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ORGANIZATIONAL RESISTANCE TO SERVING THE DISADVANTAGED:
THE CASE OF A STATE EMPLOYMENT SERVICE

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ABSTRACT

Maintaining the commitment of public agencies to serve the disadvantaged persists as one of the most vexing problems in public affairs. This study places in an historical perspective the commitment of the Wisconsin State Employment Service (WSES) to serve the disadvantaged during the late 1960s and the retreat from this emphasis in the 1970s. The WSES displays a tradition of tension between operating-level employees who aspire to serve a job-ready clientele, and top decisionmakers who, from time to time, sense a need for direct service to the disadvantaged. The study suggests that effective service to the disadvantaged depends upon continuous, centralized control, which is cognizant of the organizational dynamics inherent in serving this segment of society.

INTRODUCTION

For the past 15 to 20 years, national employment and training policy-makers--in Congress, the executive branch, and in the private world of consulting--have made effective service to the disadvantaged one of their major goals, save for a very notable lapse during part of the Nixon administration. This goal has been thwarted, however, by public and quasi-public agencies at the operating level. The agencies do not maintain service to the disadvantaged at the expected levels. Although national policymakers have changed the employment and training system a great deal over the past 20 years, they have not found the key to overcoming the local obstacles to effective service to the disadvantaged. Increasingly, one suspects that the key involves disputes over clien-

tele. Policymakers project their enthusiasm for helping the disadvantaged onto the employees at the operating level who must deliver the services--a fatal flaw, according to this historical analysis of the Wisconsin State Employment Service (WSES, now the Wisconsin Job Service). This study demonstrates that operating-level employees of one state employment service have almost continuously sought to "upgrade" their clientele while state policymakers have periodically directed a return of program emphasis to the disadvantaged.

The U.S. Department of Labor developed an interest in a comprehensive state employment service policy for the disadvantaged in the early 1960s. In 1966, it made a significant commitment with a Human Resources Development (HRD) policy which mandated that the local offices of the public employment service expend their major efforts to help the disadvantaged become job-ready and find jobs. Although the state employment services receive virtually all of their funding from the Department of Labor, they retain considerable autonomy. Most state services exercised their autonomy and resisted the HRD policy bitterly and successfully. A few states, like Wisconsin, accepted the HRD policy and attempted to implement it. Employer reluctance to hire the disadvantaged was the reason why many local offices resisted the policy. For the employment service, employers constitute a "critical constituency which cannot be changed" (Holden, 1966: 946). Without their good will and job orders, the local offices make no placements. (Part of the HRD policy was to promote employer relations and employability development of clients.)

In 1971, the Nixon administration ended the Department of Labor's HRD policy. The public employment service officially returned to its labor exchange role, although many states had never left it. However, the Department of Labor did not give up on the disadvantaged. With the passage of the Comprehensive Employment and Training Act (CETA) of 1973, the department shifted its concern for the disadvantaged to the more than 400 prime sponsors which would be created under the act's authority. Although administratively responsible to the state and local elected officials, this extremely decentralized system of prime sponsors is charged with carrying out national policy. By the time CETA came up for renewal in 1978, many observers felt that the system had served the financial needs of mayors and city managers more than the employment and training needs of the economically disadvantaged. One sophisticated statistical study of CETA public service employment (PSE) indicates that after five or six quarters, all the federally funded PSE jobs substitute for or replace jobs funded by municipalities (Johnson and Tomola, 1977; Nathan et. al., 1979). In the old Title II and VI PSE portions and Title I (which was to provide employability development to the unemployed, underemployed, and economically disadvantaged), CETA was serving a much smaller proportion of disadvantaged than the law and the program requirements mandate (National Commission for Manpower Policy, 1978: 5; Mirengoff and Rindler, 1978: 203).

Scholar-consultants for the Department of Labor have puzzled over the low level of services to the disadvantaged under CETA. For example, Mirengoff and Rindler (1978: 206-12) examine several factors which affect the choice of participants, but do not investigate the attitudes of employment and training agency personnel toward serving the disadvantaged. Their recommendations would significantly increase service to the disadvantaged only if operating personnel devote their efforts to the disadvantaged. Carl Van Horn blames the Department of Labor and its regional offices for the lack of attention given to the disadvantaged. He then concludes that "the policy of decentralizing authority to the local level still has the potential for being the best approach to manpower program delivery..." (Van Horn, 1978: 181). However, decentralization does not reconcile with the need for the Department of Labor to direct local office personnel to increase attention to the disadvantaged, especially if they resist serving that clientele.

In response to CETA problems, the Congress significantly centralized the program by increasing federal controls in the 1978 renewal (P.L. 95-524). While the House committee with responsibility for the CETA amendments avoided a direct charge of large-scale substitution by local governments, it nevertheless "considered it essential to directly address the problem" and took "five specific steps to control substitution" in the amendments, including limits with regard to the length of PSE employment for individuals, wage supplements, type of employment, etc. (U.S. Congress, 1978: 2-3). For the problem of too few disadvantaged in the CETA program, the 1978 renewal clearly distinguishes programs for structural unemployment from those for countercyclical unemployment. Eligibility for the former (the new Title II) is limited to the economically disadvantaged.¹ Eligibility for countercyclical programs include somewhat more relaxed income and employment-status criteria. The first-year result of these stiffened federal requirements, as the Department of Labor noted, is "a dramatic increase in the

¹ In 1978, the formal definition of an economically disadvantaged individual was: A person who is either (1) a member of a family that received public assistance; (2) a member of a family whose income during the previous 6 months on an annualized basis was such that the family would have qualified for public assistance if it had applied or did not exceed the poverty level or did not exceed 70 percent of the Bureau of Labor Statistics' lower living standard income level (\$11,546 for a family of four in 1978); (3) a foster child on whose behalf state or local government payments are made; or (4) a client of a sheltered workshop, a handicapped person, a person residing in a prison, hospital, or other institution or facility providing 24-hour care, or a regular outpatient of a mental hospital, rehabilitation, or similar facility, where such status presents significant barriers to employment.

proportion of disadvantaged persons enrolled" in the new Title II PSE and tabular material indicates greater numbers of disadvantaged in Title VI programs (U.S. Department of Labor, 1980: 19, 354).

Whether or not these 1978 commitments to the disadvantaged will be sustained during the Reagan administration is problematical. On the one hand, the Reagan administration is calling for an end to the two PSE programs: Title IID, which primarily serves the economically disadvantaged and was targeted in fiscal year 1981 for 250,000 jobs at a cost of \$2.4 billion, and Title VI, the countercyclical PSE for persons with somewhat higher incomes and less lengthy periods of unemployment which was targeted for 200,000 unemployed persons at a cost of \$2.0 billion (U.S. Executive Office of the President, 1980: 234). On the other hand, the Reagan rationale for the CETA reduction is to eliminate substitution and to "return CETA to its original purpose of improving the ability of low-income persons to get jobs" (The New York Times, Feb. 20, 1981: A11-A16). This is consistent with his February 6, 1981 pledge from his address on the state of the nation that "our spending cuts will not be at the expense of the truly needy" (The New York Times, Feb. 6, 1981: A12). The obvious problem is that conducting employment and training programs for the truly needy without PSE places a burden on the private sector to hire the very individuals who have heretofore been unable to compete in the private labor market. That burden will require a willing private sector and a commitment to serving the disadvantaged by the professionals in CETA that will be very difficult to sustain.

A growing body of literature points to the difficulty of sustaining employee commitment to economically disadvantaged and socially or psychologically troubled clients. A study of social services for welfare clients revealed that, contrary to professional opinion, new employees offer more and better services to clients than those with longer tenure. Veteran employees grow disenchanting or frustrated with their work, with a consequent drop in the level of services (Randall, 1975: 197-98). Although the term was not used in that study, the behavior is consistent with the "burn-out" syndrome which is now receiving attention among health and social services researchers.

Discussion of burn out is a sensitive matter because it causes reflect either on the inadequacies of the professional or the disagreeable traits of the client. Professionals may be disinclined to accept the stigma of the former, but to accept the latter denigrates the clients and offends many in the helping professions. Yet it is myopic not to regard the economically disadvantaged and the socially or psychologically troubled as difficult, frustrating, and stressful individuals to work with. One researcher knew that he had "touched a sensitive nerve" by the volume of correspondence from practitioners to an article he had co-authored on burn out (Warnath, 1979: 325).

The employment service differs fundamentally from many other social agencies in the set of responses to difficult and frustrating clients which are available to their employees. In most health and social agencies, the characteristic responses include: minimizing time spent with them, frequent sick leave, increased use of alcohol, tranquilizers and drugs (Maslach, 1976: 16-22); emotional detachment from clients, treating them in a dehumanized way, becoming less effective on the job, becoming more bureaucratic (Daley, 1979: 375-79); and a loss of idealism, a sense of being on an endless treadmill, and a dread of meeting with the day's schedule of clients (Warnath and Shelton, 1976). In legal services, lawyers display a high rate of turnover and many admit that they plan to leave because they are "getting burned out" (Handler et. al. 1978: 63-67). In the schools, increasing problems of discipline, student violence, unsupportive administrators and the perception of community disinterest in education have caused many teachers to burn out and leave the profession. For those who stay, teaching has often "become a matter of survival, of finding ways to prevent job stresses from becoming unbearable" (Cerra, 1980: B1). In the health and social services generally, notes Maslach (1976: 20), it is "bitterly ironic that clients should be such outcasts in a profession that would not exist without them" But the employment service is different. It can change its clientele.

While the burn-out literature gives reason to expect employee stress in providing employment services to the disadvantaged, there is unanswered in the manpower literature this fundamental question: Is there inherent in the provision of employment and training services an inevitable disenchantment, frustration or distaste for serving the disadvantaged which causes employees to seek an upgraded clientele?

One way to answer this question is to examine historically the operations of a manpower agency which has a progressive reputation for service to the disadvantaged. A persistent tendency to shift service away from the disadvantaged toward more job-ready classes in such an agency would be strong evidence that such a tendency would be found in any employment and training agency.

THE WISCONSIN STATE EMPLOYMENT SERVICE

WSES has long been a highly regarded agency with a reputation for progressive administration.² Yet, from its origins as a skeleton of a

² Officials with long experience in the United States Employment Service and in the Interstate Conference of Employment Security Agen-

system with four small offices, a handful of central office staff and a budget of a few thousand dollars to its present shape of 70 local offices staffed by professionals and a large, efficient central administration, this study will show that local office employees continuously strive to upgrade their clientele.³ Only as a result of direct pressure from state administrators do the operating-level employees provide services to the disadvantaged. Because state policymakers only occasionally returned services to the disadvantaged, the clientele has alternated between the disadvantaged and the job ready. As a result, there is frequently tension between policymakers and operating-level employees.

The Wisconsin State Employment Service was born out of a reaction to the exploitation of the disadvantaged of the day. Before the turn of the century, the hiring process for a significant share of the Wisconsin labor force occurred in saloons. Labor agents paid saloon proprietors to round up workers in a process in which "the fraud and extortion. . . became notorious," according to an early retrospective study by the Wisconsin Industrial Commission (1913b: 195). Other private employment agents operated by retaining interpreters who would assemble gangs of non-English-speaking immigrants. Agents delivered the crews to employers for sizeable fees which were split three ways: among the interpreters, the private agents, and the officials of the employers doing the hiring (Wisconsin Industrial Commission, 1913a). The victims of these abuses were the disadvantaged--the unskilled, often immigrant workers, who frequently ended up in the lumber, railroad and ice camps of the state.

cies, Inc. in Washington uniformly agree on the high quality of administration of the Wisconsin Service. It is a reputation of long standing in the United States. See Kellor (1915: 324) and Harrison (1924: 209).

³ Throughout this study, attitudes and behaviors are ascribed generically to local office personnel when the actual data come from the reports and statements of local office managers. In as much as managers frequently are promoted from within and the local office is often a close-knit system of attitudes, expectations, and behaviors, local office managers are reasonably representative of the local office personnel on matters reported in this study. Michael Lipsky's (1973: 109) study of "street-level" bureaucrats leads him to say: "Basic bureaucratic attitudes towards clients appear to be a function of the worker's background and of socialization on the job (emphasis added)."

These abuses outraged many citizens in the state, especially after the Panic of 1893. Until then, Wisconsin, with a very large percentage of immigrants, contained a significant nativist sentiment to restrict immigration and to impose limitations on immigrant voting (Thelan, 1972: 18, 87), which blocked meaningful action for the disadvantaged. The panic of 1893, which reached depression proportions in Wisconsin, profoundly diminished that prejudice. With poverty everywhere apparent, many groups shrugged off their nativist attitudes, reduced their moralistic crusades against alcohol, prostitution and gambling, and concentrated their energies instead upon structural reforms which soon flowered into Progressivism. Historian David Thelen (1972: 149-50) remarks upon "the enthusiasm with which workers, immigrants and Populists contributed to the new cause" of structural reform in the state.⁴

Several unsuccessful attempts to license private employment agencies (Wisconsin Industrial Commission, 1913b: 195) gave impetus to the efforts to set up competing public employment service offices to provide job-seekers with an alternative, non-exploitative system. The city of Superior responded first by creating an office in 1899. With no other cities following suit during the next two years, the state took action in 1901 during the LaFollette administration by enacting legislation (Laws of Wisconsin, 1901, Ch. 420) empowering the State Commissioner of Labor to open public employment offices. A single justification dominated the legislative debate over this bill--the need to curb abuses of the disadvantaged by private employment offices and their agents (Hurst, 1964: 480-81). Shortly after passage of the law, the commissioner opened an office in Milwaukee and assumed operation of the one in Superior.

ALTERNATING CLIENTELE

During the formative years of the Wisconsin system (1901 until the U.S. involvement in World War I), the clientele consisted of the unskilled, frequently immigrant, laborers for whom the WSES had been created. As did the private agents, the public employment service placed many of them in railroad, lumber, and ice camps (Milwaukee Citizens' Committee, 1931: 7). In Milwaukee, the advisory committee to the local office reported that, from 1901 to 1911, that office served only unskilled occupations (Milwaukee Citizens' Committee, 1937: 5). From 1912 to 1917, common and casual placements represented 61 percent of

⁴ An increasing sympathy for the disadvantaged was just one cause of demands for structural reform. Another was fear. For newspaper accounts of tramps overrunning a county, committing arson, assault and other violence in the 1880s, see Michael Lesy (1973).

total WSES placements, indicating a high proportion of known unskilled placements. In addition, some unknown percentage of the remaining labor placements were unskilled (Wisconsin Industrial Commission 1913b: 198; A.J. Altmeyer, 1932: 248). Clearly, the early employment service placements served the clients for whom it was created.

Yet, local officials worked to swing the operations toward a more skilled clientele. An experimental office for skilled workers was created during a period of high unemployment in Milwaukee in 1911 (Milwaukee Citizens' Committee, 1937: 5). In 1913, the superintendent of the Milwaukee office, which had a good national reputation (Kellogg, 1933: 30), spoke proudly of a new clientele comprised of more skilled workers (Wisconsin Industrial Commission, 1913b: 207):

As proof of the increased efficiency of the office under its reorganization, the previous tendency of the bureau to handle only the lowest paid, most casual, the least attractive work has been overcome to a considerable extent. Employers are most ready to use the office in filling the better class of positions and as a result the better grade of workmen become regular applicants at the bureau.

To counter this propensity to seek an upgraded clientele, A.J. Altmeyer (1932: 264), influential advisor and longtime Secretary to the Industrial Commission argued:

Many persons have deprecated this [that the offices handle primarily unskilled labor], some going so far as to say that only "bums" and "down-and-outers" patronize the public employment offices.... The labor market for skilled laborers is so constituted that direct methods of bringing the man and the job together can be depended upon to a larger extent than in the case of unskilled labor. Therefore, the offices are probably performing the greatest social service when they do handle unskilled labor primarily.

Nevertheless, local offices wanted and worked for an upgraded clientele. From 1917 to 1932, common and casual labor continued to account for 61 percent of total placements (Altmeyer, 1932: 248; Wisconsin Industrial Commission, Biennial Report(s), 1926-1940). But the unskilled clientele was decreasing rapidly by the end of this period, having dropped to 50.5 percent in 1930. In 1931, when the statewide percentage plunged to 42.6 percent, the Milwaukee office and the Milwaukee Citizens' Committee on Unemployment (1931: 7) boasted of its more skilled clientele and virtual elimination of the casual labor service:

The gradual displacement of unskilled labor by improvements in the technique of industry has been of far-reaching importance. The number of transient laborers

handled by the office has dwindled to smaller and smaller numbers during recent years. The employment office is no longer able to furnish any large number of casual labor jobs and workers of this class have turned to institutions like the Transient Service Bureau, the Rescue Mission, and other agencies which specialize in caring for them.

If the Industrial Commission directed employment service offices to cater to the unskilled laborer, the Milwaukee office clearly ignored the policy.

Labor market conditions obviously influence employment service operations. Local offices, however, retain considerable discretion in their actual response to the conditions. Thus, the Great Depression, which respected no class as it threw people from all walks of life out of work, was taken as an opportunity by local office personnel to upgrade the clientele. At its height in Wisconsin, applications for work showed a four-fold increase over 1928, while placements suffered a 67.4 percent decline from 1929 to 1932.

The local offices seized the opportunity provided by the increased numbers of better qualified applications. The Milwaukee office proudly noted the development of its higher-quality clientele:

Conditions of the past few years [have] raised the standard of the type applying. No longer is the Public Employment Office considered a service for laborers only; artists and artisans, technicians and doctors are numbered among those who file their application for employment opportunities (Milwaukee Citizens' Committee, 1935: 5).

The specific problem facing the employment service when the number of applicants increases and job orders decrease is how to allocate the few jobs among the many applicants. Milwaukee's solution to this problem was described by the local office (Milwaukee Citizens' Committee, 1932: 9) as follows:

The former practice of placing applicants on the basis of fitness for the job or position had to be modified by giving consideration to the applicant's economic necessities.

In practice, the term "economic necessities" becomes, all too easily, a euphemism granting advantages to middle- as opposed to lower- or working-class applicants, again demonstrating the direction in which operating personnel drift.

As the United States entered World War II, President Roosevelt requested that governors transfer their state employment services to the federal government to improve the recruitment and allocation of the na-

tion's manpower. Federalization was completed by January 1, 1942. The war forced local offices to broaden their contacts and relationships with personnel and other management officials of most large manufacturing concerns. This resulted in high placements nationally and in Wisconsin. These high placements persisted beyond the postwar reconversion in November, 1945, when the states resumed control over the local offices.

The period 1947 to 1960 witnessed a gradual deterioration of the prominent role achieved by the employment service during World War II. In this period the service met with public apathy and congressional economizing. Placements declined nationally and in Wisconsin, in part, because of a drop in employer contacts. While total employer contacts were decreasing, however, close examination of Wisconsin activity data reveals that special services for favored employers increased. For example, the number of tests administered annually by local offices (an activity now considered employer-oriented and detrimental to minority group interests) in each year of the 1960s was more than double the rate of the early 1950s (Wisconsin Industrial Commission, Biennial Report, 1952-1954; U.S. Department of Labor, Annual Report(s), 1966-1974).

National employment-service policymakers expressed dissatisfaction with the performance of local operations and attempted to provide more direction from 1954 to 1958 by singling out various groups, mostly disadvantaged, for priority attention. These groups included the veterans (who already had a statutory right to preferential treatment, but who now would receive additional service), youth, the physically handicapped, older workers, ex-prisoners, potential apprentices, Indians, and members of other minority groups and professionals with the then much heralded network of professional placement offices (Adams, 1969: 42-44). With the exception of the professionals and perhaps the veterans, disadvantaged individuals comprised the bulk of the designated groups. Top policymakers were attempting to reorient the employment service to devote more resources to these groups. The effort failed because the policymaking framework, which emphasized easy placements (Haber and Kruger, 1964), remained unchanged. A bigger and bolder effort, developed within a different policymaking framework, would come less than a decade later.

After the rediscovery of poverty in the early 1960s and a host of anti-poverty acts, policies and programs, the national employment service was roused to action. With a major redirection of policy in 1966, the USES mandated Human Resources Development (HRD) for implementation by state and local services.

Human Resources Development was designed to reach the disadvan-

taged,⁵ improve their employability, develop jobs for them, and place them on those jobs. According to the Department of Labor, HRD was a large-scale effort to shift the orientation of the public employment service from an employer-oriented screening agency to an applicant-oriented one, designed to develop the employment potential of those most needing employment help (U.S. Department of Labor, 1967).

In order to ascertain the sentiment of local office employees to the disadvantaged in the late 1960s, the focus shifts from the written to the spoken word because, by then, everyone was more conscious of language that contained words or thoughts of prejudice. Government agency employees, among others, had "cleaned up" their written statements, regardless of their attitudes. Therefore, three years after the HRD orientation appeared, the author interviewed the local office managers.⁶ Considerable anti-HRD sentiment remained, as nine managers of the 23 interviewed (out of 24 total) expressed considerable hostility to the new responsibilities of concentrating service on the disadvantaged. One manager protested: "The employment service has moved into areas where it has no business."

Without deprecating the work of employees at the operating level, they did enjoy close, amiable relationships with employers. Several managers unabashedly posed as spokespersons for a cherished system, absolutely crucial to which are America's employers:

This is a capitalistic system--I mean that private enterprise is the backbone of our country and they do the hiring of most people.

For a host of reasons, not all of which related to the effective functioning of the employment service, managers such as this one wanted to maintain those close, amiable relationships with employers. HRD, however, severely strained those relationships by forcing upon employers the very applicants they have traditionally rejected. In objecting to the emphasis on the disadvantaged, a manager said bluntly, "I'm employer oriented: our market is the employer." A second, complaining about state central-office controls, said: "The state does not appreciate the

⁵ The formal definition of disadvantaged in 1969 specified persons who were poor, unemployed, or underemployed and met one of the following criteria: (1) school dropout, (2) member of a minority, (3) under twenty-two years of age, (4) forty-five years of age or over, or (5) handicapped. The definition of "poor" parallels that of the United States Social Security Administration. In 1968, for example, a non-farm family of four was considered poor if its annual income was \$3,300 or under (U.S. Department of Labor, 1969: 1150.01B).

⁶ For other studies using information from these interviews and exploring related administrative questions, see Randall (1973 and 1976).

fact that we have to live with employers in the area." A third opined: Some people in the state office are not aware of the elementary fact that the employment service has not created one damn job. We need to pay more than lip service to employer relations.

Managers and employees find the disadvantaged to be a difficult, frustrating, often exasperating clientele. For example, a manager exclaimed that:

The people in the state office want us to serve those who should be referred to other agencies. We are expected to serve people that Vocational Rehabilitation has given up on!

Although the kinds of jobs often available to the disadvantaged may offer little incentive for them to be good workers, their poor work habits and attitudes and lack of motivation mean that a mostly middle-class employment service prefers not to work with them. This was certainly true of the manager who fretted that the attention given to the disadvantaged could stigmatize the employment service:

The stronger the employment service's emphasis on the disadvantaged and the more we impress this on employers, the greater is the risk of gaining the stigma of a relief agency.

Racism, too, is an unspoken, but ever-present factor. For example, one manager mentioned that some ES employees found it distasteful to drive black disadvantaged clients to potential employers, which is often required for successful job placements.

A statistical view of WSES shows a significant response to the HRD policy during this period. Although placements plummeted from 79,046 during the pre-HRD fiscal year 1965 to 36,308 in fiscal 1971, this was not bothersome initially to state policymakers because of their belief that nondisadvantaged or job-ready individuals could find work with minimal employment service help. Testing, which is not very useful for the disadvantaged, dropped during this period. The number of applicants remained about the same, and counseling, which is a necessary employment tool for many of the disadvantaged, increased (U.S. Department of Labor, Annual Report(s), 1966-1974).

For two years, the Nixon administration continued the HRD policy. Then, in 1971, with placements and employer contacts still down and employee resistance to HRD persistent, the Nixon administration sounded the official retreat from the HRD policy (U.S. Department of Labor, 1973: 13). This turnaround was confirmed by passage of the Comprehensive Employment and Training Act of 1973 (P.L. 93-203), which directed that the employability-development functions of the U.S. manpower policy be administered by a decentralized system of prime sponsors separate from the public employment service. The public employment service lost

its position as presumptive deliverer of manpower services and was relegated to a simple labor exchange which could compete--if it chose--for subcontracts with the prime sponsor.

To implement the turnaround, the national office drastically revised the state employment service funding arrangements by developing the balanced placement formula (now the resource allocation formula), which forced states to shift attention away from employability development of the disadvantaged to straight placement activity or face the loss of staff positions.

Wisconsin officials, who had been among the most committed of state employment service officials to the HRD policy, were slower to respond to the nationally mandated reversal than most states and suffered staff losses. (Many states had failed to adopt the HRD policy in the first place.) But the resistance of operating level personnel combined with budgetary and other pressures from the national level led to a state policy to return to the labor exchange role, which was clear by 1975 (Wisconsin Department of Administration, 1975; II-151). In just under ten years, the Wisconsin State Employment Service repeated the cycle.

CONCLUSIONS

The tension inherent between administrative and local office personnel throughout the history of the Wisconsin State Employment Service helps to explain recent failures to provide adequate service to the disadvantaged. The agency grew out of a desire to eliminate abuses perpetrated by private agents. It was a new agency, created to serve the disadvantaged. But throughout its history, operating-level personnel have endeavored to upgrade the clientele, while, from time to time, higher level officials have attempted to redirect the efforts of the service back to the more disadvantaged workers--those least able to help themselves obtain jobs.

A short time perspective would make it look as if the Human Resources Development policy and subsequent retreat was a unique organizational phenomenon of an old-line agency, whereas in fact it represents one cycle of a recurring phenomenon--that of a clientele shifting from disadvantaged to job-ready. Occasionally, higher level officials (those who created the service originally, A.J. Altmeyer of the Industrial Commission staff, federal officials developing the HRD policy or state officials accepting the HRD policy) direct the service toward the disadvantaged. Almost always, however, the operating level staff strive to serve an upgraded clientele. Because this tension exists throughout the development of the Wisconsin State Employment Ser-

vice, it clearly resides inherently in the employment service function and not in the peculiar organization size or structure of a given period.

If not entirely laudable, the position of operating-level personnel is explainable. Part of the appeal of working for the employment service stems from the opportunity to develop contacts with community influentials--officials in area businesses. As long as the employment service refers qualified, competent, and job-ready individuals, employers respond with job orders and amiability. However, pressing the disadvantaged onto employers puts a severe strain on the agency-employer relationship, potentially depressing the number of job orders.

In addition, an emphasis on the disadvantaged forces employment service personnel to deal with persons often frustrating and exasperating to serve. The disadvantaged often have poor work habits and attitudes; a short time horizon which lowers the value of training programs for them; and physical, mental, and other disabilities which make them difficult to place. Initial enthusiasm for working with them can burn out, yielding a calloused, bureaucratic behavior seemingly insensitive to the real needs of the disadvantaged or an effort to upgrade the clientele.

The lesson of this study for manpower--and for other social-policy making and implementation for the disadvantaged--is important. Quite simply, the realities of a federal structure for a manpower system make permanent service to the disadvantaged extremely difficult because of the inevitable autonomy of state agencies. Close federal-state-local relationships, including considerable direction, control, encouragement, and social support from the federal government are vital. Otherwise, local employment and training personnel are isolated in the communities, buffeted by local pressures predominantly against an emphasis on the disadvantaged. In this environment, they naturally give expression to their own disposition to upgrade the clientele.

Against this background, the loss of federal support and tools (especially PSE) for employment and training programs for the disadvantaged in the Reagan administration, despite statements about the "truly needy," leads to the observation that CETA prime sponsors will find the temptation to upgrade their clientele nearly irresistible during the Reagan years.

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