
In general, there is little disagreement among the three types of executives, regardless of the size of firm, regarding the degree of change expected in the activities performed by the personnel department during the next five years. Between two-fifths and two-thirds of the various executives, in both small and large firms, expect moderate change in most activities. Closer examination, however, discloses areas in which there are departures from this pattern.

One important fact that both personnel groups established in this study is that a large number of personnel activities have been reassigned during the past five years. The personnel respondents in both sample groups report that most of these functions have been created as new responsibilities or transferred to the personnel department.

With respect to how changes in the personnel function will affect personnel departments in the future, many of the executives participating in the study expect that there will be a greater number of specialties in personnel and an increase in personnel costs. In addition, a number of executives anticipate a greater centralization of personnel decisions and a need for increased resources. When the responses of the executives are analyzed by size of firm, however, a number of variances are noted.

**Personnel
Executive's
Questionnaire**

APPENDIX A



Please return one copy to:
American Management Association
Research & Information Service
135 W. 50th Street, N.Y., N.Y. 10020

MANAGING THE PERSONNEL FUNCTION

Definition. Throughout this questionnaire the term *personnel management* is used to include all phases of employee relations, including labor relations. It applies to all levels of managers as well as to rank-and-file employees. These areas of responsibility are also commonly termed *industrial relations*, *employee relations*, and *personnel administration*. The terms "personnel department" and "personnel function" apply to the top staff group discharging the responsibilities of personnel management.

1. How long have you been in your present position? _____ years.
2. How much time out of your average work week do you spend with your chief executive on matters relating to personnel management?

☐ Less than 5%

☐ From 10 to 25%

☐ From 5 to 10%

☐ Over 25%

In what general areas is most of this time spent? _____

3. How much time out of your average work week do you spend with managers in non-personnel functions on matters of personnel management?

☐ Less than 5%

☐ From 10 to 25%

☐ From 5 to 10%

☐ Over 25%

In what general areas is most of this time spent? _____

4. What personnel responsibilities and decisions does your chief executive reserve to himself?

5. What do you currently regard as the main basic goals of your department?

6. Above and beyond the ongoing duties of your department, what important improvements in results or effectiveness of the personnel function do you desire to bring about within the next 5 years?

7. To perform your work effectively, what additional areas of knowledge or training do you believe you will have to acquire . . .

● To meet present standards? _____

● To make significant advances in effectiveness? _____

8. Within the last 2 years, what concerns of personnel management have occupied the largest blocks of your personal time? Please choose 5 of the items below. Rank each item according to the relative amount of time you have spent on it. (1 = most time spent, 2 = second most time, etc.)

- | | |
|---|--|
| ☐ administration of the personnel department | ☐ labor relations |
| ☐ personnel policy development | ☐ negotiations |
| ☐ personnel policy implementation | ☐ contract administration |
| ☐ organization planning | ☐ employee benefits |
| ☐ executive and/or professional employment | ☐ employee services |
| ☐ morale building | ☐ appraisals of performance |
| ☐ training | ☐ wage and salary administration |
| ☐ profit improvement | ☐ health and safety |
| ☐ individual productivity | ☐ records and reports |
| ☐ overhead control | ☐ manpower forecasting, manpower planning |
| ☐ management development | ☐ personnel questions in acquisitions |
| ☐ communications to employees | ☐ psychological testing & counseling |
| ☐ personnel research | ☐ other (please describe) |

9. Within the past 5 years, have important duties of personnel management . . .

- been created as personnel department responsibilities?

☐ Yes ☐ No (If yes, describe briefly) _____

- been transferred to the personnel department from another department?

☐ Yes ☐ No (If yes, describe briefly) _____

- been transferred from the personnel department to another department?

☐ Yes ☐ No (If yes, describe briefly) _____

10. Within the *next* 5 years, do you believe the *ratio* of personnel department employees to total company employees will increase ☐ or decrease ☐ ?

Why? _____

11. As a personnel executive, how would you classify the present *pace* of change occurring generally in the field of personnel management?

- | | |
|-------------------------------------|--|
| ☐ Quite slow | ☐ Rapid |
| ☐ Gradual | ☐ Revolutionary |

12. Which of these possible effects will be consequences of the changes in the function? Check all which will result.

- ☐ Increased resources will be needed.
- ☐ Per capita personnel management costs will be reduced.
- ☐ Per capita personnel management costs will increase.
- ☐ Total personnel management costs will be lower.
- ☐ The personnel department will report to a higher management level.
- ☐ A greater number of personnel decisions will become centralized.
- ☐ The number of personnel specialties will increase.
- ☐ The personnel department will generate its funds through interdepartmental charges.

13. For each of the following responsibilities that may be found in a personnel department, please indicate (by $\checkmark$) the degree of change that you expect will occur *within your own company*, in the next 5 years. By "change" we mean improvement in techniques for discharging each responsibility. If some of these responsibilities are not presently assigned to your department, please indicate by "NA".

WITHIN THE NEXT 5 YEARS	Great improvement in techniques will occur	Moderate improvement in techniques will occur	Little improvement in techniques will occur
a) Personnel policy development			
b) Personnel policy implementation			
c) Organization planning			
d) Executive and/or professional employment			
e) Morale building			
f) Training			
g) Individual productivity			
h) Overhead control			
i) Management development			
j) Communications to employees			
k) Negotiations with labor unions			
l) Employee benefits			
m) Employee services			
n) Appraisals of performance			
o) Wage and salary administration			
p) Health and safety			
q) Psychological testing & counseling			
r) Manpower forecasting & planning			
s) Personnel research			

Comments: _____

14. How would you describe line-staff relations between your department and other departments in your company? Check both left and right columns.

☐ Little or no conflict is present

☐ The situation is improving

☐ Moderate conflict exists

☐ The situation is stable

☐ Considerable conflict exists

☐ The situation is getting worse.

15. What factors account for the situation you have indicated in your answers to the last question?

16. Do you have any criticisms or reservations about the field of personnel management in general?
Please comment:

17. How have the expectations of the top officers of your company changed within the last 5 years, with respect to personnel management?

18. What factors inhibit your ability to do the best job that you are capable of doing?

19. Please list the most important criteria by which the effectiveness of personnel management in your company can be measured by the chief executive.

a) Quantitative Criteria: _____

b) Qualitative Criteria: _____

To receive a complimentary copy of the completed report, please list:

Name _____

Company _____

Street & Number _____

City _____ State _____ Zip _____

Please note the following information about your company and self:

- Number of employees in company:

☐ Over 5000

☐ Between 1000 and 5000

☐ Under 1000

- Principal industry classification (s) _____

- To whom do you report? Title: _____

- Number of exempts in your department _____ .

- Number of exempts in personnel function in company as a whole _____ .

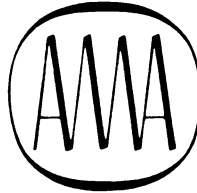
- Your age _____ . Length of time with present company _____ years.

- Number of years in staff _____ , and operating (line) _____ positions.

- College Major _____ . Degree(s) _____ .

THANK YOU FOR COMPLETING THIS QUESTIONNAIRE

President's
Questionnaire



Please return one copy to:
American Management Association
Research & Information Service
135 W. 50 St., N.Y., N.Y., 10020

THE PRESIDENT'S VIEW OF THE PERSONNEL FUNCTION

Definition. Throughout this questionnaire the term *personnel management* is used to include all phases of employee relations, including labor relations. It applies to all levels of managers as well as to rank-and-file employees. These areas of responsibility are also commonly termed *industrial relations*, *employee relations*, and *personnel administration*. The terms "personnel department" and "personnel function" apply to the top staff group discharging the responsibilities of personnel management.

1. Did you appoint the man who heads your personnel function? Yes ☐ No ☐

2. What are the main strengths the head of personnel brings to his work?

- ☐ Graduate degree in business administration.
- ☐ Background in operating management.
- ☐ Legal or collective bargaining experience.
- ☐ Good planner.
- ☐ Decision maker and problem solving ability.
- ☐ Knows what to delegate and what to work on himself.
- ☐ An effective organizer.
- ☐ Ability to get things done through people, with minimum wear & tear.
- ☐ Accepts responsibility and seeks challenge.
- ☐ A good communicator, able to represent the view of management.
- ☐ Keeps costs in line.
- ☐ Strong executive recruiting abilities & good insight into people.
- ☐ He is profit oriented.
- ☐ He has a top management view of the company's business and interests.
- ☐ Other (please describe) _____

3. How much time out of your average work week do you spend with the head of personnel on matters relating to personnel management?

- | | |
|--|---|
| ☐ Less than 5% | ☐ From 10 to 25% |
| ☐ From 5 to 10% | ☐ Over 25% |

In what general areas is most of this time spent? _____

4. How much time out of your average work week do you personally spend on personnel matters of all kinds?

☐ Less than 10%

☐ From 25 to 50%

☐ From 10 to 25%

☐ Over 50%

In what general areas is most of this time spent? _____

5. What do you, as president, regard as the major personnel responsibilities and decisions that you cannot delegate, but must reserve to yourself alone?

6. What is the highest management level for which you have asked the head of personnel to suggest ☐ , screen for ☐ , or recruit for ☐ , men to fill a vacancy?

Title: _____

7. Is the head of the personnel function a regular member of your executive committee? Yes ☐ No ☐

If no, do you expect him to participate in some of the executive committee meetings? Yes ☐ No ☐

8. Of which management committees is the head of personnel a member?

9. Above and beyond the ongoing duties of the personnel department, what important improvements in results or effectiveness of personnel management do you desire the department to bring about within the next five years?

10. What additional areas of knowledge or training do you believe the head of personnel will have to acquire . . .

● To meet present standards? _____

● To make significant advances in effectiveness? _____

11. Within the last 2 years, what concerns of personnel management have occupied the largest blocks of your time in this area? Please choose 5 of the items below. Rank each item according to the relative amount of time you have spent on it. (1 = most time spent, 2 = second most time, etc.)

- | | |
|---|--|
| ☐ administration of the personnel department | ☐ labor relations |
| ☐ personnel policy development | ☐ negotiations |
| ☐ personnel policy implementation | ☐ contract administration |
| ☐ organization planning | ☐ employee benefits |
| ☐ executive and/or professional employment | ☐ employee services |
| ☐ morale building | ☐ appraisals of performance |
| ☐ training | ☐ wage and salary administration |
| ☐ profit improvement | ☐ health and safety |
| ☐ individual productivity | ☐ manpower forecasting, manpower planning |
| ☐ overhead control | ☐ personnel questions in acquisitions |
| ☐ management development | ☐ psychological testing & counseling |
| ☐ communications to employees | ☐ other (please describe) |
| ☐ personnel research | |
-

12. On which of the following kinds of activities do you yourself normally consult the head of personnel (among others) before taking action?

Strategic Planning

- ☐ Deciding on 5-year objectives for the company.
- ☐ Identifying business areas for future diversification.
- ☐ Increasing the extent of automated processes within the company.
- ☐ Choosing new plant locations.

Operational Planning

- ☐ Deciding on changes in employee benefit plans.
- ☐ Screening acquisition possibilities.
- ☐ Preparing agenda for board of directors meetings.
- ☐ Formulating key objectives or performance standards for your job.
- ☐ Formulating key objectives or performance standards for other corporate officers.
- ☐ Deciding on marketing strategy for the year ahead.
- ☐ Making cost reduction plans.
- ☐ Laying plans for improvement of productivity.

Organization

- ☐ Modifying the corporate organization structure.
- ☐ Determining boundaries of authority of individual officers or departments.

Control

- ☐ Establishing nonfinancial controls such as staffing ratios.
- ☐ Establishing a company climate for budget preparation.
- ☐ Controlling growth in number of overhead employees.
- ☐ Setting policy on expense accounts.

Company Relationships

- ☐ Appointment of liaison officer between company and Government agencies.
- ☐ Amount and placement of corporate contributions, educational and other.
- ☐ Deciding where and when to make speeches, in or out of local community.
- ☐ Communicating with employees.

Decisions About People

- ☐ Promoting, transferring or relocating top executives.
- ☐ Appointments to top management committees.
- ☐ Involuntary resignation or retirement of executives.
- ☐ Suggesting candidates for directorships or officer-level posts..
- ☐ Setting compensation ranges for top-executive posts.

Collective Bargaining

- ☐ Determining the company position before negotiations.
- ☐ Selecting those who will negotiate for the company.
- ☐ Deciding on the final contract to be signed.

Are there other activities at a comparable level for which you would seek the consultation of the head of personnel? Comment:

13. For each of the following responsibilities that may be found in a personnel department, please indicate (by $\checkmark$) the degree of change that you expect will occur *within your own company*, in the next 5 years. By "change" we mean improvement in techniques for discharging each responsibility. If some of these responsibilities are not presently assigned to the personnel department, please indicate by "NA".

WITHIN THE NEXT FIVE YEARS	<i>Great</i>	<i>Moderate</i>	<i>Little</i>
	improvement in techniques will occur	improvement in techniques will occur	improvement in techniques will occur
a) Personnel policy development			
b) Personnel policy implementation			
c) Organization planning			
d) Executive and/or professional employment			
e) Morale building			
f) Training			
g) Individual productivity			
h) Overhead control			
i) Management development			
j) Communications to employees			
k) Negotiations with labor unions			
l) Employee benefits			
m) Employee services			
n) Appraisals of performance			
o) Wage and salary administration			
p) Health and safety			
q) Psychological testing & counselling			
r) Manpower forecasting & planning			
s) Personnel research			

Comments: _____

14. Within the *next* 5 years, do you believe the *ratio* of personnel department employees to total company employees will increase ☐ , or decrease ☐ ?

Why? _____

15. As president, how would you classify the present pace of change occurring generally in the field of personnel management?

☐ Quite slow

☐ Rapid

☐ Gradual

☐ Revolutionary

16. Which of these possible effects will be consequences of the changes in the function? Check all which will result.

☐ Increased resources will be needed.

☐ Per capita personnel management costs will be reduced.

☐ Per capita personnel management costs will increase.

☐ Total personnel management costs will be lower.

☐ The personnel department will report to a higher management level.

☐ A greater number of personnel decisions will become centralized.

☐ The number of personnel specialties will increase.

☐ The personnel department will generate its funds through interdepartmental charges.

17. How would you describe line-staff relations between the personnel department and other departments in your company? Check both left and right columns.

☐ Little or no conflict is present

☐ The situation is improving

☐ Moderate conflict exists

☐ The situation is stable

☐ Considerable conflict exists

☐ The situation is getting worse

18. What factors account for the situation you have indicated in your answers to the last question?

19. Do you have any criticisms or reservations about the field of personnel management in general? Please comment.

20. How have your expectations changed within the last 5 years, with respect to personnel management?

21. Please list the most important criteria by which the effectiveness of personnel management in your company can be measured by the chief executive.

a. Quantitative Criteria: _____

b. Qualitative Criteria: _____

To receive a complimentary copy of the completed report, please list:

Name _____

Company _____

Street & Number _____

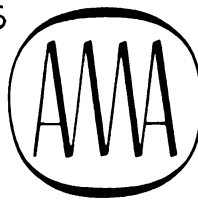
City _____ State _____ Zip _____

Please note the following information about your company and self:

- Number of employees in company:

☐ Over 5000
 ☐ Between 1000 and 5000
 ☐ Under 1000
- Principal industry classification(s) _____
- To whom does the head of personnel report? Title: _____
- Are you the chief executive officer of the company? Yes ☐ No ☐
- Your age _____. Length of time with present company _____ years.
- Number of years in staff _____, and operating (line) _____ positions.
- Number of years as president _____.

THANK YOU FOR COMPLETING THIS QUESTIONNAIRE



THE OPERATING EXECUTIVE'S VIEW OF THE PERSONNEL FUNCTION

Definition. Throughout this questionnaire the term *personnel management* is used to include all phases of employee relations, including labor relations. It applies to all levels of managers as well as to rank-and-file employees. These areas of responsibility are also commonly termed *industrial relations*, *employee relations*, and *personnel administration*. The terms "personnel department" and "personnel function" apply to the top staff group discharging the responsibilities of personnel management.

1. How long have you known the present head of personnel? _____ years.

2. Does the head of personnel report directly to the president? Yes ☐ No ☐

3. From your point of view, what are the main strengths the head of personnel brings to his work?

- ☐ Graduate degree in business administration.
 - ☐ Background in operating management.
 - ☐ Legal or collective bargaining experience.
 - ☐ Good planner.
 - ☐ Decision maker and problem solving ability.
 - ☐ Knows what to delegate and what to work on himself.
 - ☐ An effective organizer.
 - ☐ Ability to get things done through people, with minimum wear & tear.
 - ☐ Accepts responsibility and seeks challenge.
 - ☐ A good communicator, able to represent the view of management.
 - ☐ Keeps costs in line.
 - ☐ Strong executive recruiting abilities & good insight into people.
 - ☐ He is profit oriented.
 - ☐ He has a top management view of the company's business and interests.
 - ☐ Other (please describe) _____
-

4. How much time out of your average work week do you spend with a personnel executive on matters of personnel management?

☐ Less than 5%

☐ From 10 to 25%

☐ From 5 to 10%

☐ Over 25%

In what general areas is most of this time spent? _____

5. How much time out of your average work week do you personally spend on personnel matters?

☐ Less than 10%

☐ From 25 to 50%

☐ From 10 to 25%

☐ Over 50%

In what general areas is most of this time spent? _____

6. As the head of a major operating function of management, what do you regard as the important personnel responsibilities which you must reserve to yourself for action or decision?

7. Within the last 2 years, what concerns of personnel management have occupied the largest blocks of your time in this area? Please choose 5 of the items below. Rank each item according to the relative amount of time you have spent on it. (1 = most time spent, 2 = second most time, etc.)

☐ personnel policy development

☐ labor relations

☐ personnel policy implementation

☐ negotiations

☐ organization planning

☐ contract administration

☐ executive and/or professional employment

☐ employee benefits

☐ morale building

☐ employee services

☐ training

☐ appraisals of performance

☐ profit improvement

☐ wage and salary administration

☐ individual productivity

☐ health and safety

☐ overhead control

☐ manpower forecasting, manpower planning

☐ management development

☐ personnel questions in acquisitions

☐ communications to employees

☐ psychological testing & counseling

☐ other (please describe) _____

8 How has the personnel department assisted you in dealing with these matters?

9. Above and beyond the ongoing duties of the personnel department, what important improvements in results or effectiveness of personnel management do you desire the department to bring about within the next five years?

10. What additional areas of knowledge or training do you believe the head of personnel will have to acquire . . .

- To meet present standards?

- To make significant advances in effectiveness?

11. Within the next five years do you believe the *ratio* of personnel department employees to total company employees will increase ☐ or decrease ☐ ?

Why?

12. As an operating executive, how would you classify the present *pace* of change occurring generally in the field of personnel management?

- | | |
|-------------------------------------|--|
| ☐ Quite slow | ☐ Rapid |
| ☐ Gradual | ☐ Revolutionary |

13. Which of these possible effects do you believe will be consequences of the changes in the function? Check all which will result.

- ☐ Increased resources will be needed.
- ☐ Per capita personnel management costs will be reduced.
- ☐ Per capita personnel management costs will increase.
- ☐ Total personnel management costs will be lower.
- ☐ The personnel department will report to a higher management level.
- ☐ A greater number of personnel decisions will become centralized.
- ☐ The number of personnel specialties will increase.
- ☐ The personnel department will generate its funds through interdepartmental charges.

14. For each of the following responsibilities that may be found in a personnel department, please indicate (by $\checkmark$) the degree of change that you expect will occur *within your own company*, in the next 5 years. By "change" we mean improvement in techniques for discharging each responsibility. If some of these responsibilities are not, to your knowledge, presently assigned to the personnel department, please indicate by "NA".

WITHIN THE NEXT 5 YEARS	<i>Great</i> improvement in techniques will occur	<i>Moderate</i> improvement in techniques will occur	<i>Little</i> improvement in techniques will occur
a) Personnel policy development			
b) Personnel policy implementation			
c) Organization planning			
d) Executive and/or professional employment			
e) Morale building			
f) Training			
g) Individual productivity			
h) Overhead control			
i) Management development			
j) Communications to employees			
k) Negotiations with labor unions			
l) Employee benefits			
m) Employee services			
n) Appraisals of performance			
o) Wage and salary administration			
p) Health and safety			
q) Psychological testing and counseling			
r) Manpower forecasting & planning			
s) Personnel research			

Comments: _____

15. How would you describe line-staff relations between your department and the personnel department in your company? Check both left and right columns.

☐ Little or no conflict is present

☐ The situation is improving

☐ Moderate conflict exists

☐ The situation is stable

☐ Considerable conflict exists

☐ The situation is getting worse

16. What factors account for the situation you have indicated in your answers to the last question?

17. Do you have any criticisms or reservations about the field of personnel management in general?
Please comment:

18. Are there any areas in which you do not get enough help from the personnel department?
Please comment:

19. How have your expectations of the personnel department changed within the last 5 years, with respect to personnel management?

20. Please list the most important criteria by which, in your judgement, the effectiveness of personnel management can be measured?

a) Quantitative Criteria: _____

b) Qualitative Criteria: _____

To receive a complimentary copy of the completed report, please list:

Name _____

Company _____

Street & Number _____

City _____ State _____ Zip _____

Please note the following information about your company and self:

- Number of employees in company:

☐ Over 5000

☐ Between 1000 and 5000

☐ Under 1000

- Principal industry classification(s) _____

- To whom does the head of personnel report? Title: _____

- Title of your department _____

- Your age _____ . Length of time with present company _____ years.

- Number of years in staff _____ , and operating (line) _____ positions.

THANK YOU FOR COMPLETING THIS QUESTIONNAIRE

APPENDIX B

CODING SYSTEM

Length of time personnel executives have been in their present positions

The personnel executives were asked to indicate, in terms of years, how long they have been in their present positions.

The coding categories used for this structured question are as follows:

- (1) 1 to 5 years.
- (2) 6 to 10 years.
- (3) 11 to 14 years.
- (4) 15 to 19 years.
- (5) 20 years and over.

Length of time personnel executives have been with their present firms

The personnel executives were asked to indicate, in terms of years, how long they have been employed by their present companies.

The coding categories used for this structured question are as follows:

- (1) 1 to 5 years.
- (2) 6 to 10 years.

- (3) 11 to 14 years.
- (4) 15 to 19 years.
- (5) 20 years and over.

Percentage of work week executives
spend in joint relationships

The personnel executives were asked to indicate how much time out of their average work week they spend with the chief executive and managers in nonpersonnel functions on matters of personnel management. In turn, the chief executives and operating executives were asked to indicate how much time out of their average work week they spend with the head of personnel on matters relating to personnel management.

The coding categories used for this structured question are as follows:

- (1) Less than 5%.
- (2) From 5 to 10%.
- (3) From 10 to 25%.
- (4) Over 25%.

Length of time operating executives
have known present head of personnel

The operating executives were asked to indicate, in terms of years, how long they have known the present head of personnel.

The coding categories used for this structured question are as follows:

- (1) 1 to 4 years.
- (2) 5 to 9 years.
- (3) 10 to 14 years.
- (4) 15 to 20 years.
- (5) 20 years and over.

Percentage of work week chief executives
and operating executives spend on
personnel matters of all kinds

The chief executives and operating executives were asked to indicate how much time out of their average work week they personally spend on personnel matters of all kinds.

The coding categories used for this structured question are as follows:

- (1) Less than 10%.
- (2) From 10 to 25%.
- (3) From 25 to 50%.
- (4) Over 50%.

Types of subjects with which
executives deal in joint sessions

The personnel executives were asked to indicate the general areas in which they spend most of their time with their chief executive and managers in non-personnel functions. In turn, the chief executives and the operating executives were asked to indicate the general areas in which they spend most of their time with the head of personnel.

The coding categories used for this unstructured question are as follows:

- (1) Labor relations problems and policies.
- (2) Personnel procedures and techniques.
- (3) Policy matters (excluding labor relations).
- (4) Economic matters (costs and efficiency).
- (5) Organization design and manpower planning.
- (6) Departmental planning and administration.
- (7) Motivation, communication, and human relations.
- (8) Public, community, and government relations.

Personnel areas chief executives and operating executives do not delegate

The chief executives and operating executives were asked to indicate the major personnel responsibilities and decisions that they cannot delegate, but must reserve to themselves alone.

The coding categories used for this unstructured question are as follows:

- (1) Organization structure and design.
- (2) Final decisions on major issues or policies.
- (3) Wage and salary decisions.
- (4) Labor relations decisions.

- (5) Miscellaneous.
- (6) Morale and motivation problems.
- (7) Personnel budgets or cost changes.

Activities about which chief executives consult head of personnel

The chief executives were asked to indicate the activities about which they normally consult the head of personnel (among others) before taking action.

The coding categories used for this structured question are as follows:

- (1) Strategic planning.
- (2) Operational planning.
- (3) Organization.
- (4) Control.
- (5) Company relationships.
- (6) Decisions about people.
- (7) Collective bargaining.
- (8) Other.

Length of time personnel executives have spent in operating (line) positions

The personnel executives were asked to indicate the number of years they have spent in operating (line) positions.

The coding categories used for this structured question are as follows:

- (1) 1 to 5 years.
- (2) 6 to 10 years.
- (3) 11 to 14 years.
- (4) 15 to 19 years.
- (5) 20 to 29 years.
- (6) 30 years and over.

Length of time personnel executives
have spent in staff positions

The personnel executives were asked to indicate the number of years they have spent in staff positions.

The coding categories used for this structured question are as follows:

- (1) 1 to 5 years.
- (2) 6 to 10 years.
- (3) 11 to 14 years.
- (4) 15 to 19 years.
- (5) 20 to 29 years.
- (6) 30 years and over.

Conflict in line-staff relations
reported by executives

The three types of executives were asked to describe line-staff relations between the personnel department and other departments in their companies in terms of the existence of conflict.

The coding categories used for this structured question are as follows:

- (1) Little or no conflict is present.
- (2) Moderate conflict exists.
- (3) Considerable conflict exists.

Change in line-staff relations
reported by executives

The three types of executives were asked to describe line-staff relations between the personnel department and other departments in their companies in terms of changes in the situation.

The coding categories used for this structured question are as follows:

- (1) The situation is improving.
- (2) The situation is stable.
- (3) The situation is getting worse.

Factors accounting for relations
between personnel department and
other departments in the firm

The three types of executives were asked to identify factors which they believe account for the line-staff relations between the personnel department and other departments in their companies.

The coding categories used for this unstructured question are as follows:

- (1) Better human relations in the company.
- (2) Improved line management attitudes.
- (3) Changes in organization structure.

- (4) Better record of personnel department.
- (5) Improved top management attitudes.
- (6) Personnel function more important.
- (7) Personnel is a new function.

Educational level of personnel executives

The personnel executives were asked to indicate their educational degree(s).

The coding categories used for this structured question are as follows:

- (1) Bachelor's degree.
- (2) Master's degree.
- (3) Law degree.
- (4) Doctor's degree.

College major of personnel executives

The personnel executives were asked to indicate their college major.

The coding categories used for this structured question are as follows:

- (1) Business administration.
- (2) Humanities and education.
- (3) Behavioral science.
- (4) Engineering.
- (5) Law.
- (6) Natural science.
- (7) Government.

Reporting relationships
of personnel executives

The personnel executives were asked to indicate to whom they report.

The coding categories used for this structured question are as follows:

- (1) Chairman of the board.
- (2) President.
- (3) Executive vice president or group vice president.
- (4) Treasurer, secretary, or controller.
- (5) Line vice president.
- (6) Staff vice president.
- (7) Manager or superintendent.

Chief executives who report whether
head of personnel function is regular
member of executive committee

The chief executives were asked to indicate whether the head of the personnel function is a regular member of their executive committee.

The coding categories used for this structured question are as follows:

- (1) Yes.
- (2) No.

Chief executives who expect head of personnel function to participate in some of the executive committee meetings

The chief executives were asked, if the head of the personnel function is not a regular member of their executive committee, whether they expect him to participate in some of the executive committee meetings.

The coding categories used for this structured question are as follows:

- (1) Yes.
- (2) No.

Management committees of which personnel head is a member

The chief executives were asked to indicate the management committees of which the head of personnel is a member.

The coding categories used for this unstructured question are as follows:

General management committees:

- (1) Executive policy.
- (2) Long-range planning.
- (3) President's staff.

Specialized committees:

- (4) Salary.
- (5) Operations.
- (6) Employee benefits.
- (7) Human relations.

- (8) Personnel policy.
- (9) Safety.
- (10) Public relations.
- (11) Finance or budget.

Number of exempts in personnel department

The personnel executives were asked to indicate the number of exempts in their departments.

The coding categories used for this structured question are as follows:

- (1) 5 employees or fewer.
- (2) 6 to 10 employees.
- (3) 11 to 20 employees.
- (4) 21 to 30 employees.
- (5) 31 to 50 employees.
- (6) 50 or more employees.

Number of exempts in personnel function in firm as a whole

The personnel executives were asked to indicate the number of exempts in the personnel function in the company as a whole.

The coding categories used for this structured question are as follows:

- (1) 5 employees or fewer.
- (2) 6 to 10 employees.
- (3) 11 to 20 employees.

- (4) 21 to 30 employees.
- (5) 31 to 50 employees.
- (6) 50 or more employees.

Current goals of personnel department

The personnel executives were asked to indicate what they currently regard as the main goals of their departments.

The coding categories used for this unstructured question are as follows:

- (1) Manpower development programs.
- (2) Human relations programs.
- (3) Labor relations programs.
- (4) Productivity and efficiency of company.
- (5) Productivity and efficiency of employees.
- (6) Productivity and efficiency of personnel department.
- (7) Organization planning and design.
- (8) Personnel policies.

Most time-consuming activities and concerns of executives during past two years

The three types of executives were asked to indicate the concerns of personnel management which occupied the largest blocks of their time during the last two years. They were asked to select five concerns

and to rank each concern according to the relative amount of time they have spent on it.

The coding categories used for this structured question are as follows:

- (1) Personnel policy development.
- (2) Personnel policy implementation.
- (3) Organizational planning.
- (4) Executive and/or professional employment.
- (5) Morale building.
- (6) Training.
- (7) Profit improvement.
- (8) Individual productivity.
- (9) Overhead control.
- (10) Management development.
- (11) Communications to employees.
- (12) Labor relations.
- (13) Negotiations.
- (14) Contract administration.
- (15) Employees benefits.
- (16) Employees services.
- (17) Appraisals of performance.
- (18) Wage and salary administration.
- (19) Health and safety.
- (20) Manpower forecasting, manpower planning.

- (21) Personnel questions in acquisitions.
- (22) Psychological testing and counseling.
- (23) Other (please describe).

Changes in executives' expectations of personnel management during past five years

The personnel executives were asked to indicate how the expectations of the top officers of their companies changed within the last five years, with respect to personnel management. The chief executives and the operating executives were asked to indicate how their expectations of the personnel department changed within the last five years, with respect to personnel management.

The coding categories used for this unstructured question are as follows:

- (1) Better understanding, respect, influence, participation, or cooperation.
- (2) More or better results from department.
- (3) More emphasis on or acceptance of personnel techniques.
- (4) No changes perceived.

Improvements in results or effectiveness of personnel management desired by executives for next five years

The personnel executives were asked to identify important improvements in results or effectiveness of

the personnel function which they desire to bring about within the next five years. The chief executives and operating executives were asked to identify important improvements in results or effectiveness of personnel management which they desire the department to bring about within the next five years.

The coding categories used for this unstructured question are as follows:

- (1) Manpower development programs.
- (2) Human relations programs.
- (3) Labor relations programs.
- (4) Productivity and efficiency of company.
- (5) Productivity and efficiency of employees.
- (6) Productivity and efficiency of personnel department.
- (7) Relations with top or line management.
- (8) Policies.
- (9) Organization planning and design.

Factors that personnel executives believe inhibit their effectiveness

The personnel executives were asked to identify factors which they believe inhibit their ability to do the best job they are capable of doing.

The coding categories used for this unstructured question are as follows:

- (1) Pressure of details.
- (2) Poorly trained or insufficient number of personnel workers.
- (3) Lack of access to or acceptance by top management.
- (4) Personal limitations.
- (5) Lack of line management acceptance or understanding.
- (6) Bureaucratic factors in company.
- (7) Lack of funds or resources.

Executives' criticisms or reservations
concerning the field of personnel management

The three types of executives were asked to identify any criticisms or reservations they have about the field of personnel management in general.

The coding categories used for this unstructured question are as follows:

- (1) Department's own weaknesses.
- (2) Lack of recognition and acceptance.
- (3) No future for advancement.
- (4) Pressure of details.
- (5) Lack of resources.
- (6) No basis for evaluating progress.
- (7) Too much emphasis on techniques.
- (8) Poor public relations.
- (9) Lack of line or general management knowledge by personnel executives.

Areas in which personnel department assisted
operating executives during past two years

The operating executives were asked to identify areas in which the personnel department assisted them during the past two years.

The coding categories used for this unstructured question are as follows:

- (1) Advice, counsel, and direct assistance.
- (2) Development of new or current personnel policies or programs.
- (3) Information, reports, records, and research.
- (4) Manpower acquisition and development.
- (5) Wage, appraisal, and benefit programs.
- (6) Labor relations.
- (7) Organization planning.
- (8) Morale, motivation, human relations.

Areas in which operating executives receive
insufficient help from personnel department

The operating executives were asked to indicate any areas in which they do not receive enough help from the personnel department.

The coding categories used for this unstructured question are as follows:

- (1) Improving or administering policies, planning, or research.

- (2) Problems of organization planning and design.
- (3) Employment programs and problems.
- (4) Problems of motivation, morale, and human relations.
- (5) Executive development and employee training and appraisal.
- (6) Labor relations, grievances, and disciplinary action.
- (7) Economic problems: wages, salaries, pensions, and safety.

Additional areas of knowledge and training needed by personnel executives to meet present standards

The three types of executives were asked to indicate additional areas of knowledge and training they believe the head of personnel will have to acquire in order to meet present standards.

The coding categories used for this unstructured question are as follows:

- (1) Quantitative skills.
- (2) Labor relations skills.
- (3) Behavioral science knowledge.
- (4) Line or general management knowledge.
- (5) Fringe benefits knowledge.
- (6) New personnel techniques.

Additional areas of knowledge and training
needed by personnel executives to make
significant advances in effectiveness

The three types of executives were asked to indicate additional areas of knowledge and training they believe the head of personnel will have to acquire in order to make significant advances in effectiveness.

The coding categories used for this unstructured question are as follows:

- (1) Quantitative skills.
- (2) Labor relations skills.
- (3) Behavioral science knowledge.
- (4) Line or general management knowledge.
- (5) Fringe benefits knowledge.
- (6) New personnel techniques.

Main strengths attributed to head of personnel
by chief executives and operating executives

The chief executives and operating executives were asked to identify the main strengths which the head of personnel brings to his work.

The coding categories used for this structured question are as follows:

- (1) Graduate degree in business administration.
- (2) Background in operating management.
- (3) Legal or collective-bargaining experience.

- (4) Good planner.
- (5) Decision maker and problem-solving ability.
- (6) Knows what to delegate and what to work on himself.
- (7) An effective organizer.
- (8) Ability to get things done through people, with minimum wear and tear.
- (9) Accepts responsibility and seeks challenge.
- (10) A good communicator, able to represent the view of management.
- (11) Keeps costs in line.
- (12) Strong executive recruiting abilities and good insight into people.
- (13) He is profit-oriented.
- (14) He has a top management view of the company's business and interests.

Quantitative criteria for evaluating
the effectiveness of personnel management

The personnel executives and the chief executives were asked to list the most important quantitative criteria by which the effectiveness of personnel management in their companies can be measured.

The coding categories used for this unstructured question are as follows:

- (1) Improved absenteeism, turnover, and safety.
- (2) Savings in labor contract or grievances handled.

- (3) Adequate supply of manpower.
- (4) Lower per capita personnel costs.
- (5) Corporate profit or productivity.
- (6) Lower manpower costs.
- (7) Number of programs and services.

Qualitative criteria for evaluating the effectiveness of personnel management

The personnel executives and the chief executives were asked to list the most important qualitative criteria by which the effectiveness of personnel management in their companies can be measured.

The coding categories used for this unstructured question are as follows:

- (1) Effectiveness of programs in meeting company objectives.
- (2) Higher employee morale, better communication.
- (3) Reduction of labor troubles.
- (4) Quality of personnel policies.
- (5) Respect and use of programs by line.

Pace of change occurring generally in field of personnel management

The three types of executives were asked to classify the present pace of change occurring generally in the field of personnel management.

The coding categories used for this structured question are as follows:

- (1) Quite slow.
- (2) Gradual.
- (3) Rapid.
- (4) Revolutionary.

Degree of change in personnel activities
expected by executives during next five years

The three types of executives were asked to indicate the degree of change (great, moderate, little) that they expect to occur in nineteen personnel activities performed by the personnel department during the next five years. For this purpose, change was defined as improvement in techniques for discharging each responsibility.

The coding categories used for this structured question are as follows:

- (1) Management development.
- (2) Organization planning.
- (3) Training.
- (4) Manpower forecasting and planning.
- (5) Appraisals of performance.
- (6) Communications to employees.
- (7) Wage and salary administration.
- (8) Individual productivity.
- (9) Personnel policy development.
- (10) Personnel policy implementation.
- (11) Overhead control.

- (12) Personnel research.
- (13) Executive and/or professional employment.
- (14) Testing and counseling.
- (15) Morale building.
- (16) Employee benefits.
- (17) Negotiations with labor unions.
- (18) Health and safety.
- (19) Employee services.

Changes in the ratio of personnel
department employees to total number
of employees in firm during next five years

The three types of executives were asked to indicate whether within the next five years they believe the ratio of personnel department employees to total company employees will change.

The coding categories used for this structured question are as follows:

- (1) Increase.
- (2) Decrease.
- (3) Remain constant.

Reasons for changes in ratio of personnel
department employees to total number of
employees in firm during next five years

The three types of executives were asked to give reasons for changes in the ratio of personnel department employees to total number of employees in the firm during the next five years.

The coding categories used for this unstructured question are as follows:

- (1) Increased responsibilities.
- (2) Increased size or complexity of company.
- (3) Increased effectiveness or complexity of techniques.
- (4) Better understanding of personnel functions.
- (5) Increased union problems.
- (6) Changes in technology, computers and automation.
- (7) New laws or governmental controls.
- (8) Departments overstaffed.

Personnel executives who report
modifications in personnel management
responsibilities and personnel executives
who do not report modifications in
personnel management responsibilities

The personnel executives were asked to indicate whether important duties of personnel management have been created as personnel department responsibilities, transferred to the personnel department from another department, and transferred from the personnel department to another department.

The coding categories used for these structured questions are as follows:

- (1) Yes.
- (2) No.

Modifications in personnel
management responsibilities

The personnel executives were asked to identify the important duties created as personnel department responsibilities, transferred to the personnel department from another department, and transferred from the personnel department to another department.

The coding categories used for these unstructured questions are as follows:

- (1) Employee benefits, insurance, wage and salary.
- (2) Health, safety, and employee services.
- (3) Executive employment and development.
- (4) Personnel policy making and implementation.
- (5) Manpower planning and utilization.
- (6) Labor relations and collective bargaining.
- (7) Organization planning and design.
- (8) Public relations and government relations.
- (9) Record keeping, data processing and office administration.

Consequences of changes
in the personnel function

The three types of executives were asked to identify the possible effects which they believe will be consequences of the changes in the personnel function.

The coding categories used for this structured question are as follows:

- (1) Increased resources will be needed.
- (2) Per capita personnel management costs will be reduced.
- (3) Per capita personnel management costs will increase.
- (4) Total personnel management costs will be lower.
- (5) The personnel department will report to a higher management level.
- (6) A greater number of personnel decisions will become centralized.
- (7) The number of personnel specialties will increase.
- (8) The personnel department will generate its funds through interdepartmental charges.

APPENDIX C

RATIONALE OF THE QUESTIONS

DEVELOPED FOR THE STUDY

The analysis in this section is based, in part, on the information contained in Dalton E. McFarland's study, Company Officers Assess the Personnel Function.¹

Interrelationships in Administering The Personnel Function

The personnel executive, the chief executive, and operating executives in any business organization make up a working team that is vital to the personnel function. Therefore, it is important to examine their relationships with each other and to focus on those aspects of these relationships which have a bearing on the administrative behavior of the three types of executives. An analysis of these aspects within a framework of selected organizational problems in personnel management was made. The analysis consisted of five major parts: the amounts of time the three

¹Dalton E. McFarland, Company Officers Assess the Personnel Function, American Management Association Research Study, 79 (New York: American Management Association, Inc., 1967).

executives spend with each other; the types of work they perform when they are together; the total amount of time the chief executives and operating executives devote to personnel matters of all kinds; the personnel activities which the chief executives and operating executives do not delegate; and the relationships between line and staff in general.

To learn more about the relationships of the personnel executives with chief executives and operating executives, a number of questions were drawn up:

- (1) The personnel executives participating in this study were asked to indicate how long they have been in their present position.

This question was designed to indicate whether the personnel respondents have had sufficient time to develop firmly established organizational relationships in their roles as personnel executives. Have they been in their present positions long enough to establish programs and achieve measurable results?

- (2) The personnel executives were also asked to indicate how long they have been with their present company.

This question was designed to indicate whether the personnel respondents have been with their company long enough to develop mature working relationships and to establish rapport with other executives in their organization, in particular their chief executive and

operating executives. Situations where a personnel executive and a chief executive or an operating executive have known each other and worked together for a long period of time, may, in part, increase the possibility for better working relations between them and produce understandings that make the personnel executive's job less difficult.

- (3) The personnel executives were asked to estimate the percentage of their working hours which they spend with their chief executives and with managers of nonpersonnel functions. Also, the chief executives and the operating executives were asked to estimate the time they spend with their personnel managers.

These questions measured the amounts of time that the personnel executives and chief executives and personnel executives and operating executives spend with one another. The greater the interaction rate between the personnel executives and the chief executives and the personnel executives and the operating executives, the better the relationships are likely to be. Further, the amounts of time the various executives spend with each other is important because they indicate what opportunities the executives have for communication, joint planning, and other interactions. Moreover, these interaction patterns may greatly influence the results the personnel executives can expect to achieve.

- (4) The operating executives were asked to indicate how long they have known the head of the personnel department in their companies.

This question was asked in order to find out whether the operating executives have known their personnel managers long enough to develop mature working relationships between them. Situations where an operating executive and a personnel executive have known each other and worked together for a long time may increase the possibility for mature working relations between them and produce understandings that make the personnel executive's job less difficult.

- (5) The chief executives and operating executives were also asked about the total amount of time they devote to all types of personnel matters during a typical work week.

This question was asked in order to see if the chief executives and operating executives report that a substantial part of their job consists of personnel matters. The time spent by chief executives and operating executives may, in part, reflect the personnel executive's effectiveness in administering his part of the function. Also, the chief executives or the operating executives may allocate more time to personnel matters because they have greater concern for and make greater demands on the personnel department.

- (6) The personnel executives, the chief executives, and the operating executives were asked to indicate the

areas dealt with during the course of their interactions.

In addition to the frequency of interaction, it is desirable to know something about the subjects the executives deal with when they work together. Of specific interest is whether the subjects are related more to operating problems or longer-range, broader-scale problems.

- (7) The chief executives and operating executives were asked to identify the major personnel responsibilities and decisions that they believe they cannot delegate, but must reserve to themselves alone.

This question was asked in order to obtain a broader perspective of the relationships between the three types of executives. The extent to which various matters are considered delegable by chief executives and operating executives is a factor of great importance to the personnel function.

- (8) The chief executives were asked to identify the kinds of activities on which they consult or seek advice from the head of personnel (among others) before taking action.

Although chief executives may or may not delegate responsibility for specific activities, an attempt was made to see if they consult or seek advice from their personnel executives (among others) before taking action on them. In addition, information was sought to determine if the range of areas on which the chief executives

normally consult their personnel managers is large, and whether the chief executives view their personnel executives as a source of help on matters that are basically operational or problem-oriented, rather than broad, strategic, organizational, or long-term matters.

From one business firm to another, whether small or large, the line-and-staff organization structure is the universal pattern. In nearly every firm large enough to give explicit recognition to a personnel function, that function is related to the total organization through a combined line-and-staff structure.

Many administrative problems, such as the cost of performing personnel work, evaluating the personnel function, etcetera, relate to the basic decisions of accepting the line-and-staff pattern of organization. Answers were sought to the following questions: Is line-staff conflict in the personnel function in the firms studied a critical issue? Where it does exist, is it improving? Where it is slight, is it stable rather than increasing? In addition, how can line-staff relations be improved?

- (9) The personnel executives were asked to indicate the number of years they have spent in line positions.

This question was asked because actual experience as a line executive is so often asserted to be important for the effectiveness of staff work. Having been a former line official during one's career with a firm may tend to build rapport in the personnel executive-operating executive relationship.

- (10) The personnel executives were also asked to indicate the number of years they have spent in staff positions.

This question was asked because, in part, the more experience the personnel executives have in staff positions, the more effective their work will be. The question was also asked in order to compare the personnel executives' staff experience with their line experience. More specifically, are the personnel executives participating in this study more heavily staff-oriented than line-oriented?

- (11) The three types of executives were asked to describe conflict in line-staff relations.
- (12) The three types of executives were also asked to describe the change taking place in line-staff relations.

The above questions formed the basis for determining whether line-staff conflict in the firms is a critical issue and whether any change is taking place in line-staff relations.

- (13) The three types of executives were also asked to identify factors which

they consider instrumental in determining line-staff relations in their firms.

The question was asked in order to examine the problem of improving line-and-staff relations.

Personnel Activities and Expectations Regarding Personnel Management

The head of the personnel function occupies a strategic position in his relationships with his chief executive and with all members of top and middle management. Since the head of personnel has delegated to him staff responsibilities that affect the well-being of employees, he is considered the focal point of activities in which all executives should be greatly interested.

Because the personnel executive occupies a key position, his characteristics, his goals, and his activities are examined. The personnel activities of the chief executive and the operating executives are also examined. In addition, an effort is also made to identify some of the personnel areas in which the three types of executives feel that changes have taken place in the past and in which they would like future changes to occur.

In order to obtain a better understanding of the personnel respondents who participated in this study, several characteristics are examined. Those that seem

most important for the issues under consideration are education, reporting relationships, membership on executive and management committees, and supervision.

- (1) The personnel executives were asked to indicate the number of educational degrees they have.
- (2) The personnel executives were also asked to indicate their college major.

These two questions were asked in order to see if the personnel executives have a high number of degrees and whether their educational backgrounds are varied. A low number of degrees and a variety of major subjects may indicate, in part, a lack of agreement about the requirements of personnel management as a specialized occupation.

- (3) The personnel executives were also asked to identify by title the individuals to whom they report.

This question was asked in order to identify the persons to whom the personnel executives report. By placing the personnel executive at a high level within the firm, better company decisions may be promoted by requiring all executives to give weight to personnel factors in their decision making. It may also enhance the personnel executive's status, since this position reflects the importance the firm attaches to his function. With sufficiently high status, the personnel executive can urge the establishment of new programs

and carry out existing ones more successfully. Moreover, the level to which a personnel executive reports may to some extent reveal the closeness of thinking of the chief executive with the personnel executive. Providing suitable status for executives can help to stabilize relationships among them.

- (4) The chief executives were asked to indicate whether the head of their personnel function is a regular member of their executive committee.
- (5) The chief executives were also asked to indicate, if the head of their personnel function is not a regular member of their executive committee, whether they expect him to participate in some of the executive committee meetings.
- (6) In addition to the above two questions, the chief executives were also asked to identify the management committees of which the head of personnel is a member.

These questions were asked in order to obtain information about the participation of personnel executives on executive and management committees. Executive and management committees are composed of division heads who sit down and exchange information affecting line and staff relations. Placing personnel executives on these committees may, in part, enhance mutual understanding and provide more suitable working relationships.

- (7) The personnel respondents were asked to indicate the number of exempts in their departments.

- (8) The personnel respondents were also asked to indicate the number of exempts in the personnel function in their company as a whole.

These two questions were used to measure the size of staff and the span of supervision and to provide an indication of the demands made on the personnel respondents for supervisory and departmental administrative skills.

- (9) The personnel executives were asked to indicate what they currently regard as the main basic goals of their department.

The responses to this question are important because goals will exert some influence over the personnel executives so as to activate and steer their behavior toward them. It is difficult to say exactly what the content of these aspirations may be at any given time since they change as knowledge and experience are increased. Therefore, a fully accurate description of the goals of the personnel respondents cannot be given. Nevertheless, the above question should be helpful in offering a description of these aspirations which will be useful in discussing later results.

- (10) The three types of executives were asked to identify the activities of personnel management which have occupied the largest blocks of their personal time during the past two years.

This question was designed to indicate areas that are of greatest concern to the various executives. Also, in the case of the personnel executives, the question should provide some insight into differences, if any, between the personnel respondents' current goals and their most time-consuming activity. One important factor is whether the personnel respondents are devoting their time and energy to the areas of activity for which their goals are set.

- (11) The personnel executives were asked how the expectations of the top officers in their companies changed within the last five years, with respect to personnel management. In turn, the chief executives and operating executives were asked to indicate whether their expectations changed within the past five years with respect to personnel management.

These questions were asked in order to gain greater insight into the role of the personnel department in management. The questions were specifically designed to find out whether changes in expectations have taken place within the past five years and, if so, to identify the areas in which the various executives feel changes have taken place.

- (12) The personnel executives were also asked to identify the future improvements they hope to make in their departments. The other executives were also asked a similar question.

These questions were asked in order to provide a broad perspective about the paths that personnel management will follow in the future.

Evaluation of the Results and Effectiveness Of Personnel Management

An important element of the interrelationships among the three types of executives is their evaluation of themselves and each other. In personnel management, the roles of the personnel executive, the chief executive, and the operating executive are highly evaluative. Although a lack of objective criteria complicates the process, these executives evaluate each other and judge each other's programs, projects, and activities. In the process, the executives develop attitudes and opinions about each other.

A number of questions focus on the opinions of the three types of executives regarding limitations in the field of personnel management and of personnel managers; criticisms of the field of personnel management and of personnel managers; and criteria for evaluating the effectiveness of personnel management.

- (1) The personnel executives were asked to identify factors which inhibit their ability to do the best job that they are capable of doing.

This question was designed for the purpose of detecting whether personnel executives are sensitive

to limitations on their general effectiveness. In addition, the question was asked in order to identify specific factors which the personnel respondents believe inhibit their ability to do the best job they are capable of doing.

While the personnel respondents' responses about their own limitations are important, evaluations of personnel executives are perhaps even more significant to the overall management of the firms studied, as well as to the field of personnel management itself. Because chief executives and operating executives often evaluate the head of the personnel function, the personnel department, and the personnel function simultaneously, an effort was made to obtain separate appraisals of the head of the personnel function, the personnel department, and the field of personnel management in general.

- (2) The three types of executives were asked to identify any criticisms they have about the field of personnel management in general.

This question was asked for a number of reasons: Are there any criticisms to make of personnel management as a field? If so, what are the issues which seem to bother the executives?

- (3) The operating executives were asked how their personnel departments have helped them during the past two years.

This question was asked in order to gain some information about the major types of assistance the operating executives receive.

- (4) The operating executives were also asked to indicate the areas in which they believe they do not get enough help from their personnel departments.

This question was asked in order to find out whether there are areas in which the operating executives do not receive sufficient assistance and to identify the areas. Of specific interest is whether the areas mentioned are key responsibilities of a personnel department. If so, the dissatisfaction of the operating executives in these areas could be a significant problem.

- (5) The three types of executives were asked to identify additional areas of knowledge or training which they believe the head of personnel will have to acquire in order to meet present standards.
- (6) The three types of executives were also asked to identify additional areas of knowledge or training which they believe the head of personnel will have to acquire in order to make significant advances in effectiveness.

These two questions were asked in order to gain a better understanding of what the executives consider to be deficiencies in knowledge and skills of the personnel manager, both in terms of meeting present standards and making significant advances in

effectiveness. Also, do the executives believe personnel managers need approximately the same kinds of knowledge for meeting present standards as for improving future performances?

- (7) The chief executives and operating executives were asked to identify the major strengths that they believe the personnel managers bring to their work.

This question was asked in order to find out whether the chief executives and the operating executives are aware and appreciative of the personnel manager's strengths.

- (8) The three types of executives were asked to list the most important quantitative criteria by which, in their judgment, the effectiveness of personnel management can be measured.

- (9) The three types of executives were also asked to list the most important qualitative criteria by which, in their judgment, the effectiveness of personnel management can be measured.

Many authorities do not believe that objective criteria of known validity exist at the present time. In fact, some say that such criteria are illusionary and the search for them is useless. Nevertheless, executives frequently make judgments about other executives and their functions on the basis of approximate or rule-of-thumb criteria. These judgments may be used in making decisions that affect mutual objectives.

Thus, the two questions listed above are used in order to obtain a better understanding of the criteria involved.

Change in Personnel Administration

Today, as never before, personnel management is facing a critical turning point. Changes in economic patterns, technological changes, expanding markets, and increasingly complex laws and regulations are creating new problems for the personnel manager and other executives who are concerned with the personnel function.

If the personnel function is to adapt successfully to such changes, it is necessary for the executives who have the responsibility for it to recognize the changes and understand the effects they will have. Should executives not recognize these changes, the personnel function may assume a relatively unimportant role in the firm, and other departments may assume its responsibilities. On the other hand, if the personnel executives, chief executives, and operating executives agree on the effects of change and on the adaptations needed, the personnel function may become innovative and creative, and acquire greater status.

To learn more about whether the executives who share responsibility for the personnel function

are aware of the forces of change and its demands for the future, the views of the personnel executives, the chief executives, and the operating executives on change in personnel administration are examined. Also, in order to develop some insight about the changes anticipated and their impact on management, the three types of executives were asked for their opinions about the pace and degree of change, as well as its nature and the problems it creates for firms in carrying out their personnel activities.

- (1) The three types of executives were asked to classify the present pace of change occurring generally in the field of personnel management.

Information about the pace of change is considered significant because uncertainty about the pace at which changes will occur may serve as a pressure on executives involved in decision making. Discrepancies in perceptions among the three types of executives regarding change may produce both hesitation and conflict in the planning and executing of various personnel programs, projects, and other activities.

The speed at which changes take place in the field of personnel management is influenced by a number of factors. One important factor is the improvements in personnel techniques. This factor is examined in greater detail.

- (2) The three types of executives were asked to indicate the degree of change (great, moderate, little) that they expect to occur in nineteen personnel activities performed by the personnel department during the next five years. Change was defined as improvement in techniques for discharging each responsibility.

This question was asked in order to gain a better understanding of changes, in terms of improvements in personnel techniques, taking place in the field of personnel management. Of particular interest is whether the degree of change expected in the nineteen areas of responsibility varies by type of executive.

In order to develop additional insight into the nature of change in the personnel function, three additional factors were examined: changes in the personnel ratio, modification of responsibilities, and the consequences of changes.

- (3) The three types of executives were asked to indicate whether they believe the ratio of personnel department employees to total company employees will increase, decrease, or remain constant during the next five years.
- (4) For those executives who answered the above question, an explanation was sought relating to why they anticipate an increase, a decrease, or no change in the personnel ratio.

These questions were asked in order to obtain a better understanding of the expectations of the three types of executives concerning probable changes in the

personnel ratio. Are there substantial differences among the three types of executives? In addition, it is considered important to obtain reasons from the three types of executives for any changes, or lack of changes, in the personnel ratio. Are there differences in why the three types of executives believe the number of employees will, or will not, change during the next five years?

The allocation of personnel activities among the various organizational units of a business firm has been a continuous and perplexing problem. While there can be no way in which a firm can quickly attain an ideal organization structure for the personnel function, a systematic guiding rationale is important.

Indifference to the matters of careful allocation of personnel activities may result in considerable waste of time, particularly in the case of personnel executives. In addition, it may create elements of disagreement between the three types of executives.

- (5) The personnel executives were asked to indicate whether important duties of personnel management have been created as personnel department responsibilities within the past five years. If so, they were asked to describe the duties.
- (6) The personnel executives were also asked to indicate whether important duties of personnel management have been transferred to the personnel

department from another department.
If so, they were asked to describe
the duties.

- (7) In addition, the personnel executives were also asked whether important duties of personnel management have been transferred from the personnel department to another department. If so, they were asked to describe the duties.

These questions were asked in order to find out whether important personnel activities have been re-assigned during the past five years. If so, have most of these activities been created as new responsibilities or transferred to the personnel department from other departments--rather than transferred from the personnel to other departments? In addition, the questions were asked for the purpose of identifying the specific activities created as new responsibilities; the specific activities transferred to the personnel department from other departments; and the specific activities transferred from the personnel department to other departments.

- (8) The three types of executives were asked to identify the possible effects which will be consequences of the changes in the personnel function.

This question was asked in order to obtain more knowledge about what will result from changes that have been made in the personnel function and how the changes

will affect personnel departments in the future. Of specific interest is whether there is close agreement among the various executives.

APPENDIX D

RELATIVE DISCREPANCY INDEX TABLES

Length of time personnel executives have been in their present positions

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to the number of years they have been in their present positions?

Executive comparisons by size of firm

(1) Personnel executives in small firms, compared with personnel executives in large firms, indicate a moderately higher response to being in their present positions for between one and five years ($P_s P_1$ - RDI 6.0).

Length of time personnel executives have been with their present firms

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to the length of time they have been with their present firms?

Executive comparisons by size of firm

(1) Personnel executives in small firms indicate a greater response to having spent between one and five years with their present company ($P_s P_1$ - RDI 31.9). On the other hand, personnel executives in large firms

indicate a greater response to having spent twenty years or over with their present company ($P_s P_1$ - RDI 35.1).

Table D.1 Length of time personnel executives have been in their present positions, by size of firm

	$P_s P_1$
1-5 years	$P_s(6.0)$
6-10 years	--
11-14 years	--
15-19 years	--
20 years and over	--

Table D.2 Length of time personnel executives have been with their present firms, by size of firm

	$P_s P_1$
1-5 years	$P_s(31.9)$
6-10 years	--
11-14 years	--
15-19 years	--
20 years and over	$P_1(35.1)$

Percentage of work week executives
spend in joint relationships

(1a) What differences, if any, are there among the personnel executives in small and large firms with respect to the amount of time they spend with their chief executive in joint sessions?

(1b) What differences, if any, are there among the personnel executives in small and large firms with respect to the amount of time they spend with their operating executives in joint sessions?

(2) What differences, if any, are there among the chief executives in small and large firms with respect to the amount of time they spend with their personnel head in joint sessions?

(3) What differences, if any, are there among the operating executives in small and large firms with respect to the amount of time they spend with their personnel head in joint sessions?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to the amount of time they report spending with each other?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to the amount of time they report spending with each other?

Executive comparisons by size of firm

(1) Personnel executives in small firms report a moderately higher response to spending less than five percent of their time with their chief executive in joint sessions compared to personnel executives in large firms ($P_s P_1$ - RDI 5.9). Personnel executives

in small firms also indicate a moderately higher response to spending less than five percent ($\underline{P_sP_1}$ - RDI 7.3) and between five and ten percent of their time ($\underline{P_sP_1}$ - RDI 9.4) in joint sessions with operating executives compared to personnel executives in large firms. Personnel executives in large firms, when compared with the personnel executives in small firms, report a greater response to spending over twenty-five percent of their time with operating executives in joint sessions $\underline{P_sP_1}$ - RDI 14.2).

(2) When compared with chief executives in large firms, chief executives in small firms report a greater response to spending less than five percent of their time in joint sessions with their heads of personnel ($\underline{C_sC_1}$ - RDI 17.6). On the other hand, chief executives in large firms report a moderately higher response to spending between five and ten percent ($\underline{C_sC_1}$ - RDI 9.3) and ten to twenty-five percent of their time ($\underline{C_sC_1}$ - RDI 8.3) in joint sessions with their personnel executives.

(3) Operating executives in small firms indicate a moderately higher response to spending less than five percent ($\underline{O_sO_1}$ - RDI 5.5) and between five and ten percent of their time ($\underline{O_sO_1}$ - RDI 5.5) in joint sessions with their personnel executives compared to operating executives in large firms. Operating executives in

large firms report a greater response to spending between ten and twenty-five percent of their time in joint sessions with their personnel executives ($O_s O_1$ - RDI 10.9).

Table D.3 Percentage of work week executives spend in joint relationships, by size of firm

Executive Comparisons by Size of Firm				
	$P_s P_1$ (With chief executive)	$P_s P_1$ (With operating executives)	$C_s C_1$	$O_s O_1$
Less than 5 percent	P_s (5.9)	P_s (7.3)	C_s (17.6)	O_s (5.5)
5-10 percent	--	--	C_1 (9.3)	O_s (5.5)
10-25 percent	--	P_s (9.4)	C_1 (8.3)	O_1 (10.9)
Over 25 percent	--	P_1 (14.2)	--	--

Executive interaction comparisons

(1) Regarding small firms, operating executives report a greater response to spending less than five percent of their time in joint sessions compared with personnel executives ($P_s O_s$ - RDI 32.4).

With reference to large firms, more operating executives report spending less than five percent of their time in joint sessions than chief executives and personnel executives ($P_1 O_1$ - RDI 34.2, $C_1 O_1$ - RDI 7.2). The personnel executives do, however, place greater

emphasis on spending less than five percent of their time in joint sessions compared with chief executives (P_1C_1 - RDI 10.9).

(2) Operating executives in small firms place more emphasis on spending between five and ten percent of their time in joint sessions compared with personnel executives and chief executives (P_sO_s - RDI 29.2, C_sO_s - RDI 8.0). Chief executives in large firms indicate a higher response to spending between five and ten percent of their time in joint sessions than do personnel executives and operating executives (P_1C_1 - RDI 10.2, C_1O_1 - RDI 6.8). Operating executives, when compared with the personnel executives, report a greater response to spending between five and ten percent of their time in joint sessions (P_1O_1 - RDI 21.2).

(3) Personnel executives report a greater response to spending between ten and twenty-five percent of their time in joint sessions compared with operating executives (P_sO_s - RDI 37.7, P_1O_1 - RDI 17.4).

(4) Personnel executives report a greater response to spending over twenty-five percent of their time in joint sessions compared with operating executives (P_sO_s - RDI 23.8, P_1O_1 - RDI 38.0).

Table D.4 Percentage of work week executives spend in joint relationships, by size of firm

	Executive Interaction Comparisons					
	P_{sC}	P_{sO}	C_{sO}	P_{lC}	P_{lO}	C_{lO}
Less than 5 percent	--	$O_s(32.4)$	--	$P_l(10.9)$	$O_l(34.2)$	$O_l(7.2)$
5-10 percent	--	$O_s(29.2)$	$O_s(8.0)$	$C_l(10.2)$	$O_l(21.2)$	$C_l(6.8)$
10-25 percent	--	$P_s(37.7)$	--	--	$P_l(17.4)$	--
Over 25 percent	--	$P_s(23.8)$	--	--	$P_l(38.0)$	--

Length of time operating executives
have known present head of personnel

(1) What differences, if any, are there among the operating executives in small and large firms with respect to how many years they have known the head of personnel?

Executive comparisons by size of firm

(1) A greater percentage of operating executives in small firms, compared with operating executives in large firms, report knowing the head of their personnel function for 5 to 10 years ($O_s O_1$ - RDI 22.2) and 11 to 14 years ($O_s O_1$ - RDI 14.3). On the other hand, a greater number of operating executives in large firms indicate knowing the head of the personnel function for 15 to 19 years ($O_s O_1$ - RDI 18.2) and for 20 years or over ($O_s O_1$ - RDI 17.2).

Table D.5 Length of time operating executives have known present head of personnel, by size of firm

	$O_s O_1$
1-5 years	--
5-10 years	O_s (22.2)
11-14 years	O_s (14.3)
15-19 years	O_1 (18.2)
20 years and over	O_1 (17.2)

Percentage of work week chief executives
and operating executives spend on
personnel matters of all kinds

(1) What differences, if any, are there among the chief executives in small and large firms with respect to the amount of time they spend on personnel matters of all kinds?

(2) What differences, if any, are there among the operating executives in small and large firms with respect to the amount of time they spend on personnel matters of all kinds?

(3a) What differences, if any, are there between the chief executives and operating executives in small firms when their responses are compared with respect to the amount of time they spend on personnel matters of all kinds?

(3b) What differences, if any, are there between the chief executives and operating executives in large firms when their responses are compared with respect to the amount of time they spend on personnel matters of all kinds?

Executive comparisons by size of firm

(1) Moderately more chief executives in small firms estimate that they spend between 10 and 25 percent of their time on personnel matters of all kinds compared with chief executives in large firms

($\underline{C_s}C_1$ - RDI 8.3).

(2) A greater number of operating executives in small firms report spending less than 10 percent of their time on all kinds of personnel matters than operating executives in large firms do ($\underline{O_s}O_1$ - RDI 30.2).
More operating executives in large firms estimate

spending between 10 and 25 percent ($O_{s\underline{1}}$ - RDI 21.2) and between 25 percent and 50 percent ($O_{s\underline{1}}$ - RDI 9.0) of their time on personnel matters of all kinds.

Executive interaction comparisons

(1) More operating executives spend less than 10 percent of their time on personnel matters of all kinds compared with chief executives ($C_{s\underline{s}}$ - RDI 42.0, $C_{1\underline{1}}$ - RDI 9.1).

(2) More chief executives, when compared with operating executives, estimate spending between 10 and 25 percent of their time on personnel matters of all kinds ($C_{s\underline{s}}$ - RDI 36.3, $C_{1\underline{1}}$ - RDI 6.8).

(3) When compared with operating executives in small firms, moderately more chief executives estimate that they spend between 25 and 50 percent of their time on personnel matters of all kinds ($C_{s\underline{s}}$ - RDI 5.8).

Types of subjects with which executives deal in joint sessions

(1a) What differences, if any, are there among the personnel executives in small and large firms with respect to the subjects they deal with when they work together with their chief executive?

(1b) What differences, if any, are there among the personnel executives in small and large firms with respect to the subjects they deal with when they work together with their operating executives?

Table D.6 Percentage of work week chief executives and operating executives spend on personnel matters of all kinds, by size of firm

	Executive Comparisons by Size of Firm and Executive Interaction Comparisons			
	$C_s C_l$	$O_s O_l$	$C_s O_s$	$C_l O_l$
Less than 10 percent	--	$O_s(30.2)$	$O_s(42.0)$	$O_l(9.1)$
10-25 percent	$C_s(8.3)$	$O_l(21.2)$	$C_s(36.3)$	$C_l(6.8)$
25-50 percent	--	$O_l(9.0)$	$C_s(5.8)$	--
Over 50 percent	--	--	--	--

(2) What differences, if any, are there among the chief executives in small and large firms with respect to the subjects they deal with when they work together with their personnel executive?

(3) What differences, if any, are there among the operating executives in small and large firms with respect to the subjects they deal with when they work together with their personnel executive?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to the subjects they deal with when they work together?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to the subjects they deal with when they work together?

Executive comparisons by size of firm

(1) Personnel executives in small firms indicate that they spend moderately more time with their chief executives on human relations problems ($\underline{P_s P_1}$ - RDI 6.8) and departmental planning and administration ($\underline{P_s P_1}$ - RDI 5.7), whereas personnel executives in large firms reported moderately more devotion to economic matters ($\underline{P_s P_1}$ - RDI 6.3) and executive development ($\underline{P_s P_1}$ - RDI 5.1).

(2) Operating executives in small firms indicate that they devote moderately more time to motivation, communication, and human relations problems ($\underline{O_s O_1}$ - RDI 9.9), labor relations ($\underline{O_s O_1}$ - RDI 8.2), and departmental planning and administration ($\underline{O_s O_1}$ - RDI 7.4) compared to operating executives in large firms, who report spending moderately more time on organization design and manpower planning ($\underline{O_s O_1}$ - RDI 9.9), personnel procedures and techniques ($\underline{O_s O_1}$ - RDI 9.4) and economic matters ($\underline{O_s O_1}$ - RDI 7.8).

Executive interaction comparisons

(1) The operating executive group in small firms reports spending moderately more time with labor relations problems and policies than the chief executive group in the same sized firm does ($\underline{C_s O_s}$ - RDI 6.1). The reverse holds for large firms ($\underline{C_1 O_1}$ - RDI 5.0).

Table D.7 Types of subjects with which executives deal in joint sessions, by size of firm

	Executive Comparisons by Size of Firm			
	P _s P _l (With chief executive)	P _s P _l (With operating executives)	C _s C _l	O _s O _l
Labor relations problems and policies	--	--	--	O _s (8.2)
Personnel procedures and techniques	P _s (5.1)	--	--	O _l (9.4)
Policy matters (excluding labor relations)	--	--	--	--
Economic matters (cost and efficiency)	P _l (6.3)	--	--	O _l (7.8)
Organization design and manpower planning	--	--	--	O _l (9.9)
Departmental planning and administration	P _s (5.7)	--	--	O _s (7.4)
Motivation, communication and human relations	P _s (6.8)	--	--	O _s (9.9)
Public, community and governmental relations	--	--	--	--

(2) The personnel executive group and the chief executive group in small firms indicate they spend more time dealing with personnel procedures and techniques than does the operating executive group ($\underline{P}_s O_s$ - RDI 10.5, $\underline{C}_s O_s$ - RDI 9.5). In addition, personnel executives in large firms report spending moderately more time with personnel procedures and techniques than chief executives in large firms do ($\underline{P}_1 C_1$ - RDI 5.5).

(3) When compared with operating executives, chief executives in general report spending moderately more time on policy matters ($\underline{C}_s O_s$ - RDI 9.4, $\underline{C}_1 O_1$ - RDI 6.2).

(4) Operating executives in small firms indicate that they spend moderately more time on economic matters than do chief executives ($\underline{C}_s O_s$ - RDI 8.1). In addition, operating executives in large firms report that they spend a greater amount of time discussing economic matters, compared to personnel executives and operating executives in the same sized firms ($\underline{P}_1 O_1$ - RDI 11.6, $\underline{C}_1 O_1$ - RDI 14.2).

(5) Personnel executives and chief executives in small firms report spending moderately more time dealing with organization design and manpower planning than operating executives in small firms do ($\underline{P}_s O_s$ - RDI 7.6, $\underline{C}_s O_s$ - RDI 6.3). In large firms, chief executives report spending moderately more time dealing with

organization design and manpower planning than personnel executives do (P_1C_1 - RDI 6.3).

(6) When compared to personnel executives and operating executives in small firms, operating executives in the same sized firms indicate that they spend moderately more time dealing with departmental planning and administration (P_{sO_s} - RDI 7.2, C_{sO_s} - RDI 7.9). The personnel executive group in small firms reports spending moderately more time with departmental planning and administration than the chief executive group in small firms does (P_sC_s - RDI 5.1).

(7) Chief executives in large firms report that they devote moderately more time to motivation, communication, and human relations problems than personnel executives in large firms do (P_1C_1 - RDI 5.7).

Personnel areas chief executives and operating executives do not delegate

(1) What differences, if any, are there among the chief executives in small and large firms with respect to personnel responsibilities and decisions which they feel they can not delegate?

(2) What differences, if any, are there among the operating executives in small and large firms with respect to personnel responsibilities and decisions which they feel they can not delegate?

(3a) What differences, if any, are there between the chief executives and the operating executives in small firms when their responses are compared with respect to personnel responsibilities and decisions which they feel they can not delegate?

Table D.8 Types of subjects with which executives deal in joint sessions, by size of firm

	Executive Interaction Comparisons					
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Labor relations problems and policies	--	--	$O_s(6.1)$	--	--	$C_1(5.0)$
Personnel procedures and techniques	--	$P_s(10.5)$	$C_s(9.5)$	$P_1(5.5)$	--	--
Policy matters (excluding labor relations)	--	--	$C_s(9.4)$	--	--	$C_1(6.2)$
Economic matters (cost and efficiency)	--	--	$O_s(8.1)$	--	$O_1(11.6)$	$O_1(14.2)$
Organization design and manpower planning	--	$P_s(7.6)$	$C_s(6.3)$	$C_1(6.3)$	--	--
Departmental planning and administration	$P_s(5.1)$	$O_s(7.2)$	$O_s(7.9)$	--	--	--
Motivation, communication and human relations	--	--	--	$C_1(5.7)$	--	--
Public, community and governmental relations	--	--	--	--	--	--

(3b) What differences, if any, are there between the chief executives and the operating executives in large firms when their responses are compared with respect to personnel responsibilities and decisions which they feel they can not delegate?

Executive comparison by size of firm

(1) Chief executives in small firms are moderately more unwilling to delegate in the area of human relations ($C_s C_1$ - RDI 7.1), while chief executives in large firms indicate greater reluctance to delegate on matters related to organization planning ($C_s C_1$ - RDI 13.4).

(2) Operating executives in small firms express moderately more hesitancy in delegating matters related to wage and salary ($O_s O_1$ - RDI 8.8) and labor relations ($O_s O_1$ - RDI 6.1). On the other hand, operating executives in large firms indicate greater reluctance to delegate organization planning ($O_s O_1$ - RDI 11.0).

Executive interaction comparisons

(1) Chief executives in small firms are moderately more unwilling to delegate matters involving major issues or policies ($C_s O_s$ - RDI 7.0) and morale and motivational problems ($C_s O_s$ - RDI 7.4). On the other hand, operating executives in small firms are moderately more reluctant to delegate matters relating to organization structure and design ($C_s O_s$ - RDI 5.0) and wage and salary decisions ($C_s O_s$ - RDI 9.1).

Table D.9 Personnel areas chief executives and operating executives do not delegate, by size of firm

	Executive Comparisons by Size of Firm and Executive Interaction Comparisons			
	$C_s C_l$	$O_s O_l$	$C_s O_s$	$C_l O_l$
Organization structure and design	$C_l(13.4)$	$O_l(11.0)$	$O_s(5.0)$	--
Final decisions on major is- sues or policies	--	--	$C_s(7.0)$	--
Wage and salary decisions	--	$O_s(8.8)$	$O_s(9.1)$	--
Labor relations decisions	--	$O_s(6.1)$	--	--
Morale and motivational problems	$C_s(7.1)$	--	$C_s(7.4)$	--
Personnel budgets or cost changes	--	--	--	--
Miscellaneous	--	--	--	--

Activities about which chief executives
consult head of personnel

(1) What differences, if any, are there among the chief executives in small and large firms with respect to the kinds of activities about which they normally consult the head of personnel (among others) before taking action?

Executive comparison by size of firm

(1) Chief executives in large firms are moderately more inclined to consult their personnel executives on matters concerning decisions about people than are chief executives in small firms ($C_s C_1$ - RDI 8.1).

Table D.10 Activities about which chief executives consult head of personnel, by size of firm

	$C_s C_1$
Operational planning	--
Decisions about people	C_1 (8.1)
Labor relations	--
Company relationships	--
Strategic planning	--
Control decisions	--
Organization design	--
Other	--

Personnel executives who report
having line experience and
personnel executives who report
not having line experience

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to those who report having line experience compared with those who report not having line experience?

Executive comparisons by size of firm

(1) Personnel executives in small firms are moderately more inclined not to have line experience ($P_s P_1$ - RDI 8.7), whereas personnel executives in large firms are moderately more inclined to have line experience ($P_s P_1$ - RDI 8.7).

Table D.11 Personnel executives who report having line experience and personnel executives who report not having line experience, by size of firm

	$P_s P_1$
Line experience	P_1 (8.7)
No line experience	P_s (8.7)

Length of time personnel executives have spent in operating (line) positions

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to the number of years they have spent in operating (line) positions?

Executive comparisons by size of firm

(1) Personnel executives in small firms are more inclined to report spending from 1 to 5 years ($P_s P_1$ - RDI 18.3) and from 6 to 10 years in operating positions ($P_s P_1$ - RDI 6.4). On the other hand, personnel executives in large firms are more inclined to report

spending from 11 to 14 years ($P_s P_1$ - RDI 12.1) and from 20 to 29 years ($P_s P_1$ - RDI 9.3) in operating positions.

Table D.12 Length of time personnel executives have spent in operating (line) positions, by size of firm

	$P_s P_1$
1-5 years	$P_s(18.3)$
6-10 years	$P_s(6.4)$
11-14 years	$P_1(12.1)$
15-19 years	--
20-29 years	$P_1(9.3)$
30 years and over	--

Length of time personnel executives have spent in staff positions

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to the number of years they have spent in staff positions?

Executive comparisons by size of firm

(1) Personnel executives in small firms have more of a tendency to report spending between 1 and 5 years ($P_s P_1$ - RDI 16.0) and 11 and 14 years ($P_s P_1$ - RDI 8.5) in staff positions. On the other hand, personnel executives in large firms have a greater tendency to

report spending between 20 and 29 years in staff positions (P_{sP_1} - RDI 21.5).

Table D.13 Length of time personnel executives have spent in staff positions, by size of firm

	$P_s P_1$
1-5 years	$P_s(16.0)$
6-10 years	--
11-14 years	$P_s(8.5)$
15-19 years	--
20-29 years	$P_1(21.5)$
30 years and over	--

Conflict in line-staff relations

(1) What differences, if any, are there among personnel executives in small and large firms with respect to their descriptions of line-staff conflict?

(2) What differences, if any, are there among chief executives in small and large firms with respect to their descriptions of line-staff conflict?

(3) What differences, if any, are there among operating executives in small and large firms with respect to their descriptions of line-staff conflict?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to their descriptions of line-staff conflict?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to their descriptions of line-staff conflict?

Executive comparisons by size of firm

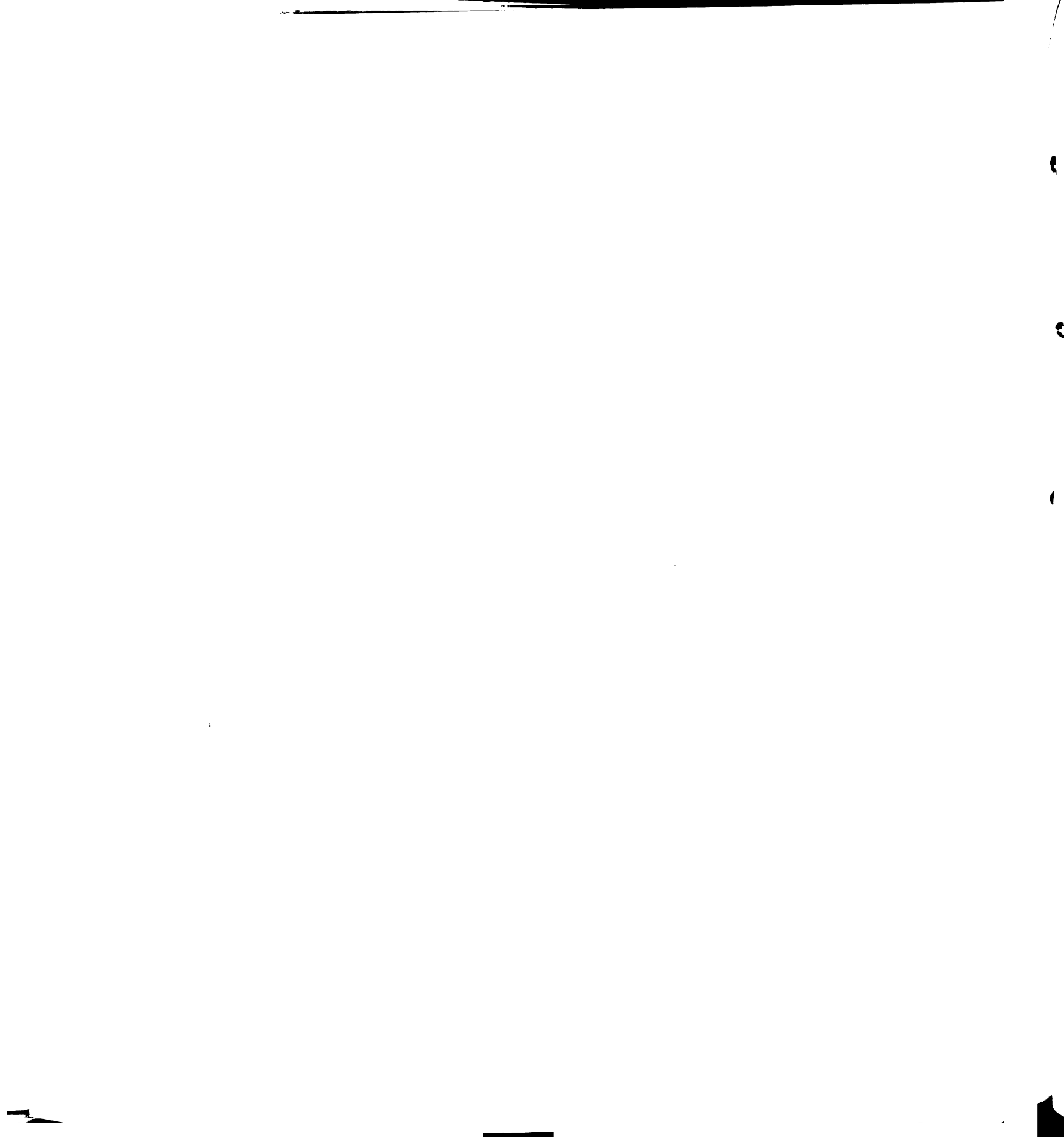
(1) When compared with operating executives in small firms, a moderately higher percentage of operating executives in large firms see little conflict ($O_s O_1$ - RDI 9.6). On the other hand, a greater percentage of operating executives in small firms see moderate conflict ($O_s O_1$ - RDI 11.6).

Table D.14 Conflict in line-staff relations, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_1$	$C_s C_1$	$O_s O_1$
Little or no conflict in current relations	--	--	O_1 (9.6)
Moderate conflict in current relations	--	--	O_s (11.6)
Considerable conflict in current relations	--	--	--

Executive interaction comparisons

(1) Chief executives and operating executives, compared with personnel executives, in general have a greater tendency to see little conflict ($P_s C_s$ - RDI 12.7,



$P_{\underline{s}O_{\underline{s}}}$ - RDI 14.1, $P_{\underline{1}C_{\underline{1}}}$ - RDI 10.2, $P_{\underline{1}O_{\underline{1}}}$ - RDI 22.8).

The operating executives in large firms place greater emphasis on little conflict than do chief executives in large firms ($C_{\underline{1}O_{\underline{1}}}$ - RDI 12.6).

(2) Personnel executives, in general, place more emphasis on moderate conflict than do chief executives and operating executives ($P_{\underline{s}C_{\underline{s}}}$ - RDI 14.2, $P_{\underline{s}O_{\underline{s}}}$ - RDI 12.4, $P_{\underline{1}C_{\underline{1}}}$ - RDI 9.2, $P_{\underline{1}O_{\underline{1}}}$ - RDI 23.8). In the case of large firms, chief executives place greater emphasis on moderate conflict compared with operating executives ($C_{\underline{1}O_{\underline{1}}}$ - RDI 14.6).

Change in line-staff relations

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to their description of change in line-staff relations?

(2) What differences, if any, are there among the chief executives in small and large firms with respect to their description of change in line-staff relations?

(3) What differences, if any, are there among the operating executives in small and large firms with respect to their description of change in line-staff relations?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to their description of change in line-staff relations?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to their description of change in line-staff relations?

Table D.15 Conflict in line-staff relations, by size of firm

	Executive Interaction Comparisons					
	P _s C _s	P _s O _s	C _s O _s	P ₁ C ₁	P ₁ O ₁	C ₁ O ₁
Little or no conflict in current relations	C _s (12.7)	O _s (14.1)	--	C ₁ (10.2)	O ₁ (22.8)	O ₁ (12.6)
Moderate conflict in current relations	P _s (14.2)	P _s (12.4)	--	P ₁ (9.2)	P ₁ (23.8)	C ₁ (14.6)
Considerable conflict in current relations	--	--	--	--	--	--

Executive comparisons by size of firm

(1) Personnel executives in large firms are moderately more inclined to believe that the situation is improving ($P_s P_1$ - RDI 6.9), whereas personnel executives in small firms are moderately more inclined to feel that the situation is stable ($P_s P_1$ - RDI 6.0).

Table D.16 Change in line-staff relations, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_1$	$C_s C_1$	$O_s O_1$
Situation improving	P_1 (6.9)	--	--
Situation stable	P_s (6.0)	--	--
Situation getting worse	--	--	--

Executive interaction comparisons

(1) In small firms, chief executives, compared with personnel executives and operating executives, place more emphasis on a situation that is improving ($P_s C_s$ - RDI 8.2, $C_s O_s$ - RDI 21.7). Personnel executives place greater emphasis on the situation improving, however, than do operating executives ($P_s O_s$ - RDI 13.5). In large firms, personnel executives and chief executives, compared with operating executives, place

greater emphasis on a situation that is improving

($\underline{P}_1 O_1$ - RDI 18.7, $\underline{C}_1 O_1$ - RDI 18.4).

(2) In general, a greater percentage of operating executives, compared with personnel executives and chief executives, report that they feel the situation is stable ($\underline{P}_s O_s$ - RDI 11.3, $\underline{C}_s O_s$ - RDI 17.4, $\underline{P}_1 O_1$ - RDI 19.9, $\underline{C}_1 O_1$ - RDI 18.4). In small firms, personnel executives place moderately more emphasis on a stable situation than do chief executives ($\underline{P}_s C_s$ - RDI 6.1).

Factors accounting for relations between
the personnel department and other
departments in the firm

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to factors which they believe account for relations between their department and other departments in their company?

(2) What differences, if any, are there among the chief executives in small and large firms with respect to factors which they believe account for relations between the personnel department and other departments in their company?

(3) What differences, if any, are there among the operating executives in small and large firms with respect to factors which they believe account for relations between the personnel department and their department in the company?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to factors accounting for relations between the personnel department and other departments in the company?

Table D.17 Change in line-staff relations, by size of firm

Executive Interaction Comparisons						
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_l C_l$	$P_l O_l$	$C_l O_l$
Situation improving	$C_s(8.2)$	$P_s(13.5)$	$C_s(21.7)$	--	$P_l(18.7)$	$C_l(18.4)$
Situation stable	$P_s(6.1)$	$O_s(11.3)$	$O_s(17.4)$	--	$O_l(19.9)$	$O_l(18.4)$
Situation getting worse	--	--	--	--	--	--

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to factors accounting for relations between the personnel department and other departments in the company?

Executive comparisons by size of firm

(1) Personnel executives in small firms place moderately more emphasis on an improvement in line management attitudes (P_{sP_1} - RDI 8.4). On the other hand, personnel executives in large firms place moderately more emphasis on changes in organization structure (P_{sP_1} - RDI 5.7).

(2) Chief executives in small firms place moderately more emphasis on improvement in top management attitudes (C_{sC_1} - RDI 8.5), whereas chief executives in large firms place moderately more emphasis on company attitudes (C_{sC_1} - RDI 8.6) and changes in organization structure (C_{sC_1} - RDI 5.3).

(3) Operating executives in small firms place moderately more emphasis on improved human relations (O_{sO_1} - RDI 8.2), whereas operating executives in large firms place moderately more emphasis on improvement in top management attitudes (O_{sO_1} - RDI 7.8) and a better record of the personnel department (O_{sO_1} - RDI 6.0).

Table D.18 Factors accounting for relations between the personnel department and other departments in the firm, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_1$	$C_s C_1$	$O_s O_1$
Company attitudes	--	$C_1(8.6)$	--
Improved human relations	--	--	$O_s(8.2)$
Improved line management attitudes	$P_s(8.4)$	--	--
Improved top management attitudes	--	$C_s(8.5)$	$O_1(7.8)$
Better record of personnel department	--	--	$O_1(6.0)$
Changes in organization structure	$P_1(5.7)$	$C_1(5.3)$	--
Personnel is a new function	--	--	--
Personnel function is more important	--	--	--

Executive interaction comparisons

(1) Chief executives in large firms place moderately more emphasis on the attitude of the company ($P_1 C_1$ - RDI 6.3, $C_1 O_1$ - RDI 8.6) than do personnel executives and operating executives in large firms.

(2) Chief executives, compared with personnel executives and operating executives, generally indicate more emphasis on improvement in human relations

($P_{\underline{s}C_{\underline{s}}}$ - RDI 15.5, $C_{\underline{s}O_{\underline{s}}}$ - RDI 7.7, $P_{\underline{1}C_{\underline{1}}}$ - RDI 18.4, $C_{\underline{1}O_{\underline{1}}}$ - RDI 16.2). In small firms, operating executives mention human relations moderately more than do personnel executives ($P_{\underline{s}O_{\underline{s}}}$ - RDI 7.8).

(3) Personnel executives in large and small firms, compared with chief executives and operating executives, place more emphasis on improvement of line management attitudes ($P_{\underline{s}C_{\underline{s}}}$ - RDI 16.1, $P_{\underline{s}O_{\underline{s}}}$ - RDI 13.6, $P_{\underline{1}C_{\underline{1}}}$ - RDI 11.8, $P_{\underline{1}O_{\underline{1}}}$ - RDI 8.2).

(4) In small firms, personnel executives and chief executives place greater emphasis on improvement in the attitude of top management than do operating executives ($P_{\underline{s}O_{\underline{s}}}$ - RDI 11.4, $C_{\underline{s}O_{\underline{s}}}$ - RDI 10.3). In large firms, personnel executives place more emphasis on improvement of top management attitude, compared with chief executives and operating executives ($P_{\underline{1}C_{\underline{1}}}$ - RDI 12.6, $P_{\underline{1}O_{\underline{1}}}$ - RDI 6.6). Operating executives, however, are moderately more inclined to mention this factor than are chief executives ($C_{\underline{1}O_{\underline{1}}}$ - RDI 6.0).

(5) Operating executives in both size groups place greater emphasis on a better record of the personnel department than do personnel executives and chief executives ($P_{\underline{s}O_{\underline{s}}}$ - RDI 19.4, $C_{\underline{s}O_{\underline{s}}}$ - RDI 28.2, $P_{\underline{1}O_{\underline{1}}}$ - RDI 24.6, $C_{\underline{1}O_{\underline{1}}}$ - RDI 29.8). Personnel executives in both size groups, however, cite this factor moderately

more frequently than do chief executives ($\underline{P_s}C_s$ - RDI 8.8, $\underline{P_1}C_1$ - RDI 5.2).

(6) In small firms, chief executives place moderately more emphasis on changes in organization structure than personnel executives and operating executives do ($\underline{P_s}C_s$ - RDI 5.3, $\underline{C_s}O_s$ - RDI 5.1). In large firms, more emphasis is placed on this factor by personnel executives and chief executives, compared with operating executives ($\underline{P_1}O_1$ - RDI 7.7, $\underline{C_1}O_1$ - RDI 12.6).

(7) Chief executives in small firms place moderately more emphasis on the fact that the personnel function is new than do personnel executives and operating executives ($\underline{P_s}C_s$ - RDI 5.3, $\underline{C_s}O_s$ - RDI 5.1).

Educational level of personnel executives

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to the educational degrees they have?

Executive comparisons by size of firm

(1) A greater number of personnel executives in small firms, compared with personnel executives in large firms, report having only a bachelor's degree ($\underline{P_s}P_1$ - RDI 12.8). On the other hand, a greater number of personnel executives in large firms report having a law degree ($\underline{P_s}P_1$ - RDI 13.2).

Table D.19 Factors accounting for relations between the personnel department and other departments in the firm, by size of firm

	Executive Interaction Comparisons					
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Company attitudes	--	--	--	$C_1(6.3)$	--	$C_1(8.6)$
Improved human relations	$C_s(15.5)$	$O_s(7.8)$	$C_s(7.7)$	$C_1(18.4)$	--	$C_1(16.2)$
Improved line management attitudes	$P_s(16.1)$	$P_s(13.6)$	--	$P_1(11.8)$	$P_1(8.2)$	--
Improved top management attitudes	--	$P_s(11.4)$	$C_s(10.3)$	$P_1(12.6)$	$P_1(6.6)$	$O_1(6.0)$
Better record of personnel department	$P_s(8.8)$	$O_s(19.4)$	$O_s(28.2)$	$P_1(5.2)$	$O_1(24.6)$	$O_1(29.8)$
Changes in organization structure	$C_s(5.3)$	--	$C_s(5.1)$	--	$P_1(7.7)$	$C_1(12.6)$
Personnel is a new function	$C_s(5.3)$	--	$C_s(5.1)$	--	--	--
Personnel function is more important	--	--	--	--	--	--

Table D.20 Educational level of personnel executives, by size of firm

	$P_s P_1$
Bachelor's degree	$P_s(12.8)$
Master's degree	--
Law degree	$P_1(13.2)$
Doctor's degree	--

College major of personnel executives

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to their major in college?

Executive comparisons by size of firm

(1) The personnel executives in small firms report a greater response to the behavioral sciences ($P_s P_1$ - RDI 21.4), whereas the personnel executives in large firms report moderately higher responses to business administration ($P_s P_1$ - RDI 7.5), law ($P_s P_1$ - RDI 6.9), government ($P_s P_1$ - RDI 6.1), and engineering ($P_s P_1$ - RDI 5.1).

Reporting relationships of personnel executives

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to whom they report?

Table D.21 College major of personnel executives, by size of firm

	$P_s P_1$
Business administration	$P_1(7.5)$
Humanities and education	--
Behavioral science	$P_s(21.4)$
Engineering	$P_1(5.1)$
Law	$P_1(6.9)$
Natural science	--
Government	$P_1(6.1)$

Executive comparisons by size of firm

(1) Personnel executives in large firms have more of a tendency to report to the chairman of the board ($P_s P_1$ - RDI 8.8) and to the president ($P_s P_1$ - RDI 14.6), whereas personnel executives in small firms have more of a tendency to report to an executive vice president or group vice president ($P_s P_1$ - RDI 10.4) or a manager or superintendent ($P_s P_1$ - RDI 5.9).

Chief executives who report whether head of personnel is a regular member of the executive committee

(1) What differences, if any, are there among the chief executives in small and large firms with respect to whether they report the head of the personnel function is a regular member of their executive committee?

Table D.22 Reporting relationships of
personnel executives, by size
of firm

	$P_s P_1$
Chairman of the board	$P_1(8.8)$
President	$P_1(14.6)$
Executive vice president or group vice president	$P_s(10.4)$
Treasurer, secretary, or controller	--
Line vice president	--
Staff vice president	--
Manager or superintendent	$P_s(5.9)$

Executive comparisons by size of firm

(1) A moderately higher percentage of chief executives in small firms report that the head of personnel is a regular member of the executive committee ($C_s C_1$ - RDI 6.6), whereas a moderately higher percentage of chief executives in large firms report that the head of personnel is not a regular member of the executive committee ($C_s C_1$ - RDI 6.6).

Table D.23 Chief executives who report whether head of personnel is a regular member of the executive committee, by size of firm

	$C_s C_1$
Yes	$C_s(6.6)$
No	$C_1(6.6)$

Chief executives who expect head of personnel function to participate in some of the executive committee meetings

(1) What differences, if any, are there among the chief executives in small and large firms with respect to whether they expect the head of their personnel function to participate in some of the executive committee meetings?

Executive comparisons by size of firm

(1) A greater percentage of chief executives in large firms expect the head of personnel to participate in some of the executive committee meetings ($C_s C_1$ - RDI 26.8), whereas a greater percentage of chief executives in small firms do not expect the head of personnel to participate in some of the executive committee meetings ($C_s C_1$ - RDI 26.8).

Table D.24 Chief executives who expect head of personnel function to participate in some of the executive committee meetings, by size of firm

	$C_s C_1$
Yes	$C_1(26.8)$
No	$C_s(26.8)$

Management committees of which head of personnel is a member

(1) What differences, if any, are there among the chief executives in small and large firms with respect to the management committees which they report the head of personnel is a member?

Executive comparisons by size of firm

(1) The chief executives in small firms, compared with the chief executives in large firms, respond more to committees related to salary ($C_s C_1$ - RDI 11.6), executive policy ($C_s C_1$ - RDI 8.3), and safety ($C_s C_1$ - RDI 6.8). In contrast, the chief executives in large firms respond more to committees related to employee benefits ($C_s C_1$ - RDI 18.2), human relations ($C_s C_1$ - RDI 8.4) and public relations ($C_s C_1$ - RDI 5.4).

Table D.25 Management committees of which head of personnel is a member, by size of firm

	$C_s C_1$
General management	
Executive policy	$C_s (8.3)$
Long-range planning	--
President's staff	--
Specialized	
Salary	$C_s (11.6)$
Operations	--
Employee benefits	$C_1 (18.2)$
Human relations	$C_1 (8.4)$
Personnel policy	--
Safety	$C_s (6.8)$
Public relations	$C_1 (5.4)$

Number of exempts in personnel department

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to the number of exempts in their department?

Executive comparisons by size of firm

(1) There is a greater tendency for personnel executives in small firms to have less than 5 exempts in their department ($\underline{P_s P_1}$ - RDI 76.5). On the other hand,

there is more of a tendency for personnel executives in large firms to have between 6 and 10 exempts ($P_s P_1$ - RDI 27.0), 11 and 20 exempts ($P_s P_1$ - RDI 19.1), 21 and 30 exempts ($P_s P_1$ - RDI 18.0), and 31 and 50 exempts ($P_s P_1$ - RDI 7.9).

Table D.26 Number of exempts in personnel department, by size of firm

	$P_s P_1$
5 employees or fewer	$P_s(76.5)$
6 to 10 employees	$P_1(27.0)$
11 to 20 employees	$P_1(19.1)$
21 to 30 employees	$P_1(18.0)$
31 to 50 employees	$P_1(7.9)$
51 to 75 employees	--
76 to 100 employees	--
More than 100 employees	--

Number of exempts in personnel
function in firm as a whole

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to the number of exempts in the personnel function in their firm as a whole?

Executive comparisons by size of firm

(1) There is a greater tendency for personnel executives in small firms to have less than 5 exempt employees in the personnel function in their company as a whole ($P_s P_1$ - RDI 81.7). On the other hand, there is more of a tendency for personnel executives in large firms to have between 11 and 20 exempts ($P_s P_1$ - RDI 18.7), 21 and 30 exempts ($P_s P_1$ - RDI 13.3), 31 and 50 exempts ($P_s P_1$ - RDI 19.3), 51 and 75 exempts ($P_s P_1$ - RDI 10.8), 76 and 100 exempts ($P_s P_1$ - RDI 6.6), and over 100 exempts ($P_s P_1$ - RDI 9.8).

Table D.27 Number of exempts in personnel function in firm as a whole, by size of firm

	$P_s P_1$
5 employees or fewer	$P_s(81.7)$
6 to 10 employees	--
11 to 20 employees	$P_1(18.7)$
21 to 30 employees	$P_1(13.3)$
31 to 50 employees	$P_1(19.3)$
51 to 75 employees	$P_1(10.8)$
76 to 100 employees	$P_1(6.6)$
More than 100 employees	$P_1(9.8)$

Current goals of personnel department

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to what they currently regard as the main basic goals of their department?

Executive comparisons by size of firm

(1) Personnel executives in small firms are moderately more interested in improving relationships with top management as a goal than are the personnel executives in large firms ($P_s P_l$ - RDI 5.3).

Table D.28 Current goals of personnel department, by size of firm

	$P_s P_l$
Programs	--
Manpower development	--
Human relations	--
Labor relations	--
Economic: productivity and efficiency	--
Firm	--
Employees	--
Personnel department	--
Organization planning and design	--
Personnel policies	--
Improve relationships with top management	$P_s (5.3)$

Most time-consuming activities
and concerns of the executives
during the past two years

(1) What differences, if any, are there among personnel executives in small and large firms regarding the personnel activities which have taken the greatest amounts of their time?

(2) What differences, if any, are there among chief executives in small and large firms regarding the personnel activities which have taken the greatest amounts of their time?

(3) What differences, if any, are there among operating executives in small and large firms regarding the personnel activities which have taken the greatest amounts of their time?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to the personnel activities which have taken the greatest amounts of their time?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to the personnel activities which have taken the greatest amounts of their time?

Executive comparisons by size of firm

(1) Personnel executives in small firms spend moderately more time with activities related to administering the personnel department ($P_s P_1$ - RDI 8.5) and personnel policies ($P_s P_1$ - RDI 5.7). On the other hand, personnel executives in large firms indicate that they spend moderately more time on matters related to

organization planning ($P_s P_{\underline{1}}$ - RDI 8.8) and labor relations ($P_s P_{\underline{1}}$ - RDI 5.1).

(2) Chief executives in small firms indicate that they spend a greater amount of time on labor relations ($C_s C_{\underline{1}}$ - RDI 12.2) and moderately more time with other miscellaneous activities ($C_s C_{\underline{1}}$ - RDI 9.7) compared with chief executives in large firms. The latter group reports spending a greater amount of time dealing with personnel techniques ($C_s C_{\underline{1}}$ - RDI 15.2) and moderately more time on organization planning ($C_s C_{\underline{1}}$ - RDI 6.6) and personnel policies ($C_s C_{\underline{1}}$ - RDI 6.0).

(3) Operating executives in small firms spend moderately more time in the area of labor relations ($O_s O_{\underline{1}}$ - RDI 9.0), while operating executives in large firms indicate that they spend a greater amount of time on organization planning ($O_s O_{\underline{1}}$ - RDI 10.0).

Executive interaction comparisons

(1) Personnel executives in general spend a greater amount of time on labor relations matters than chief executives and operating executives do ($P_s C_s$ - RDI 10.8, $P_{\underline{1}} C_{\underline{1}}$ - RDI 28.1, $P_s O_s$ - RDI 19.8, $P_{\underline{1}} O_{\underline{1}}$ - RDI 33.9). Chief executives in general devote moderately more time to labor relations than operating executives do ($C_s O_s$ - RDI 9.0, $C_{\underline{1}} O_{\underline{1}}$ - RDI 5.8).

(2) Personnel executives in general indicate spending a greater amount of time on administrative

Table D.29 Most time-consuming activities and concerns of the executives during the past two years, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_l$	$C_s C_l$	$O_s O_l$
Labor relations	$P_l(5.1)$	$C_s(12.2)$	$O_s(9.0)$
Departmental administration	$P_s(8.5)$	--	--
Personnel techniques	--	$C_l(15.2)$	--
Personnel policies	$P_s(5.7)$	$C_l(6.0)$	--
Organization planning and design	$P_l(8.8)$	$C_l(6.6)$	$O_l(10.0)$
Human relations and employee welfare	--	--	--
Economic problems of company	--	--	--
Other	--	$C_s(9.7)$	--

matters related to the personnel department, when compared with chief executives and operating executives ($\underline{P_s C_s}$ - RDI 25.0, $\underline{P_l C_l}$ - RDI 14.4, $\underline{P_s O_s}$ - RDI 25.0, $\underline{P_l O_l}$ - RDI 16.5).

(3) Operating executives in general devote a greater amount of time to personnel techniques than do chief executives and personnel executives ($\underline{P_s O_s}$ - RDI 42.4, $\underline{C_s O_s}$ - RDI 39.7, $\underline{P_l O_l}$ - RDI 34.7, $\underline{C_l O_l}$ - RDI 17.8). Chief executives in large firms report

spending a greater amount of time on personnel techniques than personnel executives in large firms do (P_1C_1 - RDI 16.9).

(4) Personnel executives in small firms spend moderately more time on matters related to personnel policies than chief executives and operating executives in small firms do (P_sC_s - RDI 6.9, P_sO_s - RDI 8.9).

(5) Chief executives and operating executives in general spend a greater amount of time on organization planning than do personnel executives (P_sC_s - RDI 19.3, P_sO_s - RDI 19.4, P_1C_1 - RDI 14.6, P_1O_1 - RDI 18.1).

(6) Chief executives in small firms spend moderately more time on matters related to human relations and employee welfare than operating executives do (C_sO_s - RDI 6.5).

(7) Chief executives in small firms indicate spending a greater amount of time on economic problems of the company than do personnel executives and operating executives (P_sC_s - RDI 11.2, C_sO_s - RDI 12.9). In large firms, the chief executives report devoting moderately more time to economic problems than do the personnel executives (P_1C_1 - RDI 7.3).

(8) Chief executives in small firms indicate that they spend moderately more time with other miscellaneous activities when compared to personnel executives

Table D.30 Most time-consuming activities and concerns of the executives during the past two years, by size of firm

	Executive Interaction Comparisons					
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Labor relations	$P_s(10.8)$	$P_s(19.8)$	$C_s(9.0)$	$P_1(28.1)$	$P_1(33.9)$	$C_1(5.8)$
Departmental administration	$P_s(25.0)$	$P_s(25.0)$	--	$P_1(14.4)$	$P_1(16.5)$	--
Personnel techniques	--	$O_s(42.4)$	$O_s(39.7)$	$C_1(16.9)$	$O_1(34.7)$	$O_1(17.8)$
Personnel policies	$P_s(6.9)$	$P_s(8.9)$	--	--	--	--
Organization planning and design	$C_s(19.3)$	$O_s(19.4)$	--	$C_1(14.6)$	$O_1(18.1)$	--
Human relations and employee welfare	--	--	$C_s(6.5)$	--	--	--
Economic problems of company	$C_s(11.2)$	--	$C_s(12.9)$	$C_1(7.3)$	--	--
Other	$C_s(6.4)$	--	$C_s(9.7)$	--	--	--

and operating executives in the same size group ($P_s C_s$ - RDI 6.4, $C_s O_s$ - RDI 9.7).

Changes in executives' expectations
of personnel management during
the past five years

(1) What differences, if any, are there among personnel executives in small and large firms regarding how they feel the expectations of their top executives changed within the last five years with respect to personnel management?

(2) What differences, if any, are there among chief executives in small and large firms with respect to changes in their expectations of personnel management during the past five years?

(3) What differences, if any, are there among operating executives in small and large firms with respect to changes in their expectations of personnel management during the past five years?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to changes in expectations of personnel management during the past five years?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to changes in expectations of personnel management during the past five years?

Executive comparisons by size of firm

(1) Personnel executives in small firms have a greater tendency not to perceive any changes in their expectations ($P_s P_1$ - RDI 17.1), whereas personnel executives in large firms have a greater tendency to

expect changes in the results of the personnel department ($P_{\underline{s}P_1}$ - RDI 16.2).

(2) Chief executives in small firms have a greater tendency to expect changes in personnel techniques than do chief executives in large firms ($C_{\underline{s}C_1}$ - RDI 10.2). They also report a moderately higher response to better understanding, respect, influence, participation, and cooperation ($C_{\underline{s}C_1}$ - RDI 5.2). In turn, chief executives in large firms provide a moderately higher response to expecting better results from the personnel department ($C_{\underline{s}C_1}$ - RDI 9.3) and no changes in their expectations ($C_{\underline{s}C_1}$ - RDI 6.5).

(3) Operating executives in small firms report a greater response to no changes ($O_{\underline{s}O_1}$ - RDI 17.0), whereas operating executives in large firms indicate a greater response to expecting better understanding, respect, influence, participation, and cooperation ($O_{\underline{s}O_1}$ - RDI 11.3).

Executive interaction comparisons

(1) Personnel executives in small firms place moderately more emphasis on expecting better understanding, respect, influence, participation, and cooperation than do chief executives and operating executives in small firms ($P_{\underline{s}C_s}$ - RDI 9.8, $P_{\underline{s}O_s}$ - RDI 5.5). At the same time, personnel executives and operating executives in large firms place greater emphasis on

Table D.31 Changes in executives' expectations of personnel management during the past five years, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_1$	$C_s C_1$	$O_s O_1$
Better understanding, respect, influence, participation, or cooperation	--	$C_s(5.2)$	$O_1(11.3)$
More or better results from department	$P_1(16.2)$	$C_1(9.3)$	--
More emphasis on or acceptance of per- sonnel techniques	--	$C_s(10.2)$	--
No changes perceived	$P_s(17.1)$	$C_1(6.5)$	$O_s(17.0)$

the above change in expectations than chief executives in large firms do ($\underline{P_1 C_1}$ - RDI 15.9, $\underline{C_1 O_1}$ - RDI 20.8).

(2) Personnel executives in general report more response to expecting more and better results from the personnel department when compared with chief executives and operating executives ($\underline{P_s C_s}$ - RDI 16.1, $\underline{P_s O_s}$ - RDI 9.9, $\underline{P_1 C_1}$ - RDI 23.0, $\underline{P_1 O_1}$ - RDI 24.4).

Operating executives in small firms place moderately more emphasis on the above change in expectations than chief executives in small firms do ($\underline{C_s O_s}$ - RDI 6.2).

(3) Chief executives in small firms report a greater response to expecting changes in the acceptance of personnel techniques than do personnel executives or operating executives in small firms (P_{sC_s} - RDI 11.2, C_{sO_s} - RDI 13.0).

(4) When compared to personnel executives, a greater percentage of chief executives and operating executives in both small and large firms report no changes in their expectations (P_{sC_s} - RDI 14.4, P_{sO_s} - RDI 17.1, P_{lC_l} - RDI 38.0, P_{lO_l} - RDI 17.2). Chief executives in large firms indicate a greater response to no changes in expectations than do operating executives in large firms (C_{lO_l} - RDI 20.8).

Improvements in results or effectiveness
of personnel management desired by
executives for the next five years

(1) What differences, if any, are there among personnel executives in small and large firms with respect to improvements in the personnel function which they want to make in the future?

(2) What differences, if any, are there among chief executives in small and large firms with respect to improvements in the personnel function which they want the personnel department to make in the future?

(3) What differences, if any, are there among operating executives in small and large firms with respect to improvements in the personnel function which they want the personnel department to make in the future?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with

Table D.32 Changes in executives' expectations of personnel management during the past five years, by size of firm

	Executive Interaction Comparisons					
	P _s C _s	P _s O _s	C _s O _s	P ₁ C ₁	P ₁ O ₁	C ₁ O ₁
Better understanding, respect, influence, participation, or cooperation	P _s (9.8)	P _s (5.5)	--	P ₁ (15.9)	--	O ₁ (20.8)
More or better results from department	P _s (16.1)	P _s (9.9)	O _s (6.2)	P ₁ (23.0)	P ₁ (24.4)	--
More emphasis on or acceptance of personnel techniques	C _s (11.2)	--	C _s (13.0)	--	--	--
No changes perceived	C _s (14.4)	O _s (17.1)	--	C ₁ (38.0)	O ₁ (17.2)	C ₁ (20.8)

respect to improvements in the personnel function which they want to make in the future?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to improvements in the personnel function which they want to make in the future?

Executive comparisons by size of firm

(1) Personnel executives in small firms are moderately more concerned about improving economic productivity and efficiency in general ($\underline{P_s}P_1$ - RDI 6.2) and improving productivity and efficiency of employees in particular ($\underline{P_s}P_1$ - RDI 7.8) than are the personnel executives in large firms. On the other hand, personnel executives in large firms indicate moderately more interest in improving manpower development programs ($\underline{P_s}P_1$ - RDI 7.1) and organization planning ($\underline{P_s}P_1$ - RDI 5.4).

(2) Chief executives in small firms express moderately more concern for improving the area of organization planning than do chief executives in large firms ($\underline{C_s}C_1$ - RDI 6.4). Chief executives in large firms, on the other hand, are moderately more interested in improving relationships between the personnel department and line and top management ($\underline{C_s}C_1$ - RDI 6.5).

(3) When compared with operating executives in large firms, operating executives in small firms

indicate greater interest in the improvements of personnel programs in general ($O_{s\underline{O}_1}$ - RDI 11.3). In particular, they are moderately more concerned about improving programs related to manpower development ($O_{s\underline{O}_1}$ - RDI 5.3). The operating executives in large firms are moderately more interested in improving economic productivity and efficiency in general ($O_{s\underline{O}_1}$ - RDI 6.4), and especially the productivity and efficiency of the employees ($O_{s\underline{O}_1}$ - RDI 5.3). They also express moderately more concern for making improvements in the area of organization planning ($O_{s\underline{O}_1}$ - RDI 5.4).

Executive interaction comparisons

(1) In general chief executives and operating executives indicate more response to seeking improvements in personnel programs than do personnel executives ($P_{s\underline{C}_s}$ - RDI 15.2, $P_{s\underline{O}_s}$ - RDI 23.6, $P_{1\underline{C}_1}$ - RDI 15.5, $P_{1\underline{O}_1}$ - RDI 9.7). In addition, operating executives in small firms express moderately more concern for improving personnel programs than chief executives in small firms do ($C_{s\underline{O}_s}$ - RDI 8.4). Conversely, chief executives in large firms are moderately more interested in improving personnel programs than are the operating executives in large firms ($C_{1\underline{O}_1}$ - RDI 5.8).

(2) Chief executives and operating executives in general express greater interest in seeking improvements

Table D.33 Improvements in results or effectiveness of personnel management desired by executives for the next five years, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_l$	$C_s C_l$	$O_s O_l$
Programs	--	--	$O_s(11.3)$
Manpower development	$P_l(7.1)$	--	$O_s(5.3)$
Human relations	--	--	--
Labor relations	--	--	--
Economic: productivity and efficiency	$P_s(6.2)$	--	$O_l(6.4)$
Firm	--	--	--
Employees	$P_s(7.8)$	--	$O_l(5.3)$
Personnel department	--	--	--
Organization planning and design	$P_l(5.4)$	$C_s(6.4)$	$O_l(5.4)$
Personnel policies	--	--	--
Improved relationships with top management	--	$C_l(6.5)$	--

in manpower development programs than personnel executives do ($P_s C_s$ - RDI 15.4, $P_s O_s$ - RDI 24.3, $P_l C_l$ - RDI 10.9, $P_l O_l$ - RDI 11.9). At the same time, operating executives in small firms are moderately more concerned about improving manpower programs than chief executives are ($C_s O_s$ - RDI 8.9).

(3) Chief executives in large firms exhibit moderately more concern about improving human relations programs than do operating executives in the same sized firms ($\underline{C}_1 O_1$ - RDI 5.0).

(4) Personnel executives in small and large firms indicate more response to improving economic productivity and efficiency in general than chief executives and operating executives in small and large firms do ($\underline{P}_s C_s$ - RDI 13.9, $\underline{P}_s O_s$ - RDI 21.3, $\underline{P}_1 C_1$ - RDI 6.4, $\underline{P}_1 O_1$ - RDI 9.3). Also, chief executives in small firms, when compared with operating executives in the same sized firms, are moderately more interested in seeking improvement in economic productivity and efficiency ($\underline{C}_s O_s$ - RDI 7.4).

(5) Personnel executives and chief executives in small firms report greater interest in improving the economic productivity and efficiency of employees than operating executives in small firms do ($\underline{P}_s O_s$ - RDI 13.4, $\underline{C}_s O_s$ - RDI 10.0).

(6) Personnel executives in small firms express more interest in improving the economic productivity and efficiency of the personnel department compared with chief executives and operating executives ($\underline{P}_s C_s$ - RDI 11.2, $\underline{P}_s O_s$ - RDI 5.0). Operating executives in small firms, however, are moderately more concerned about improving the personnel department than the chief

executives in small firms are ($C_{\underline{s}}O_{\underline{s}}$ - RDI 6.2).

Personnel executives in large firms exhibit moderately more concern for improving the personnel department than do chief executives in large firms ($P_{\underline{1}}C_{\underline{1}}$ - RDI 8.1).

(7) Chief executives in small firms are moderately more concerned about improving organization planning and design than are personnel executives and operating executives ($P_{\underline{s}}C_{\underline{s}}$ - RDI 5.4, $C_{\underline{s}}O_{\underline{s}}$ - RDI 6.4). The reverse holds true for large firms ($P_{\underline{1}}C_{\underline{1}}$ - RDI 6.4, $C_{\underline{1}}O_{\underline{1}}$ - RDI 5.4).

(8) Operating executives in large firms express moderately more interest in improving personnel policies than do personnel executives and chief executives in large firms ($P_{\underline{1}}O_{\underline{1}}$ - RDI 5.6, $C_{\underline{1}}O_{\underline{1}}$ - RDI 5.9).

(9) Personnel executives in small firms, when compared with chief executives in the same sized firms, display a greater interest in improving relationships with top management ($P_{\underline{s}}C_{\underline{s}}$ - RDI 16.5). Personnel executives in large firms are moderately more interested in improving relationships with top management than are operating executives in large firms ($P_{\underline{1}}O_{\underline{1}}$ - RDI 5.4).

Factors that personnel executives believe inhibit their effectiveness

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to factors which they believe inhibit their effectiveness?

Table D.34 Improvements in results or effectiveness of personnel management desired by executives for next five years, by size of firm

Executive Interaction Comparisons						
	P _s C _s	P _s O _s	C _s O _s	P ₁ C ₁	P ₁ O ₁	C ₁ O ₁
Programs	C _s (15.2)	O _s (23.6)	O _s (8.4)	C ₁ (15.5)	O ₁ (9.7)	C ₁ (5.8)
Manpower development	C _s (15.4)	O _s (24.3)	O _s (8.9)	C ₁ (10.9)	O ₁ (11.9)	--
Human relations	--	--	--	--	--	C ₁ (5.0)
Labor relations	--	--	--	--	--	--
Economic: productivity and efficiency	P _s (13.9)	P _s (21.3)	C _s (7.4)	P ₁ (6.4)	P ₁ (9.3)	--
Firm	--	--	--	--	--	--
Employees	--	P _s (13.4)	C _s (10.0)	--	--	--
Personnel department	P _s (11.2)	P _s (5.0)	O _s (6.2)	P ₁ (8.1)	--	--
Organization planning and design	C _s (5.4)	--	C _s (6.4)	P ₁ (6.4)	--	O ₁ (5.4)
Personnel policies	--	--	--	--	O ₁ (5.6)	O ₁ (5.9)
Improved relationships with top management	P _s (16.5)	--	--	--	P ₁ (5.4)	--

Executive comparisons by size of firm

(1) Personnel executives in small firms place greater emphasis on poorly trained personnel workers ($P_s P_1$ - RDI 12.3), whereas personnel executives in large firms place moderately more emphasis on lack of access to or acceptance by top management ($P_s P_1$ - RDI 7.2).

Table D.35 Factors that personnel executives believe inhibit their effectiveness, by size of firm

	$P_s P_1$
Pressure of details	--
Poorly trained or insufficient numbers of personnel workers	$P_s(12.3)$
Lack of access to or acceptance by top management	$P_1(7.2)$
Personal limitations	--
Lack of line management acceptance or understanding	--
Bureaucratic factors in firm	--
Lack of funds or resources	--

Executives who are critical of the field of personnel management and executives who are not critical of the field of personnel management

(1) What differences, if any, are there among the personnel executives in small and large firms regarding those who are critical

of the field of personnel management compared with those who are not critical of the field of personnel management?

(2) What differences, if any, are there among the chief executives in small and large firms regarding those who are critical of the field of personnel management compared with those who are not critical of the field of personnel management?

(3) What differences, if any, are there among the operating executives in small and large firms regarding those who are critical of the field of personnel management compared with those who are not critical of the field of personnel management?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to those who are critical of the field of personnel management and those who are not critical of the field of personnel management?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to those who are critical of the field of personnel management and those who are not critical of the field of personnel management?

Executive comparisons by size of firm

(1) The personnel executives in small firms gave a greater response to not being critical ($P_s P_1$ - RDI 11.6), whereas the personnel executives in large firms gave a greater response to being critical ($P_s P_1$ - RDI 11.6).

Executive interaction comparisons

(1) In general, personnel executives are more critical of the field of personnel management than are

Table D.36 Executives who are critical of the field of personnel management and executives who are not critical of the field of personnel management, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_1$	$C_s C_1$	$O_s O_1$
Critical	$P_1(11.6)$	--	--
Not critical	$P_s(11.6)$	--	--

chief executives and operating executives ($P_s C_s$ - RDI 6.9, $P_s O_s$ - RDI 22.3, $P_1 C_1$ - RDI 18.0, $P_1 O_1$ - RDI 31.2). However, chief executives generally display greater criticism of the field than operating executives do ($C_s O_s$ - RDI 15.4, $C_1 O_1$ - RDI 13.2).

(2) In general, chief executives and operating executives are more reluctant to make any criticisms of the field of personnel management ($P_s C_s$ - RDI 6.9, $P_s O_s$ - RDI 22.3, $P_1 C_1$ - RDI 18.0, $P_1 O_1$ - RDI 31.2). Operating executives, however, generally display greater reluctance to make any criticisms of the field ($C_s O_s$ - RDI 15.4, $C_1 O_1$ - RDI 13.2).

Criticisms or reservations of the
field of personnel management
made by executives

(1) What differences, if any, are there among the personnel executives in small and large firms regarding criticisms of the field of personnel management?

Table D.37 Executives who are critical of the field of personnel management and executives who are not critical of the field of personnel management, by size of firm

Executive Interaction Comparisons						
	P _s C _s	P _s O _s	C _s O _s	P ₁ C ₁	P ₁ O ₁	C ₁ O ₁
Critical	P _s (6.9)	P _s (22.3)	C _s (15.4)	P ₁ (18.0)	P ₁ (31.2)	C ₁ (13.2)
Not critical	C _s (6.9)	O _s (22.3)	O _s (15.4)	C ₁ (18.0)	O ₁ (31.2)	O ₁ (13.2)

(2) What differences, if any, are there among the chief executives in small and large firms regarding criticisms of the field of personnel management?

(3) What differences, if any, are there among the operating executives in small and large firms regarding criticisms of the field of personnel management?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to their criticisms of the field of personnel management?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to their criticisms of the field of personnel management?

Executive comparisons by size of firm

(1) Personnel executives in small firms express greater criticism over lack of recognition and acceptance ($P_s P_1$ - RDI 12.4) and moderately more criticism concerning the pressure of details ($P_s P_1$ - RDI 5.9), whereas personnel executives in large firms are moderately more critical of too much emphasis on techniques ($P_s P_1$ - RDI 6.8).

(2) When compared with chief executives in large firms, chief executives in small firms exhibit greater criticism over inadequate resources ($C_s C_1$ - RDI 15.0) and moderately more criticism over lack of recognition and respect ($C_s C_1$ - RDI 7.1). On the other hand, chief executives in large firms display greater criticism

over lack of line or general management experience on the part of personnel managers ($C_s C_1$ - RDI 11.6).

(3) Operating executives in small firms indicate greater criticism over pressure of details ($O_s O_1$ - RDI 10.0) and moderately more criticism over lack of recognition or acceptance ($O_s O_1$ - RDI 6.0). Operating executives in large firms are moderately more critical of too much emphasis being placed on techniques ($O_s O_1$ - RDI 8.0).

Executive interaction comparisons

(1) Personnel executives and operating executives in general express greater criticism about weaknesses of the personnel department compared with chief executives ($P_s C_s$ - RDI 23.2, $C_s O_s$ - RDI 25.7, $P_1 C_1$ - RDI 28.3, $C_1 O_1$ - RDI 30.4).

(2) Personnel executives in general indicate greater criticism over lack of recognition and respect than do chief executives and operating executives ($P_s C_s$ - RDI 22.9, $P_s O_s$ - RDI 20.0, $P_1 C_1$ - RDI 17.6, $P_1 O_1$ - RDI 13.6).

(3) When compared to chief executives in small firms, personnel executives and operating executives in the same sized firms show greater criticism over pressure of details ($P_s C_s$ - RDI 10.0, $C_s O_s$ - RDI 10.0).

(4) Chief executives in general express greater criticism over inadequate resources than personnel

Table D.38 Criticisms or reservations of the field of personnel management made by executives, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_l$	$C_s C_l$	$O_s O_l$
Department's own weaknesses	--	--	--
Lack of recognition and acceptance	$P_s(12.4)$	$C_s(7.1)$	$O_s(6.0)$
No future for advancement	--	--	--
Pressure of details	$P_s(5.9)$	--	$O_s(10.0)$
Lack of resources	--	$C_s(15.0)$	--
No basis for evaluating progress	--	--	--
Too much emphasis on techniques	$P_l(6.8)$	--	$O_l(8.0)$
Poor public relations	--	--	--
Lack of line or general management knowledge by personnel executives	--	$C_l(11.6)$	--

executives and operating executives do ($P_s C_s$ - RDI 28.6, $C_s O_s$ - RDI 28.6, $P_l C_l$ - RDI 12.2, $C_l O_l$ - RDI 13.6).

(5) Chief executives in small firms are moderately more critical about too much emphasis on techniques compared with personnel executives and operating

executives in small firms ($P_{\underline{s}C_{\underline{s}}}$ - RDI 7.1, $C_{\underline{s}O_{\underline{s}}}$ - RDI 7.1).

(6) When compared with chief executives and operating executives, personnel executives, in general, display greater criticism over poor public relations ($P_{\underline{s}C_{\underline{s}}}$ - RDI 20.0, $P_{\underline{s}O_{\underline{s}}}$ - RDI 20.0, $P_{\underline{1}C_{\underline{1}}}$ - RDI 24.3, $P_{\underline{1}O_{\underline{1}}}$ - RDI 24.3).

(7) In general, chief executives and operating executives report greater criticism concerning lack of line or general knowledge by personnel executives than personnel executives do ($P_{\underline{s}C_{\underline{s}}}$ - RDI 42.9, $P_{\underline{s}O_{\underline{s}}}$ - RDI 40.0, $P_{\underline{1}C_{\underline{1}}}$ - RDI 54.5, $P_{\underline{1}O_{\underline{1}}}$ - RDI 40.0). In addition, chief executives in large firms display greater criticism over this factor than operating executives in the same sized firms do ($C_{\underline{1}O_{\underline{1}}}$ - RDI 14.5).

Areas in which personnel department
assisted operating executives
during the past two years

(1) What differences, if any, are there among the operating executives in small and large firms with respect to how they believe the personnel department has assisted them in dealing with concerns of personnel management which have occupied most of their time within the last two years?

Executive comparisons by size of firm

(1) Operating executives in small organizations place moderately more emphasis on receiving assistance from the personnel department on matters related to

Table D.39 Criticisms or reservations of the field of personnel management made by executives, by size of firm

	Executive Interaction Comparisons					
	P _s C _s	P _s O _s	C _s O _s	P ₁ C ₁	P ₁ O ₁	C ₁ O ₁
Department's own weaknesses	P _s (23.2)	--	O _s (25.7)	P ₁ (28.3)	--	O ₁ (30.4)
Lack of recognition and acceptance	P _s (22.9)	P _s (20.0)	--	P ₁ (17.6)	P ₁ (13.6)	--
No future for advancement	--	--	--	--	--	--
Pressure of details	P _s (10.0)	--	O _s (10.0)	--	--	--
Lack of resources	C _s (28.6)	--	C _s (28.6)	C ₁ (12.2)	--	C ₁ (13.6)
No basis for evaluating progress	--	--	--	--	--	--

Table D.39--continued

	Executive Interaction Comparisons					
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Too much emphasis on techniques	$C_s(7.1)$	--	$C_s(7.1)$	--	--	--
Poor public relations	$P_s(20.0)$	$P_s(20.0)$	--	$P_1(24.3)$	$P_1(24.3)$	--
Lack of line or general management knowledge by personnel executives	$C_s(42.9)$	$O_s(40.0)$	--	$C_1(54.5)$	$O_1(40.0)$	$C_1(14.5)$

wage and salary administration ($O_s O_1$ - RDI 7.7),
 whereas operating executives in large firms place
 greater emphasis on receiving advice, counsel, and
 direct assistance ($O_s O_1$ - RDI 15.2).

Table D.40 Areas in which personnel department assisted operating executives during the past two years, by size of firm

	$O_s O_1$
Advice and counsel	$O_1(15.2)$
Information and research	--
Manpower acquisition and development	--
Labor relations	--
Human relations problems	--
Wages, salaries, benefits	$O_s(7.7)$
Improving and developing policies	--
Organization planning	--

Operating executives who report that there are areas in which they are not getting sufficient help from their personnel departments and operating executives who report that there are no areas in which they want more help from their personnel departments

(1) What differences, if any, are there among operating executives in small and large firms with respect to those who report there are areas in which they are not getting

sufficient help from their personnel departments compared with those who report that there are no areas in which they want more help from their personnel departments?

Executive comparisons by size of firm

(1) Operating executives in small firms are moderately more inclined to report that there are no areas in which they want more help ($O_s O_1$ - RDI 9.1), whereas operating executives in large firms are moderately more inclined to report that there are areas in which they are not getting sufficient help ($O_s O_1$ - RDI 9.1).

Table D.41 Operating executives who report that there are areas in which they are not getting sufficient help from their personnel departments and operating executives who report that there are no areas in which they want more help from their personnel departments, by size of firm

	$O_s O_1$
Areas	$O_1(9.1)$
No areas	$O_s(9.1)$

Areas in which operating executives receive insufficient help from their personnel departments

(1) What differences, if any, are there among operating executives in small and large firms with respect to any areas in which they

believe they do not receive enough help from their personnel department?

Executive comparisons by size of firm

(1) Operating executives in small firms place moderately more emphasis on not receiving enough help from the personnel department in the areas of motivation, morale, and human relations ($O_s O_1$ - RDI 16.2), whereas operating executives in large firms place moderately more emphasis on problems of organization planning and design ($O_s O_1$ - RDI 7.9), employment programs and problems ($O_s O_1$ - RDI 9.9), and labor relations ($O_s O_1$ - RDI 5.3).

Table D.42 Areas in which operating executives receive insufficient help from their personnel departments, by size of firm

	$O_s O_1$
Improving or administering policies, planning, or research	--
Problems of organization planning and design	O_1 (7.9)
Employment programs and problems	O_1 (9.9)
Problems of motivation, morale, and human relations	O_s (16.2)
Executive development and employee training and appraisal	--
Labor relations, grievances, and disciplinary action	O_1 (5.3)
Economic problems: wages, salaries, pensions, safety	--

Additional areas of knowledge and training needed by personnel executives to meet present standards

(1) What differences, if any, are there among personnel executives in small and large firms regarding additional knowledge and training they feel they need to meet present standards?

(2) What differences, if any, are there among chief executives in small and large firms regarding additional knowledge and training they feel personnel executives need to meet present standards?

(3) What differences, if any, are there among operating executives in small and large firms regarding additional knowledge and training they feel personnel executives need to meet present standards?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to additional knowledge and training they feel personnel executives need to meet present standards?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to additional knowledge and training they feel personnel executives need to meet present standards?

Executive comparisons by size of firm

(1) Personnel executives in small firms place greater emphasis on acquiring more knowledge about labor relations (P_{sP_1} - RDI 13.0), whereas personnel executives in large firms mention with greater frequency the need for quantitative skills (P_{sP_1} - RDI 11.2).

(2) Chief executives in small firms place greater emphasis on having personnel executives improve their understanding of new personnel techniques ($C_s C_1$ - RDI 15.9) and moderately more emphasis on gaining additional information about labor relations ($C_s C_1$ - RDI 7.6).

Chief executives in large firms provide greater emphasis on personnel executives developing more insight into the behavioral sciences ($C_s C_1$ - RDI 15.6) and moderately more concern about acquiring additional line or general management experience ($C_s C_1$ - RDI 6.4) and fringe benefits knowledge ($C_s C_1$ - RDI 5.3).

(3) Operating executives in small firms display greater concern for personnel executives acquiring knowledge about labor relations ($O_s O_1$ - RDI 21.2) and new personnel techniques ($O_s O_1$ - RDI 17.6), and moderately more concern for acquiring behavioral science knowledge ($O_s O_1$ - RDI 7.7).

Operating executives in large firms place greater emphasis on personnel executives acquiring more line or general management experience ($O_s O_1$ - RDI 36.9).

Executive interaction comparisons

(1) The need for personnel executives to have more knowledge about quantitative skills is mentioned moderately more often by chief executives in small

Table D.43 Additional areas of knowledge and training needed by personnel executives to meet present standards, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_l$	$C_s C_l$	$O_s O_l$
Quantitative skills	$P_l(11.2)$	--	--
Labor relations skills	$P_s(13.0)$	$C_s(7.6)$	$O_s(21.2)$
Behavioral science knowledge	--	$C_l(15.6)$	$O_s(7.7)$
Line or general management knowledge	--	$C_l(6.4)$	$O_l(36.9)$
Fringe benefits knowledge	--	$C_l(5.3)$	--
New personnel techniques	--	$C_s(15.9)$	$O_s(17.6)$

firms than personnel executives and operating executives in the same sized firms ($P_s C_s$ - RDI 6.6, $C_s O_s$ - RDI 8.3). Personnel executives in large firms stress the above factor moderately more than chief executives and operating executives in large firms do ($P_l C_l$ - RDI 8.4, $P_l O_l$ - RDI 8.1).

(2) Operating executives in small firms express greater concern over personnel executives acquiring additional knowledge about labor relations than do personnel executives and chief executives in small firms ($P_s O_s$ - RDI 10.8, $C_s O_s$ - RDI 14.1).

(3) Chief executives in small firms express more concern than personnel executives and operating executives about the need for personnel executives to have a better understanding of the behavioral sciences ($P_{\underline{s}C_{\underline{s}}}$ - RDI 5.8, $C_{\underline{s}O_{\underline{s}}}$ - RDI 13.1). Personnel executives in small firms place moderately more stress on this factor than do operating executives in small firms ($P_{\underline{s}O_{\underline{s}}}$ - RDI 7.3). The same results are noticed in large firms ($P_{\underline{1}C_{\underline{1}}}$ - RDI 21.1, $C_{\underline{1}O_{\underline{1}}}$ - RDI 36.4, $P_{\underline{1}O_{\underline{1}}}$ - RDI 15.0).

(4) The personnel executives' need for additional line or general management experience is stressed moderately more by chief executives in small firms compared with personnel executives and operating executives in small firms ($P_{\underline{s}C_{\underline{s}}}$ - RDI 9.1, $C_{\underline{s}O_{\underline{s}}}$ - RDI 5.4).

In large firms, operating executives place greater emphasis on the above factor than personnel executives and chief executives do ($P_{\underline{1}O_{\underline{1}}}$ - RDI 38.2, $C_{\underline{1}O_{\underline{1}}}$ - RDI 25.1). Chief executives in large firms indicate greater concern about additional line or general management experience than do personnel executives in large firms ($P_{\underline{1}C_{\underline{1}}}$ - RDI 13.1).

(5) Compared to operating executives in small firms, personnel executives and chief executives express more concern about personnel executives having

a better understanding of fringe benefits ($\underline{P}_s O_s$ - RDI 10.0, $\underline{C}_s O_s$ - RDI 8.3).

That personnel executives should have greater knowledge about the above factor is stated moderately more by chief executives in large firms than personnel executives and operating executives in large firms ($\underline{P}_1 \underline{C}_1$ - RDI 6.5, $\underline{C}_1 O_1$ - RDI 8.8).

(6) The need for personnel executives to have more knowledge about new personnel techniques receives greater attention from personnel executives and operating executives in small firms than from chief executives in the same size firms ($\underline{P}_s \underline{C}_s$ - RDI 16.7, $\underline{C}_s \underline{O}_s$ - RDI 21.2).

Personnel executives in large firms place greater emphasis on the above factor compared with chief executives and operating executives in large firms ($\underline{P}_1 \underline{C}_1$ - RDI 34.4, $\underline{P}_1 O_1$ - RDI 14.9). Chief executives in large firms display greater concern over this matter than operating executives do ($\underline{C}_1 O_1$ - RDI 19.5).

Additional areas of knowledge and training needed by personnel executives to make significant advances in effectiveness

(1) What differences, if any, are there among personnel executives in small and large firms regarding additional knowledge and training they feel they need to make significant future advances?

(2) What differences, if any, are there among chief executives in small and large

Table D.44 Additional areas of knowledge and training needed by personnel executives to meet present standards, by size of firm

	Executive Interaction Comparisons					
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Quantitative skills	$C_s(6.6)$	--	$C_s(8.3)$	$P_1(8.4)$	$P_1(8.1)$	--
Labor relations skills	--	$O_s(10.8)$	$O_s(14.1)$	--	--	--
Behavioral science knowledge	$C_s(5.8)$	$P_s(7.3)$	$C_s(13.1)$	$C_1(21.1)$	$P_1(15.0)$	$C_1(36.4)$
Line or general management knowledge	$C_s(9.1)$	--	$C_s(5.4)$	$C_1(13.1)$	$O_1(38.2)$	$O_1(25.1)$
Fringe benefits knowledge	--	$P_s(10.0)$	$C_s(8.3)$	$C_1(6.5)$	--	$C_1(8.8)$
New personnel techniques	$P_s(16.7)$	--	$O_s(21.2)$	$P_1(34.4)$	$P_1(14.9)$	$O_1(19.5)$

firms regarding additional knowledge and training they feel personnel executives need to make significant future advances?

(3) What differences, if any, are there among operating executives in small and large firms regarding additional knowledge and training they feel personnel executives need to make significant future advances?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to additional knowledge and training they feel personnel executives need to make significant advances in effectiveness?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to additional knowledge and training they feel personnel executives need to make significant advances in effectiveness?

Executive comparisons by size of firm

(1) Personnel executives in small firms emphasize greater concern for acquiring additional line or general management experience ($\underline{P}_s P_1$ - RDI 11.8) and moderately more concern for gaining more information on labor relations ($\underline{P}_s P_1$ - RDI 8.9) and fringe benefits ($\underline{P}_s P_1$ - RDI 7.1). On the other hand, personnel executives in large firms place greater emphasis on areas related to new personnel techniques ($\underline{P}_s P_1$ - RDI 12.4) and behavioral science ($\underline{P}_s P_1$ - RDI 10.8).

(2) The need for the personnel executive to have more line or general management experience receives greater attention from chief executives in small firms

($C_s C_1$ - RDI 15.5). They also are moderately more concerned about the labor relations area ($C_s C_1$ - RDI 6.4).

That personnel executives need to acquire more knowledge about new personnel techniques is stated with greater frequency by chief executives in large firms ($C_s C_1$ - RDI 26.0).

(3) Operating executives in small firms report a greater response to having personnel executives learn more about the behavioral sciences ($O_s O_1$ - RDI 27.0) compared with operating executives in large firms who express greater concern with the area of new personnel techniques ($O_s O_1$ - RDI 15.4).

Table D.45 Additional areas of knowledge and training needed by personnel executives to make significant advances in effectiveness, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_1$	$C_s C_1$	$O_s O_1$
Quantitative skills	--	--	--
Labor relations skills	P_s (8.9)	C_s (6.4)	--
Behavioral science knowledge	P_1 (10.8)	--	O_s (27.0)
Line or general management knowledge	P_s (11.8)	C_s (15.5)	--
Fringe benefits knowledge	P_s (7.1)	--	--
New personnel techniques	P_1 (12.4)	C_1 (26.0)	O_1 (15.4)

Executive interaction comparisons

(1) That personnel executives should improve their quantitative skills is stated moderately more by personnel executives and chief executives in small firms than operating executives in small firms ($\underline{P}_s \underline{O}_s$ - RDI 7.0, $\underline{C}_s \underline{O}_s$ - RDI 5.7).

The improvement of quantitative skills is stressed moderately more by personnel executives in large firms compared with chief executives and operating executives in the same size firms ($\underline{P}_1 \underline{C}_1$ - RDI 9.0, $\underline{P}_1 \underline{O}_1$ - RDI 7.8).

(2) The operating executives in large firms place moderately more emphasis on the need for the personnel executive to gain additional knowledge about labor relations compared to personnel executives and chief executives in large firms ($\underline{P}_1 \underline{O}_1$ - RDI 9.6, $\underline{C}_1 \underline{O}_1$ - RDI 8.3).

(3) The need for personnel executives to acquire knowledge about the behavioral sciences is given greater attention by chief executives and operating executives in small firms than personnel executives in the same size firms ($\underline{P}_s \underline{C}_s$ - RDI 10.3, $\underline{P}_s \underline{O}_s$ - RDI 17.3). Operating executives in small firms are moderately more concerned about this factor than are chief executives ($\underline{C}_s \underline{O}_s$ - RDI 7.0).

Personnel executives and chief executives in large firms place greater emphasis on the behavioral

sciences compared to operating executives in the same firms ($\underline{P_1O_1}$ - RDI 20.5, $\underline{C_1O_1}$ - RDI 18.8).

(4) The need for personnel executives to gain additional line or general management experience receives moderately more attention from chief executives in small firms than personnel executives in small firms ($\underline{P_sC_s}$ - RDI 9.7), and greater attention from chief executives in small firms compared with operating executives in the same size firms ($\underline{C_sO_s}$ - RDI 15.1). Personnel executives in small firms are moderately more concerned about this factor than are operating executives in small firms ($\underline{P_sO_s}$ - RDI 5.4).

Chief executives and operating executives in large firms respond more to the need for more line or general experience than do personnel executives in large firms ($\underline{P_1C_1}$ - RDI 6.0, $\underline{P_1O_1}$ - RDI 10.3).

(5) The personnel executive's need for additional information about fringe benefits is emphasized moderately more by personnel executives in small firms, compared with chief executives and operating executives in the same size firms ($\underline{P_sC_s}$ - RDI 5.4, $\underline{P_sO_s}$ - RDI 7.2).

(6) Operating executives in general place more emphasis on personnel executives acquiring information about new personnel techniques than do personnel executives and chief executives ($\underline{P_sO_s}$ - RDI 5.3, $\underline{C_sO_s}$ - RDI 17.4, $\underline{P_1O_1}$ - RDI 8.3, $\underline{C_1O_1}$ - RDI 6.8). Personnel

Table D.46 Additional areas of knowledge and training needed by personnel executives to make significant advances in effectiveness, by size of firm

	Executive Interaction Comparisons					
	P_{sC_s}	P_{sO_s}	C_{sO_s}	P_{lC_l}	P_{lO_l}	C_{lO_l}
Quantitative skills	--	$P_s(7.0)$	$C_s(5.7)$	$P_l(9.0)$	$P_l(7.8)$	--
Labor relations skills	--	--	--	--	$O_l(9.6)$	$O_l(8.3)$
Behavioral science knowledge	$C_s(10.3)$	$O_s(17.3)$	$O_s(7.0)$	--	$P_l(20.5)$	$C_l(18.8)$
Line or general management knowledge	$C_s(9.7)$	$P_s(5.4)$	$C_s(15.1)$	$C_l(6.0)$	$O_l(10.3)$	--
Fringe benefits knowledge	$P_s(5.4)$	$P_s(7.2)$	--	--	--	--
New personnel techniques	$P_s(12.1)$	$O_s(5.3)$	$O_s(17.4)$	--	$O_l(8.3)$	$O_l(6.8)$

executives in small firms place greater emphasis on new personnel techniques than chief executives do (P_{sC_s} - RDI 12.1).

Main strengths attributed to head of personnel by chief executives and operating executives

(1) What differences, if any, are there among the chief executives in small and large firms with respect to what they consider to be the main strengths the head of personnel brings to his work?

(2) What differences, if any, are there among the operating executives in small and large firms with respect to what they consider to be the main strengths the head of personnel brings to his work?

(3a) What differences, if any, are there between the two types of executives in small firms when their responses are compared with respect to what they consider to be the main strengths which the head of personnel brings to his work?

(3b) What differences, if any, are there between the two types of executives in large firms when their responses are compared with respect to what they consider to be the main strengths which the head of personnel brings to his work?

Executive comparisons by size of firm

(1) The chief executive group in large firms reports a greater response rate to top management view of the company (C_{sC_1} - RDI 26.6), accepts responsibility and seeks challenge (C_{sC_1} - RDI 15.1), decision-making and problem solving (C_{sC_1} - RDI 23.6), background in operating management (C_{sC_1} - RDI 24.4), and

knows what to delegate ($C_{\underline{s}}C_1$ - RDI 14.1). This group also reports moderately more emphasis on profit oriented ($C_{\underline{s}}C_1$ - RDI 7.6). In turn, the chief executive group in small firms places moderately more emphasis on legal-collective bargaining experience ($C_{\underline{s}}C_1$ - RDI 5.6) and getting things done through people with minimum wear and tear ($C_{\underline{s}}C_1$ - RDI 7.1).

(2) Operating executives in large firms, when compared with operating executives in small firms, place greater emphasis on legal or collective bargaining experience ($O_{\underline{s}}O_1$ - RDI 11.9), knows what to delegate ($O_{\underline{s}}O_1$ - RDI 28.2), effective organizer ($O_{\underline{s}}O_1$ - RDI 13.8), accepts responsibility and seeks challenge ($O_{\underline{s}}O_1$ - RDI 16.0), good communicator ($O_{\underline{s}}O_1$ - RDI 13.4), strong executive recruiting abilities and good insight into people ($O_{\underline{s}}O_1$ - RDI 20.6), profit oriented ($O_{\underline{s}}O_1$ - RDI 15.3) and top management view of company's business and interests ($O_{\underline{s}}O_1$ - RDI 17.8). In addition, the operating executives in large firms place moderately more emphasis on background in operating management ($O_{\underline{s}}O_1$ - RDI 9.0), good planner ($O_{\underline{s}}O_1$ - RDI 9.1), ability to get things done through people with minimum wear and tear ($O_{\underline{s}}O_1$ - RDI 8.2), and other miscellaneous strengths ($O_{\underline{s}}O_1$ - RDI 9.6).

Executive interaction comparisons

(1) In general, the operating executives place more emphasis on the personnel executive having a background in operating management ($C_{\underline{s}O_{\underline{s}}}$ - RDI 24.4, $C_{\underline{1}O_{\underline{1}}}$ - RDI 9.0).

(2) Legal or collective bargaining experience ($C_{\underline{s}O_{\underline{s}}}$ - RDI 8.9, $C_{\underline{1}O_{\underline{1}}}$ - RDI 8.6), an effective organizer ($C_{\underline{s}O_{\underline{s}}}$ - RDI 7.3, $C_{\underline{1}O_{\underline{1}}}$ - RDI 7.1), and one who has the ability to get things done through people, with minimum wear and tear ($C_{\underline{s}O_{\underline{s}}}$ - RDI 6.4, $C_{\underline{1}O_{\underline{1}}}$ - RDI 8.9) are strengths mentioned moderately more frequently by chief executives in small firms compared with operating executives in small firms. Similar findings are noted for operating executives in large firms when compared with chief executives in the same size firms.

(3) When compared with operating executives, chief executives mention more frequently those strengths related to strong executive recruiting abilities and good insight into people ($C_{\underline{s}O_{\underline{s}}}$ - RDI 27.1, $C_{\underline{1}O_{\underline{1}}}$ - RDI 8.7) and profit oriented ($C_{\underline{s}O_{\underline{s}}}$ - RDI 14.4, $C_{\underline{1}O_{\underline{1}}}$ - RDI 6.7).

(4) The operating executives in small firms report a greater response to decision-making as a strength, compared to the chief executives in small firms ($C_{\underline{s}O_{\underline{s}}}$ - RDI 12.3). The reverse is indicated for chief

executives in large firms, compared to operating executives in the same sized firms (C_1O_1 - RDI 12.9).

(5) Chief executives in small firms report a greater response to good communicator as a strength than operating executives in the same size firms do (C_sO_s - RDI 12.3) and moderately more response to being a good planner (C_sO_s - RDI 7.4).

(6) The chief executives in large firms place a greater emphasis on their personnel executives having a top management point of view than operating executives in large firms do (C_1O_1 - RDI 11.5).

(7) When compared with chief executives in large firms, operating executives in large firms place greater attention on knowing what to delegate as a strength (C_1O_1 - RDI 18.9) and moderately more emphasis on "other" miscellaneous strengths (C_1O_1 - RDI 5.6).

Quantitative criteria for evaluating
the effectiveness of personnel management

(1) What differences, if any, are there among personnel executives in small and large firms regarding the quantitative criteria which they believe chief executives can use to measure the effectiveness of personnel management?

(2) What differences, if any, are there among chief executives in small and large firms regarding the quantitative criteria they use for evaluating the effectiveness of personnel management?

(3) What differences, if any, are there among operating executives in small and large

Table D.47 Main strengths attributed to head of personnel by chief executives and operating executives, by size of firm

	Executive Comparisons by Size of Firm and Executive Interaction Comparisons			
	$C_s C_1$	$O_s O_1$	$C_s O_s$	$C_1 O_1$
Graduate degree in business administration	--	--	--	--
Background in operating management	$C_1(24.4)$	$O_1(9.0)$	$O_s(24.4)$	$O_1(9.0)$
Legal or collective bargaining experience	$C_s(5.6)$	$O_1(11.9)$	$C_s(8.9)$	$O_1(8.6)$
Good planner	--	$O_1(9.1)$	$C_s(7.4)$	--
Decision maker and problem solving ability	$C_1(23.6)$	--	$O_s(12.3)$	$C_1(12.9)$
Knows what to delegate and what to work on himself	$C_1(14.1)$	$O_1(28.2)$	--	$O_1(18.9)$
Effective organizer	--	$O_1(13.8)$	$C_s(7.3)$	$O_1(7.1)$
Ability to get things done through people with minimum wear and tear	$C_s(7.1)$	$O_1(8.2)$	$C_s(6.4)$	$O_1(8.9)$

Table D.47--continued

	Executive Comparisons by Size of Firm and Executive Interaction Comparisons			
	C_{s1}	O_{s1}	C_{so}	C_{1O1}
Accepts responsibility and challenge	$C_1(15.1)$	$O_1(16.0)$	--	--
Good communicator, able to represent view of management	--	$O_1(13.4)$	$C_s(12.3)$	--
Keep costs in line	--	--	--	--
Strong executive recruiting abilities and good insight into people	--	$O_1(20.6)$	$C_s(27.1)$	$C_1(8.7)$
Profit oriented	$C_1(7.6)$	$O_1(15.3)$	$C_s(14.4)$	$C_1(6.7)$
Has top management view of company's business and interests	$C_1(26.6)$	$O_1(17.8)$	--	$C_1(11.5)$
Other	--	$O_1(9.6)$	--	$O_1(5.6)$

firms regarding the quantitative criteria they use for evaluating the effectiveness of personnel management?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to quantitative criteria for evaluating the effectiveness of personnel management?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to quantitative criteria for evaluating the effectiveness of personnel management?

Executive comparisons by size of firm

(1) Personnel executives in small firms make moderately more use of lower per capita personnel costs as a criterion compared with personnel executives in large firms ($\underline{P}_s P_1$ - RDI 6.4).

(2) Chief executives in small firms tend to mention the use of criteria such as improved absenteeism, turnover, and safety moderately more than chief executives in large firms do ($\underline{C}_s C_1$ - RDI 7.9). The latter group indicates moderately more use of lower manpower costs ($\underline{C}_s \underline{C}_1$ - RDI 8.0) and corporate profit or productivity ($\underline{C}_s \underline{C}_1$ - RDI 7.1) as criteria.

(3) Operating executives in small firms indicate moderately more use of criteria such as improved absenteeism, turnover, and safety ($\underline{O}_s O_1$ - RDI 9.1) and corporate profit or productivity ($\underline{O}_s O_1$ - RDI 8.0),

whereas operating executives in large firms make greater use of an adequate supply of manpower as a criterion ($O_{s\underline{1}}$ - RDI 10.7).

Table D.48 Quantitative criteria for evaluating the effectiveness of personnel management, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_1$	$C_s C_1$	$O_s O_1$
Improved absenteeism, turnover and safety	--	$C_s(7.9)$	$O_s(9.1)$
Savings in labor contract or grievances handled	--	--	--
Adequate supply of manpower	--	--	$O_1(10.7)$
Lower per capita personnel costs	$P_s(6.4)$	--	--
Corporate profit or productivity	--	$C_1(7.1)$	$O_s(8.0)$
Lower manpower costs	--	$C_1(8.0)$	--
Number of programs and services	--	--	--

Executive interaction comparisons

(1) The use of criteria such as improved absenteeism, turnover, and safety is cited moderately more by operating executives in small firms compared with

personnel executives and chief executives in firms of the same size ($P_{\underline{s}O_{\underline{s}}} - \text{RDI } 9.2$, $C_{\underline{s}O_{\underline{s}}} - \text{RDI } 6.0$).

(2) The use of savings in labor relations as a criterion is mentioned moderately more by chief executives in small firms than personnel executives in the same sized firms ($P_{\underline{s}C_{\underline{s}}} - \text{RDI } 7.4$). Similar findings are noted for chief executives in large firms when they are compared with operating executives in large firms ($C_{\underline{1}O_{\underline{1}}} - \text{RDI } 6.2$).

(3) Personnel executives and chief executives in small firms, when compared with operating executives in the same sized firms, report more use of adequate supply of manpower as a criterion ($P_{\underline{s}O_{\underline{s}}} - \text{RDI } 5.4$, $C_{\underline{s}O_{\underline{s}}} - \text{RDI } 10.2$).

(4) Personnel executives and operating executives in small firms make moderately more use of lower per capita personnel costs as a criterion than chief executives in small firms do ($P_{\underline{s}C_{\underline{s}}} - \text{RDI } 8.0$, $C_{\underline{s}O_{\underline{s}}} - \text{RDI } 6.0$). Operating executives in large firms report more use of the above factor than do personnel executives and chief executives in firms of the same size ($P_{\underline{1}O_{\underline{1}}} - \text{RDI } 6.1$, $C_{\underline{1}O_{\underline{1}}} - \text{RDI } 10.3$).

(5) Corporate profit or productivity as criteria are mentioned moderately more by operating executives in small firms than by chief executives in small firms ($C_{\underline{s}O_{\underline{s}}} - \text{RDI } 6.0$). On the other hand, personnel

Table D.49 Quantitative criteria for evaluating the effectiveness of personnel management, by size of firm

Executive Interaction Comparisons						
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Improved absenteeism, turnover and safety	--	$O_s(8.2)$	$O_s(6.0)$	--	--	--
Savings in labor contract or grievances handled	$C_s(7.4)$	--	--	--	--	$C_1(6.2)$
Adequate supply of manpower	--	$P_s(5.4)$	$C_s(10.2)$	--	--	--
Lower per capita personnel costs	$P_s(8.0)$	--	$O_s(6.0)$	--	$O_1(6.1)$	$O_1(10.3)$
Corporate profit or productivity	--	--	$O_s(6.0)$	--	$P_1(8.5)$	$C_1(9.1)$
Lower manpower costs	--	--	--	--	--	--
Number of programs and services	--	--	--	--	--	--

executives and chief executives in large firms cite the above factors moderately more than operating executives in large firms do ($\underline{P_1O_1}$ - RDI 8.5, $\underline{C_1O_1}$ - RDI 9.1).

Qualitative criteria for evaluating the effectiveness of personnel management

(1) What differences, if any, are there among personnel executives in small and large firms regarding the qualitative criteria which they believe chief executives can use to measure the effectiveness of personnel management?

(2) What differences, if any, are there among chief executives in small and large firms regarding the qualitative criteria they use for evaluating the effectiveness of personnel management?

(3) What differences, if any, are there among operating executives in small and large firms regarding the qualitative criteria they use for evaluating the effectiveness of personnel management?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to qualitative criteria used for evaluating the effectiveness of personnel management?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to qualitative criteria used for evaluating the effectiveness of personnel management?

Executive comparisons by size of firm

(1) Personnel executives in small firms report moderately more use of higher employee morale and better

communication ($P_{\underline{s}}P_1$ - RDI 6.7) as criteria, whereas personnel executives in large firms indicate moderately more use of effectiveness of programs in meeting company objectives ($P_{\underline{s}}P_1$ - RDI 7.4) and respect and use of programs by line executives ($P_{\underline{s}}P_1$ - RDI 5.6).

(2) Respect and use of programs by line executives as criteria are cited moderately more by chief executives in large firms compared with chief executives in small firms ($C_{\underline{s}}C_1$ - RDI 9.7).

(3) Operating executives in small firms make moderately more use of reduction of labor trouble as a criterion ($O_{\underline{s}}O_1$ - RDI 9.3), whereas operating executives in large firms indicate greater use of effectiveness of programs in meeting company objectives ($O_{\underline{s}}O_1$ - RDI 15.0) and high employee morale and better communication as criteria ($O_{\underline{s}}O_1$ - RDI 11.1).

Executive interaction comparisons

(1) When compared with personnel executives in small firms, chief executives in small firms make moderately more use of the effectiveness of programs in meeting company objectives as a criterion ($P_{\underline{s}}C_{\underline{s}}$ - RDI 7.8). Operating executives in large firms report greater use of the criterion mentioned above compared with personnel executives and chief executives in large firms (P_1O_1 - RDI 11.7, C_1O_1 - RDI 11.3).

Table D.50 Qualitative criteria for evaluating the effectiveness of personnel management, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_l$	$C_s C_l$	$O_s O_l$
Effectiveness of programs in meeting company objectives	$P_l(7.4)$	--	$O_l(15.0)$
Higher employee morale, better communication	$P_s(6.7)$	--	$O_s(11.1)$
Reduction of labor troubles	--	--	$O_s(9.3)$
Quality of personnel policies	--	--	--
Respect and use of programs by line	$P_l(5.6)$	$C_l(9.7)$	--

(2) Chief executives and operating executives in small firms indicate moderately more use of high employee morale and better communication as criteria than do personnel executives in firms of the same size ($P_s C_s$ - RDI 9.6, $P_s O_s$ - RDI 6.6). In large firms, the criteria mentioned above are used with greater frequency by chief executives than personnel executives and operating executives ($P_l C_l$ - RDI 14.7, $C_l O_l$ - RDI 12.5).

(3) The reduction of labor troubles as a criterion is mentioned more by personnel executives and operating

executives in small firms than by chief executives in small firms ($\underline{P}_s C_s$ - RDI 6.3, $C_s O_s$ - RDI 10.3). The above criterion is also mentioned moderately more by personnel executives in large firms compared with chief executives in large firms ($\underline{P}_1 C_1$ - RDI 6.7).

(4) Personnel executives in small firms mention respect and use of programs by line as criteria moderately more than chief executives and operating executives in small firms do ($\underline{P}_s C_s$ - RDI 8.3, $\underline{P}_s O_s$ - RDI 9.8). The above criteria are also cited more by personnel executives and chief executives in large firms compared with operating executives in large firms ($\underline{P}_1 O_1$ - RDI 11.4, $\underline{C}_1 O_1$ - RDI 7.2).

Pace of change occurring generally
in the field of personnel management

(1) What differences, if any, are there among personnel executives in small and large firms with respect to their perceptions of the pace of change in personnel management?

(2) What differences, if any, are there among chief executives in small and large firms with respect to their perceptions of the pace of change in personnel management?

(3) What differences, if any, are there among operating executives in small and large firms with respect to their perceptions of the pace of change in personnel management?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to their perceptions of the pace of change in personnel management?

Table D.51 Qualitative criteria for evaluating the effectiveness of personnel management, by size of firm

	Executive Interaction Comparisons					
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Effectiveness of programs in meeting company objectives	$C_s (7.8)$	--	--	--	$O_1 (11.7)$	$O_1 (11.3)$
Higher employee morale, better communication	$C_s (9.6)$	$O_s (6.6)$	--	$C_1 (14.7)$	--	$C_1 (12.5)$
Reduction of labor troubles	$P_s (6.3)$	--	$O_s (10.3)$	$P_1 (6.7)$	--	--
Quality of personnel policies	--	--	--	--	--	--
Respect and use of programs by line	$P_s (8.3)$	$P_s (9.8)$	--	--	$P_1 (11.4)$	$C_1 (7.2)$

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to their perceptions of the pace of change in personnel management?

Executive comparisons by size of firm

(1) When compared with personnel executives in large firms, personnel executives in small firms indicate moderately more response to a slow pace of change ($\underline{P}_s \underline{P}_1$ - RDI 5.7) and a greater response to a gradual pace of change ($\underline{P}_s \underline{P}_1$ - RDI 16.7). Personnel executives in large firms indicate a greater response to a rapid change ($\underline{P}_s \underline{P}_1$ - RDI 19.0).

(2) A moderately higher percentage of chief executives in large firms, compared with chief executives in small firms, believe that the pace of change will be gradual ($\underline{C}_s \underline{C}_1$ - RDI 7.7).

(3) Operating executives in small firms report a moderately higher response to a slow pace of change ($\underline{O}_s \underline{O}_1$ - RDI 8.7), whereas operating executives in large firms indicate a moderately higher response to a gradual change ($\underline{O}_s \underline{O}_1$ - RDI 5.3) and a change which is rapid ($\underline{O}_s \underline{O}_1$ - RDI 6.7).

Executive interaction comparisons

(1) More chief executives and operating executives in small firms report that the present pace of change is slow compared to personnel executives in firms of

Table D.52 Pace of change occurring generally in the field of personnel management, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_l$	$C_s C_l$	$O_s O_l$
Quite slow	$P_s(5.7)$	--	$O_s(8.7)$
Gradual	$P_s(16.7)$	$C_l(7.7)$	$O_l(5.3)$
Rapid	$P_l(19.0)$	--	$O_l(6.7)$
Revolutionary	--	--	--

the same size ($P_s C_s$ - RDI 5.8, $P_s O_s$ - RDI 10.0).

Similar findings are noted for large firms ($P_l C_l$ - RDI 7.0, $P_l O_l$ - RDI 7.0).

(2) A greater percentage of chief executives and operating executives in large firms report that they believe the present pace is gradual compared with personnel executives in large firms ($P_l C_l$ - RDI 24.0, $P_l O_l$ - RDI 22.0).

(3) A rapid pace of change is reported more by personnel executives and chief executives in small firms than by operating executives in firms of the same size ($P_s O_s$ - RDI 11.7, $C_s O_s$ - RDI 8.0). In addition, personnel executives in large firms place greater emphasis on a rapid change compared with chief executives

and operating executives ($\underline{P}_1C_1$ - RDI 26.0, $\underline{P}_1O_1$ - RDI 24.0).

(4) When compared with chief executives and operating executives in large firms, personnel executives in large firms indicate moderately more response to a revolutionary change in pace ($\underline{P}_1C_1$ - RDI 5.0, $\underline{P}_1O_1$ - RDI 5.0).

Degree of change in personnel activities expected by executives during the next five years

(1) What differences, if any, are there among personnel executives in small and large firms regarding the degree of change they expect to occur in personnel activities performed by the personnel department?

(2) What differences, if any, are there among chief executives in small and large firms regarding the degree of change they expect to occur in personnel activities performed by the personnel department?

(3) What differences, if any, are there among operating executives in small and large firms regarding the degree of change they expect to occur in personnel activities performed by the personnel department?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to the degree of change they expect to occur in personnel activities performed by the personnel department?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to the degree of change they expect to occur in personnel activities performed by the personnel department?

Table D.53 Pace of change occurring generally in the field of personnel management, by size of firm

Executive Interaction Comparisons						
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Quite slow	$C_s(5.8)$	$O_s(10.0)$	--	$C_1(7.0)$	$O_1(7.0)$	--
Gradual	--	--	--	$C_1(24.0)$	$O_1(22.0)$	--
Rapid	--	$P_s(11.7)$	$C_s(8.0)$	$P_1(26.0)$	$P_1(24.0)$	--
Revolutionary	--	--	--	$P_1(5.0)$	$P_1(5.0)$	--



Executive comparisons by size of firm

(1) Moderately more chief executives in small firms expect great improvements in personnel techniques ($C_s C_1$ - RDI 7.1), whereas a greater number of chief executives in large firms anticipate moderate improvements ($C_s C_1$ - RDI 12.0).

(2) Operating executives in small firms respond moderately more to little improvements in personnel techniques compared with operating executives in large firms ($O_s O_1$ - RDI 7.2). The latter group reports moderately more emphasis on great improvements ($O_s O_1$ - RDI 5.5).

Table D.54 Degree of change in personnel activities expected by executives during the next five years, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_1$	$C_s C_1$	$O_s O_1$
Little	--	--	$O_s (7.2)$
Moderate	--	$C_1 (12.0)$	--
Great	--	$C_s (7.1)$	$O_1 (5.5)$

Executive interaction comparisons

(1) Chief executives and operating executives in small firms indicate a moderately higher response

to little improvement in personnel techniques than do personnel executives in small firms ($P_{\underline{s}C_{\underline{s}}}$ - RDI 5.6, $P_{\underline{s}O_{\underline{s}}}$ - RDI 7.6).

(2) When compared with chief executives in small firms, moderately more personnel executives and operating executives in small firms indicate that improvements in personnel techniques will be moderate ($P_{\underline{s}C_{\underline{s}}}$ - RDI 9.4, $C_{\underline{s}O_{\underline{s}}}$ - RDI 9.5).

(3) When compared with operating executives in small firms, personnel executives and chief executives in firms of the same size respond more to a great improvement in personnel techniques ($P_{\underline{s}O_{\underline{s}}}$ - RDI 7.7, $C_{\underline{s}O_{\underline{s}}}$ - RDI 11.5). In the case of large firms, the personnel executive group indicates a moderately higher response to a great improvement than do the chief executives and operating executives ($P_{\underline{1}C_{\underline{1}}}$ - RDI 7.1, $P_{\underline{1}O_{\underline{1}}}$ - RDI 6.0).

Changes in the ratio of personnel department employees to total number of employees in the firm during the next five years

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to whether they believe the ratio of personnel department employees to total company employees will increase, decrease, or remain constant?

(2) What differences, if any, are there among the chief executives in small and large firms with respect to whether they believe the ratio of personnel department employees to total company employees will increase, decrease, or remain constant?

Table D.55 Degree of change in personnel activities expected by executives during the next five years

	Executive Interaction Comparisons					
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Little	$C_s(5.6)$	$O_s(7.6)$	--	--	--	--
Moderate	$P_s(9.4)$	--	$O_s(9.5)$	--	--	--
Great	--	$P_s(7.7)$	$C_s(11.5)$	$P_1(7.1)$	$P_1(6.0)$	--

(3) What differences, if any, are there among the operating executives in small and large firms with respect to whether they believe the ratio of personnel department employees to total company employees will increase, decrease, or remain constant?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to whether they believe the ratio of personnel department employees to total company employees will increase, decrease, or remain constant?

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to whether they believe the ratio of personnel department employees to total company employees will increase, decrease, or remain constant?

Executive comparisons by size of firm

(1) A greater percentage of the personnel respondents in small firms believe that the ratio will increase (P_{sP_1} - RDI 19.7), whereas a greater percentage of the personnel respondents in large firms believe that the ratio will remain the same (P_{sP_1} - RDI 15.7).

Executive interaction comparisons

(1) When compared with chief executives and operating executives in small firms, more personnel executives in small firms agree that there will be an increase in the ratio (P_{sC_s} - RDI 32.0, P_{sO_s} - RDI 5.8). A greater percentage of operating executives in small

Table D.56 Changes in the ratio of personnel department employees to total number of employees in the firm during the next five years, by size of firm

	Executive Comparison by Size of Firm		
	$P_s P_1$	$C_s C_1$	$O_s O_1$
Increase	$P_s (19.7)$	--	--
Decrease	--	--	--
Remain constant	$P_1 (15.7)$	--	--

firms respond to an increase in the ratio than do chief executives in the same sized firms ($C_s O_s$ - RDI 26.2).

In large firms, a greater percentage of operating executives, compared with personnel executives and chief executives, believe that the ratio will increase ($P_1 O_1$ - RDI 12.5, $C_1 O_1$ - RDI 27.8). The personnel executives in large firms express greater optimism about an increase in the ratio than do chief executives in firms of the same size ($P_1 C_1$ - RDI 15.3).

(2) Chief executives in small firms indicate more response to a decrease in the ratio compared with personnel executives and operating executives in small firms ($P_s C_s$ - RDI 10.6, $C_s O_s$ - RDI 8.6). In large firms, a moderately higher percentage of chief

executives, compared with operating executives, believe that the ratio will decrease (P_1C_1 - RDI 5.1).

(3) Chief executives in both small and large firms place greater emphasis on the ratio not changing, compared with personnel executives and operating executives in small and large firms (P_sC_s - RDI 21.5, C_sO_s - RDI 17.7, P_1C_1 - RDI 10.2, C_1O_1 - RDI 23.1). Personnel executives in large firms cite no change in the ratio with greater frequency than operating executives in firms of the same size do (P_1O_1 - RDI 12.9).

Personnel executives who report
modifications in personnel management
responsibilities and personnel executives
who do not report modifications in
personnel management responsibilities

(1a) What differences, if any, are there between personnel executives in small and large firms with respect to whether they report that important duties of personnel management have been created as personnel department responsibilities?

(1b) What differences, if any, are there between personnel executives in small and large firms with respect to whether they report that important duties of personnel management have been transferred to the personnel department from other departments?

(1c) What differences, if any, are there between personnel executives in small and large firms with respect to whether they report that important duties of personnel management have been transferred from the personnel department to other departments?

Table D.57 Changes in the ratio of personnel department employees to total number of employees in the firm during the next five years, by size of firm

Executive Interaction Comparisons						
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Increase	$P_s(32.0)$	$P_s(5.8)$	$O_s(26.2)$	$P_1(15.3)$	$O_1(12.5)$	$O_1(27.8)$
Decrease	$C_s(10.6)$	--	$C_s(8.6)$	$C_1(5.1)$	--	--
Remain constant	$C_s(21.5)$	--	$C_s(17.7)$	$C_1(10.2)$	$P_1(12.9)$	$C_1(23.1)$

Executive comparisons by size of firm

(1) A moderately higher percentage of personnel executives in small firms report that important duties of personnel management have been transferred to the personnel department from another department ($P_{\underline{s}}P_1$ - RDI 7.2), whereas a moderately higher percentage of personnel executives in large firms report that important duties of personnel management have not been transferred to the personnel department from another department ($P_{\underline{s}}P_1$ - RDI 7.2).

(2) A moderately higher percentage of personnel executives in large firms report that important duties of personnel management have been transferred from the personnel department to another department ($P_{\underline{s}}P_1$ - RDI 9.6), whereas a moderately higher percentage of personnel executives in small firms report that important duties of personnel management have not been transferred from the personnel department to another department ($P_{\underline{s}}P_1$ - RDI 9.6).

Modifications in personnel
management responsibilities

(1) What differences, if any, are there among the personnel executives in small and large firms with respect to what they report as important duties of personnel management which have been created as personnel department responsibilities within the past five years?

Table D.58 Personnel executives who report modifications in personnel management responsibilities and personnel executives who do not report modifications in personnel management responsibilities, by size of firm

	Duties Created as New Responsibilities	Duties Transferred Into Department	Duties Transferred From Department
	$P_s P_1$	$P_s P_1$	$P_s P_1$
Yes	--	$P_s (7.2)$	$P_1 (9.6)$
No	--	$P_1 (7.2)$	$P_s (9.6)$

(2) What differences, if any, are there among personnel executives in small and large firms with respect to what they report as important duties of personnel management which have been transferred to the personnel department from other departments?

(3) What differences, if any, are there among personnel executives in small and large firms with respect to what they report as important duties of personnel management which have been transferred from the personnel department to other departments?

Executive comparisons by size of firm

(1) A greater percentage of personnel respondents in small firms report that health, safety, and employee services ($\underline{P_s} P_1$ - RDI 18.7) and personnel policy making and implementation ($\underline{P_s} P_1$ - RDI 12.8) are newly created personnel department responsibilities. On the other hand, more personnel respondents in large firms report that organization planning and design ($P_s \underline{P_1}$ - RDI 21.3),

executive employment and development ($P_s P_1$ - RDI 6.2), and public relations and government relations ($P_s P_1$ - RDI 5.0) are newly created personnel department responsibilities.

Table D.59 Newly created personnel department responsibilities, by size of firm

	$P_s P_1$
Employee benefits, insurance, wage and salary	--
Health, safety, and employee services	P_s (18.7)
Executive employment and development	P_1 (6.2)
Personnel policy making and implementation	P_s (12.8)
Manpower planning and utilization	--
Labor relations and collective bargaining	--
Organization planning and design	P_1 (21.3)
Public relations and government relations	P_1 (5.0)
Record keeping, data processing and office administration	--

(2) A greater percentage of personnel respondents in small firms report that health, safety, and employee services ($P_s P_1$ - RDI 13.6) are responsibilities transferred to the personnel department from other departments. On the other hand, a moderately higher percentage

of personnel respondents in large firms report that public relations and government relations ($P_s P_1$ - RDI 8.3) and organization planning and design ($P_s P_1$ - RDI 5.0) are responsibilities transferred to the personnel department from other departments.

Table D.60 Responsibilities transferred to the personnel department from other departments, by size of firm

	$P_s P_1$
Employee benefits, insurance, wage and salary	--
Health, safety, and employee services	$P_s(13.6)$
Executive employment and development	--
Personnel policy making and implementation	--
Manpower planning and utilization	--
Labor relations and collective bargaining	--
Organization planning and design	$P_1(5.0)$
Public relations and government relations	$P_1(8.3)$
Record keeping, data processing, and office administration	--

(3) More personnel executives in small firms report that labor relations and collective bargaining ($P_s P_1$ - RDI 33.3), health, safety, and employee services

(P_{sP_1} - RDI 33.3) and employee benefits (P_{sP_1} - RDI 5.6) are responsibilities transferred from the personnel department to other departments. In contrast, more personnel executives in large firms report that record keeping, data processing and office administration (P_{sP_1} - RDI 22.2), public and government relations (P_{sP_1} - RDI 22.2), executive employment and development (P_{sP_1} - RDI 5.6), manpower planning and utilization (P_{sP_1} - RDI 5.6), and organization planning and design (P_{sP_1} - RDI 5.6) are transferred from the personnel department to other departments.

Consequences of changes in
the personnel function

(1) What differences, if any, are there among personnel executives in small and large firms with respect to what they perceive as consequences of changes in the personnel function?

(2) What differences, if any, are there among chief executives in small and large firms with respect to what they perceive as consequences of changes in the personnel function?

(3) What differences, if any, are there among operating executives in small and large firms with respect to what they perceive as consequences of changes in the personnel function?

(4a) What differences, if any, are there between the three types of executives in small firms when their responses are compared with respect to what they perceive as consequences of changes in the personnel function?

Table D.61 Responsibilities transferred from the personnel department to other departments, by size of firm

	$P_s P_1$
Employee benefits, insurance, wage and salary	$P_s(5.6)$
Health, safety, and employee services	$P_s(33.3)$
Executive employment and development	$P_1(5.6)$
Manpower planning and utilization	$P_1(5.6)$
Labor relations and collective bargaining	$P_s(33.3)$
Organization planning and design	$P_1(5.6)$
Public relations and government relations	$P_1(22.2)$
Record keeping, data processing and office administration	$P_1(22.2)$

(4b) What differences, if any, are there between the three types of executives in large firms when their responses are compared with respect to what they perceive as consequences of changes in the personnel function?

Executive comparisons by size of firm

(1) A greater percentage of personnel executives in small firms expect the personnel department to report to a higher level of management ($\underline{P_s} P_1$ - RDI 22.9), whereas a greater percentage of personnel executives in large firms indicate that they are moderately more aware of the need for increased resources ($P_s \underline{P_1}$ -

RDI 9.0) and a reduction in per capita personnel management costs ($P_{s\underline{1}}$ - RDI 8.7) as consequences.

(2) Chief executives in small firms place greater emphasis on consequences related to a reduction in per capita personnel costs ($C_{s\underline{1}}$ - RDI 18.4). In addition, they place moderately more emphasis on the personnel department reporting to a higher management level ($C_{s\underline{1}}$ - RDI 7.6) and the personnel department generating its funds through interdepartmental charges ($C_{s\underline{1}}$ - RDI 7.4). On the other hand, chief executives in large firms place moderately more emphasis on consequences related to a greater number of personnel decisions becoming centralized ($C_{s\underline{1}}$ - RDI 9.9), an increase in the number of personnel specialties ($C_{s\underline{1}}$ - RDI 7.4) and an increase in per capita personnel costs ($C_{s\underline{1}}$ - RDI 5.4).

(3) Operating executives in small firms place greater emphasis on the number of personnel specialties increasing ($O_{s\underline{1}}$ - RDI 12.5). On the other hand, operating executives in large firms place greater emphasis on a greater number of personnel decisions becoming centralized ($O_{s\underline{1}}$ - RDI 17.1) and per capita personnel management costs increasing ($O_{s\underline{1}}$ - RDI 15.3).

Table D.62 Consequences of changes in the personnel function, by size of firm

	Executive Comparisons by Size of Firm		
	$P_s P_1$	$C_s C_1$	$O_s O_1$
Increased resources will be needed	$P_1(9.0)$	--	--
Per capita personnel management costs will be reduced	$P_1(8.7)$	$C_s(18.4)$	--
Per capita personnel management costs will increase	--	$C_1(5.4)$	$O_1(15.3)$
Total personnel manage- ment costs will be lower	--	--	--
Personnel department will report to higher management level	$P_s(22.9)$	$C_s(7.6)$	--
Greater number of per- sonnel decisions will become centralized	--	$C_1(9.9)$	$O_1(17.1)$
Number of specialties will increase	--	$C_1(7.4)$	$O_s(12.5)$
Personnel department will generate its funds through interdepart- mental charges	--	$C_s(7.4)$	--

Executive interaction comparisons

(1) In general, more personnel executives expect a need for increased resources than chief executives and operating executives do ($\underline{P_s C_s}$ - RDI 25.9, $\underline{P_s O_s}$ -

RDI 7.3, $\underline{P_1C_1}$ - RDI 35.0, $\underline{P_1O_1}$ - RDI 19.9). A greater percentage of operating executives in both groups, when compared with the chief executives in both groups, also expect a need for increased resources ($\underline{C_sO_s}$ - RDI 18.6, $\underline{C_1O_1}$ - RDI 15.1).

(2) A greater percentage of chief executives in small firms anticipate a reduction in per capita personnel costs compared with personnel executives and operating executives ($\underline{P_sC_s}$ - RDI 20.1, $\underline{C_sO_s}$ - RDI 17.7). The reverse holds true in the case of large firms, where moderately more personnel executives and operating executives expect a reduction in per capita personnel costs ($\underline{P_1C_1}$ - RDI 7.0, $\underline{C_1O_1}$ - RDI 5.6).

(3) When compared with chief executives, personnel executives and operating executives, in general, report a greater response to an increase in per capita personnel management costs ($\underline{P_sC_s}$ - RDI 15.0, $\underline{C_sO_s}$ - RDI 12.7, $\underline{P_1C_1}$ - RDI 10.0, $\underline{C_1O_1}$ - RDI 22.6). In large firms, operating executives cite an increase in per capita personnel management costs with greater frequency than personnel executives do ($\underline{P_1O_1}$ - RDI 12.6).

(4) When compared with chief executives and operating executives in small firms, a greater percentage of personnel executives in small firms believe that the personnel department will report to a higher management level ($\underline{P_sC_s}$ - RDI 19.3, $\underline{P_sO_s}$ - RDI 28.2). Chief

executives in small firms, when compared with operating executives in firms of the same size, respond moderately more to the above factor as a consequence of the changes in the function ($\underline{C}_s O_s$ - RDI 8.9). Personnel executives in large firms are also moderately more optimistic about the above factor compared with operating executives in large firms ($\underline{P}_1 O_1$ - RDI 6.1).

(5) Personnel executives in small firms, compared with chief executives and operating executives in the same sized firms, report greater belief in more personnel decisions becoming centralized ($\underline{P}_s C_s$ - RDI 21.1, $\underline{P}_s O_s$ - RDI 19.2). In large firms, it is noted that the personnel executives and operating executives are more inclined to mention the above factor than chief executives ($\underline{P}_1 C_1$ - RDI 13.0, $\underline{C}_1 O_1$ - RDI 9.1).

(6) That the number of personnel specialties will increase as a consequence of changes in the personnel function is mentioned more by operating executives in small firms, compared with personnel executives and chief executives in firms of the same size ($\underline{P}_s O_s$ - RDI 5.0, $\underline{C}_s O_s$ - RDI 29.5). In addition, personnel executives in small firms indicate a greater belief in the above factor than do operating executives in small firms ($\underline{P}_s O_s$ - RDI 24.5). On the other hand, personnel executives in large firms report more anticipation of an increase in the number of personnel specialties than

do chief executives and operating executives in large firms ($\underline{P_1C_1}$ - RDI 17.0, $\underline{P_1O_1}$ - RDI 8.2). The operating executives in large firms, however, report moderately more awareness of an increase in the number of specialties, compared with chief executives in large firms ($\underline{C_1O_1}$ - RDI 8.8).

(7) Personnel executives and operating executives in large firms, compared with chief executives in large firms, report moderately higher responses to the personnel department generating its funds through interdepartmental charges as a possible effect ($\underline{P_1C_1}$ - RDI 9.0, $\underline{C_1O_1}$ - RDI 7.8).

Table D.63 Consequences of changes in the personnel function, by size of firm

	Executive Interaction Comparisons					
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Increased resources will be needed	$P_s(25.9)$	$P_s(7.3)$	$O_s(18.6)$	$P_1(35.0)$	$P_1(19.9)$	$O_1(15.1)$
Per capita personnel management costs will be reduced	$C_s(20.1)$	--	$C_s(17.7)$	$P_1(7.0)$	--	$O_1(5.6)$
Per capita personnel management costs will increase	$P_s(15.0)$	--	$O_s(12.7)$	$P_1(10.0)$	$O_1(12.6)$	$O_1(22.6)$
Total personnel management costs will be lower	--	--	--	--	--	--
Personnel department will report to higher management level	$P_s(19.3)$	$P_s(28.2)$	$C_s(8.9)$	--	$P_1(6.1)$	--

Table D.63---continued

	Executive Interaction Comparisons					
	$P_s C_s$	$P_s O_s$	$C_s O_s$	$P_1 C_1$	$P_1 O_1$	$C_1 O_1$
Greater number of personnel decisions will become centralized		$P_s(21.1)$	$P_s(19.2)$	--	$P_1(13.0)$	$O_1(9.1)$
Number of specialties will increase		$P_s(24.5)$	$O_s(5.0)$	$O_s(29.5)$	$P_1(17.0)$	$P_1(8.2)$ $O_1(8.8)$
Personnel department will generate its funds through inter-departmental charges	--	--	--	--	$P_1(9.0)$	-- $O_1(7.8)$

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