

A DIRECTOR'S MONOGRAPH

THE OTHER SIDE. OF THE MERIT COIN:

**Removals for Incompetence
in the Federal Service**



February 1982

**A REPORT OF THE U.S. MERIT SYSTEMS PROTECTION BOARD
OFFICE OF MERIT SYSTEMS REVIEW AND STUDIES**

MERIT PRINCIPLES GOVERNING THE FEDERAL PERSONNEL SYSTEM

The Civil Service Reform Act (Pub.L. No. 95-454, 92 Stat. 111 (1978)) requires that Federal personnel management be implemented consistent with the following merit principles:

(1) Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve a work force from all segments of society, and selection and advancement should be determined solely on the basis of relative ability, knowledge, and skills, after fair and open competition which assures that all receive equal opportunity.

(2) All employees and applicants for employment should receive fair and equitable treatment in all aspects of personnel management without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition, and with proper regard for their privacy and constitutional rights.

(3) Equal pay should be provided for work of equal value, with appropriate consideration of both national and local rates paid by employers in the private sector, and appropriate incentives and recognition should be provided for excellence in performance.

(4) All employees should maintain high standards of integrity, conduct, and concern for the public interest.

(5) The Federal work force should be used efficiently and effectively.

(6) Employees should be retained on the basis of the adequacy of their performance, inadequate performance should be corrected, and employees should be separated who cannot or will not improve their performance to meet required standards.

(7) Employees should be provided effective education and training in cases in which such education and training would result in better organizational and individual performance.

(8) Employees should be--

- (a) protected against arbitrary action, personal favoritism, or coercion for partisan political purposes, and
- (b) prohibited from using their official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for election.

(9) Employees should be protected against reprisal for the lawful disclosure of information which the employees reasonably believe evidences--

- (a) a violation of any law, rule, or regulation, or
- (b) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

It is a prohibited personnel practice to take or fail to take any personnel action when taking or failing to take the action results in the violation of any law, rule or regulation implementing or directly concerning these merit principles.

The Merit Systems Protection Board is directed by law to conduct special studies of the civil service and other Federal merit systems to determine whether these statutory mandates are being met, and to report to the Congress and the President on whether the public interest in a civil service free of prohibited personnel practices is being adequately protected.

These studies, of which this report is one, are conducted by the Office of Merit Systems Review and Studies.

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INTRODUCTION

Director's Monographs. This is one of a series of Director's Monographs issued by the Office of Merit Systems Review and Studies, each of which focuses on one critical aspect of the merit system. This monograph addresses the question of whether, as the merit principles require, poor performers who cannot or will not improve are removed from the Federal service.

The Office of Merit Systems Review and Studies is responsible for carrying out the Board's legislative mandate **to** conduct special studies of the civil service and report to the Congress and the President from time to time on the health of the merit system. 1/ These monographs are drawn in large part from the unique data base which the Office has built up in the course of carrying out that program.

As has been amply demonstrated by earlier reports authored by the Office, much of practical value can be learned from these studies. They have invariably disproven one or another long-held tenet of anecdotal conventional wisdom, and have suggested , more efficient, less-costly, and unfailingly common-sense oriented approaches to the timeless task of preserving the public trust in Federal employment.2/

Removal--the "other side of the merit coin." The "merit principles" are a list of positive statutory criteria by which Federal personnel management is required to be guided. Along with the "prohibited personnel practices" (a set of statutory prohibitions), they constitute the organic document--a constitution or "Magna Charta"--of Federal personnel law. 3/

1/ 5 U.S.C. 1205(a)(3).

2/ The following reports have been issued by the U.S. Merit Systems Protection Board, Office of Merit Systems Review and Studies: Sexual Harassment in the Federal Workplace: Is it a Problem? (March, 1981); Do Federal Employees Face Reprisal for Reporting Fraud, Waste, or Mismanagement, Preliminary Report (April 1981); Study of MSPB Appeals Decisions for FY 1980 (May, 1981); Report on the Significant Actions of the Office of Personnel Management During 1980 (June, 1981); Status Report on Performance Appraisal and Merit Pay Among Mid-Level Employees (June 1981); A Report on the Senior Executive Service (September, 1981); Whistleblowing and the Federal Employee: Blowing the Whistle on Fraud, Waste, and Mismanagement--Who Does it and What Happens (October, 1981); Breaking Trust: Prohibited Personnel Practices in the Federal Service (February, 1982).

3/ The complete text of the merit principles is set out on the inside front cover of this monograph. The prohibited personnel practices are summarized on the inside back cover.

The "merit system" is most often thought of as applying its standards and procedures to the selection and advancement of public servants. Yet there is another, equally important side to the merit coin. That is the taxpayer's interest in an efficient and effective public work force.

A number of the merit principles further this goal of the taxpayer's getting full value from the Federal employee for salary dollar paid. The sixth merit principle in particular speaks directly to the point of what should be done about unacceptable performance when it occurs among Federal employees:

Employees should be retained on the basis of adequacy of their performance, inadequate performance should be corrected, and employees should be separated who cannot or will not improve their performance to meet required standards. 4/

This monograph explores the question of whether Federal employees who cannot or will not improve their inadequate performance are being separated.

Sources of Data from which this monograph was drawn. The data referred to in this monograph was drawn from two major sources:

- Statistical data extracted from the Central Personnel Data File (CPDF), the central repository of Federal work force statistics maintained by the Office of Personnel Management (OPM).
- Attitudinal data collected from various Federal employee populations by the Office of Merit Systems Review and Studies, in the course of surveys conducted as part of the special studies program.

The surveys from which data have been drawn include the following:

- **Senior Executive Survey.** This survey queried a random sample of 1,519 members of the Senior Executive Service in November, 1980. The questionnaire was completed and returned by about 980 executives, or roughly 67% of those who received the questionnaire (i.e., excluding a small number of undeliverable returns). Major results of this survey were reported in A Report on the Senior Executive Service, presented by the Board to the Congress and the President in September, 1981.
- **Mid-Level Employee Survey.** This survey instrument was sent to a random sample of approximately 4,900 "mid-level" employees (i.e., in grades GS-13 through GS-15 or equivalent) in December, 1980. About 70% of those who received this instrument responded to the survey.

Major results of this survey were reported in the Board's report to the Congress and the President in June, 1981, Status Report on Performance Appraisal and Merit Pay Among Mid-Level Employees.

- **Senior Personnel Professionals.** This survey examined the experiences and attitudes of a sample of about 1,750 senior personnel officials in the Federal Government (including grades GS-15 and above in Washington, and grades GS-13 and above in the field). Over 73% of those in our sample responded. Principal findings of that survey are included in the Board's Report on the Significant Actions of the Office of Personnel Management During 1980.

How to Obtain Raw Data. Interested persons may obtain data tapes, data description, and a related price schedule for each of these surveys by writing:

General Services Administration
National Archives (NNR) c/o Chief
of References 711 - 14th Street,
N.W. 11th Floor
Washington, DC 20408

All data tapes are, of course, edited to assure the absolute confidentiality of survey respondents.

SUMMARY OF FINDINGS

This monograph describes:

- Statistical data regarding removal of Federal employees because of inadequate performance.
- Attitudinal data describing the extent to which Federal employees feel that they, or their bosses, are likely to be removed should their performance be inadequate.

In summary, the data indicate that:

- **The statistical data regarding what happens to Federal employees whose performance is inadequate is itself inadequate.** The statistics being maintained do not give a clear picture of what happens to Federal employees who are poor performers. It is virtually impossible to say with authority what the crucial **trends** are in this area.
- **On the other hand, whatever those facts may be, it is clear that Federal employees themselves have a relatively low expectation that they will be removed from employment should their performance be inadequate.**
- **However, employee attitudes on the question of the likelihood of their removal for inadequate performance vary significantly among several Government-wide populations.** Senior executives, for example, see themselves as relatively more vulnerable to removal than do midlevel employees.
- **Employee attitudes on the subject also vary markedly among the different Federal agencies.** As is true of almost every subject we have examined, the Federal Government is demonstrably not a monolithic employer.

FINDINGS

THE AVAILABLE STATISTICAL DATA

The statistical data regarding what happens to Federal employees whose performance is inadequate is itself inadequate, and has been seriously misinterpreted in the past. The first questions which a reasonable person exploring the subject of the removal of Federal employees for incompetence would ask are, "What are the facts? What happens to inefficient employees? How many **are** removed?"

It would seem a simple matter to gather those facts. However, close scrutiny of existing sources of statistical data concerning the Federal work force reveals that the data is inadequate to the task of accurately describing what happens to inefficient Federal employees. More troubling is the fact that this data has been seriously misinterpreted in the past.

The history of the Civil Service Reform Act of 1978 (CSRA) 5/ illustrates the point.

One of the chief aims of the authors of the Act was to make it easier to remove inefficient Federal employees. The major premise underlying this reform goal was that the system existing prior to CSRA had become so complicated that Federal employees were virtually immune from removal.

President Jimmy Carter expressed this view in his message transmitting the proposed reform act to the Congress:

The simple concept of a "merit system" has grown into a tangled web of complicated rules and regulations.

Managers are weakened in their ability to reward the best and most talented people--and to fire those few who are unwilling to work.

The sad fact is that it is easier to promote and transfer incompetent employees than to get rid of them. 6/

President Carter and others in his administration offered in support of this premise the statement that "last year (1976) out of about 2 million

5/ Pub. L. No. 95-454, 92 Stat. 1111 (1978).

6/ Message from the President transmitting a draft of proposed legislation,
H.R. Doc. No. 95-299, 95th Cong., 2d Sess. 3 (1978).

employees, only 226 people lost their jobs for incompetence or inefficiency." 7/ The implications which were clearly intended to be drawn from the use of this number were that "only 226" Federal workers were fired for incompetence in 1976, and that nothing else of consequence happened to the other incompetents who certainly must have existed in the vast Federal bureaucracy.

In fact, this number was so grossly misleading as to require subsequent clarification by the former Chairman of the Civil Service Commission, Alan K. Campbell:

At this point it may be useful to clarify the facts about the number of employees who were dismissed in calendar year 1976. The total was 17,157. This figure includes:

226 who were separated for inefficiency based on unsatisfactory performance of duties.

2,287 who resigned in lieu of adverse action, some of whom may have done so because of poor performance.

4,261 who were terminated during their probationary periods.

240 who were removed because of some condition that existed before they were hired.

3,164 who were dismissed for some form of misconduct. 418 who were separated for suitability reasons.

4 who were separated under the Foreign Service system.

6,557 who were discharged for a variety of additional reasons that the data do not differentiate. (These were not subject to appeal to CSC.) 8/

Even a casual inspection of the clarified numbers makes clear that the number of Federal employees who were fired for "incompetence or inefficiency" was, at a minimum, several orders of magnitude greater than 226.

The bulk of the 4,261 who were separated during their probation period must be assumed to have been separated because of poor performance, since that is the

7/ Transcript of speech of President Jimmy Carter before the National Press Club, reported in the Washington Post, p. A-18 (March 3, 1978).

8/ Statement by Alan K. Campbell in U.S. Civil Service Commission, Civil Service News (April 20, 1978).

very purpose of the ease of separation during probation. 9/ Likewise, some large number of those who resigned in lieu of facing formal charges ("adverse action") may be counted among those who were in effect removed for incompetence or inefficiency. 10/ Finally, one can only speculate as to how many separations included among the largest single group (the 6,557 who were separated for "a variety of additional reasons that the data do not differentiate") were, in fact and effect, for poor performance.

The central point is not that civil servants are fired in droves, but that **the most accurate statement that can be made regarding the removal of incompetent Federal employees is that no one could say with confidence in 1978 exactly what happened to Federal employees whose performance was Inadequate.** Wholly aside from the ambiguity of the categories pointed out above, it was virtually impossible to know how many inefficient or incompetent employees were demoted; how many were reassigned to other tasks; how many were informally diverted to "voluntary" retirement, resignation, or other disposition.

For all practical purposes, the situation is the same today.

The imprecision of the Federal data base is a consequence of two factors: a broad social impediment to collection of accurate removal statistics, and certain characteristics of the Federal data system in particular. It is highly unlikely that the Federal personnel system is free of the general difficulty which surrounds all attempts to collect accurate data regarding the removal of employees for incompetence, whether in the private or public sector. Even assuming that it is, the specific categories of data which the Federal system collects do not lend themselves to precise statements about why Federal employees are removed or what happens to poor performers.

The social impediment. Our discussions with senior personnel executives experienced in the private sector confirm that there is a fundamental impediment to the accurate collection of removal statistics by any organization. That impediment is the reluctance of many organizations to overtly "fire" employees for inadequate performance. In the opinion of these executives, many private organizations prefer to remove even poor performers through a variety of less overt options, some of which may even be negotiated with the employee (depending on the employee's level in the organization, tenure, work history, etc.).

Thus, for example, an employee might be technically placed on "leave" so as to find other employment, even though it is crystal clear to both the

9/ "New Federal employees normally serve a one year probationary period, which is considered an extension of the examining process. This gives (the manager) the opportunity to evaluate on-the-job performance and permits (him or her) **to separate an employee who fails to demonstrate competence on the job.**" U.S. Office of Personnel Management, Manager's Handbook, p. 13 (1990 Reprint).

10/ "Adverse actions" are formal actions to remove, suspend, furlough, or reduce the pay or grade of any employee, and may be taken either for disciplinary reasons or for non-disciplinary reasons such as performance. See, Manager's Handbook, p. 213, Id.

employee and the employer that the employee is being "fired." Such procedures allow the employee to "save face" and to find other employment, and spares the employer such potential unpleasantness as litigation, poor publicity (including its reputation among people it wishes to recruit), and overt disruption of the work group through alienation of the employee's friends and co-workers.

Such "hybrid" removals do not show up in anyone's records as "firings" for incompetence or inefficiency. The point is that in all personnel systems there are more or less "informal" ways of dealing with inadequate performers which are not reflected in "firing" statistics. 11/

The problem of categories. Even if one assumes for the sake of argument that it would be possible in the Federal work place to accurately identify (and thus quantify) all personnel actions which are in effect "removals" for inadequate performance, the categories under which data are presently collected do not permit any level of confidence in exactly what the number of such removals is.

We must briefly describe the Federal personnel data system in order to explain this point.

The Central Personnel Data File (CPDF). The source of virtually all administrative statistics concerning Federal personnel is an automated data system maintained by the U.S. Office of Personnel Management covering approximately 2.8 million Federal employees. The system includes some 30 separate data elements describing, in capsule form, demographic data and the employment history of virtually all employees in the executive branch and a limited number of employees in the legislative and judicial branches. 12/ Each

11/ This fact is particularly significant when one considers that a silent, but crucial, premise underlying the reform thesis was that things are different (and inferentially 'better') in the private sector. Again, the fact is that no one can say with any certainty beyond anecdotal accounting how the experience in the private sector compares to the Federal workforce. We have been unable to find any such documentation in the history of CSRA or in the report of the study group which preceded the legislation. There is a certain naivete in the simplistic view that private bureaucracies are inevitably harsher than public bureaucracies with inefficient employees, a theme to which we return in the "Conclusions" section of this monograph.

12/ CPDF includes all Federal civilian employees of the executive branch except local nationals in foreign countries, nonappropriated fund employees (e.g., exchange employees in Defense activities), employees of the National Security Agency and Central Intelligence Agency, and commissioned officers serving in the Environmental Protection Agency and Departments of Commerce and Health and Human services. Also excluded are the Federal Reserve Board, the White House Office, and Tennessee Valley Authority. In the judicial branch only the Administrative Office of the U.S. Courts is covered. In the legislative branch, the General Accounting Office, Government Printing Office, and U.S. Tax Court are included. (CPDF is described in further detail in Federal Personnel Manual Chapter 298.)

month approximately 1,400 separate offices within the Federal Government submit records to OPM, requiring approximately 500,000 individual changes to update this record system.

One of the key data elements in the system is the "nature of action code," used to describe the types of personnel action affecting each employee (e.g., initial hire, promotion, removal for unacceptable performance, retirement--voluntary, or resignation). There are approximately 300 of these codes, which OPM continues to refine.

Obviously, two conditions must exist in order to make definitive statements based on CPDF data about how many Federal employees are removed for incompetence, and what those trends are:

- The categories (nature of action codes) by which removals for poor performance are reported must be mutually exclusive of removals for other reasons; and
- The categories must be consistent over time.

Neither of these conditions is true of the CPDF nature of actions codes relating to removal for poor performance.

Action codes have changed over time. Before CSRA was passed (i.e., including the year to which President Carter referred), certain very broad nature of action codes were used to report dismissals to the CPDF. For example, pre-CSRA CPDF records used a single code for such diverse actions as:

- removals involving both unacceptable performance and misconduct or delinquency; or
- removals involving both misconduct or delinquency but not unacceptable performance; or
- terminations because an employee was not within reach of a Civil Service Commission employment register for conversion to a career-conditional appointment (an action which has nothing to do with an employee's performance or conduct).

This problem was addressed by revisions which OPM made in the CPDF action codes in January and July of 1979. Those revisions should now make it possible to isolate all removal actions based on performance (although precise comparisons with earlier data are still impossible because of the coding changes.)

In the meantime, OPM has decided that the action codes applicable to **probationary removals** are to be collapsed into a single code again in 1982, as a result of recent court decisions holding that adverse information which impugns an individual's character may not be recorded and disclosed for probationers because they have no rights to a hearing to challenge the information. Accordingly, it will once again be impossible to attribute with precision the cause for a substantial number of removals in the Federal service.

In any case, the instability of the action codes makes it impossible, for all practical purposes, to capture meaningful trends in removals for performance. Table 1 contains what we believe to be the best possible breakdown of the available data applicable to removals.

It should be noted that the time periods shown in Table 1 are not consistent (but represent the time periods for which data is available)--i.e., two years shown are calendar years, and one in a fiscal year. For this reason, and the problems we discussed above, we present the data here for information only, and do not attempt to draw conclusions from it.

TABLE 1
TRENDS IN REMOVALS FROM 1977 TO 1980 ^{1/}

	Calendar Year 1977	Calendar Year 1978	Fiscal Year 1980 ^{2/}
Employees who were separated for inefficiency based on poor performance.	115	119	214
Employees terminated during probation for:			
(a) Conditions that existed before they were hired.	371	385	482
(b) Inefficiency based on poor performance or misconduct.	2,660	2,746	2,989
Employees who resigned in lieu of adverse action, some of whom may have done so because of poor performance.	1,554	1,022	1,239
Employees who were removed for some condition that existed before they were hired.	266	234	496
Employees separated for failing to complete air traffic control training.	68	103	124
Employees who were separated at the direction of MSPB or by OPM for suitability or other reasons.	129	76	81
Employees separated under the Foreign Service System.	5	10	11
Employees discharged for a variety of reasons, including some removed for unacceptable performance, misconduct or delinquency ^{3/}	4,529	4,774	6,442
TOTAL	9,697	9,469	12,078
1/ These figures are from OPM's Central Personnel Data File. They show the "officially" reported reasons for personnel actions involving dismissals. The figures exclude the U.S. Postal Service, because of problems with the accuracy of data furnished to OPM by the Postal Service. It should be noted that the 1976 figures on dismissals cited on page 6 of this report include Postal employees who were dismissed during that year. OPM has indicated that in prior years, dismissals in the Postal Service generally accounted for 40% to 50% of dismissals recorded in CPDF.			
2/ Fiscal Year 1980 covered the period from October 1, 1979, to October 1, 1980.			
3/ This category includes actions involving: removals for both unacceptable performance and misconduct or delinquency; removals for both misconduct or delinquency but not unacceptable performance; and terminations because an employee was not within reach on a Civil Service Commission employment register for conversion to a career-conditional appointment (which has nothing to do with the employee's performance or conduct).			

It should be clear from the preceding discussion that the available administrative data are not the best source from which to discern whether the merit principle calling for removal of incompetent employees is being observed.

THE ATTITUDINAL DATA

It is necessary to go beyond personnel statistics to grasp the problem. We have tried to demonstrate in the preceding sections why the "objective" statistics on the removal of Federal employees for inefficiency or incompetence do not adequately grapple with the question of whether the Federal personnel system is honoring the merit principle that persons who cannot or will not improve should be removed.

We noted that removal data are imperfect in any personnel system because of the preference of many organizations for less visible means of dismissal over overt "firings." That preference makes it difficult to know what the rate of removal for incompetence is in either the public or private sectors, since many such removals are taken in the guise of other actions.

We also examined the ambiguity of the system of Federal personnel statistics, pointing out the difficulties involved in drawing clear conclusions and trends from that data.

These deficiencies in the "objective" personnel statistics suggest that another route is necessary to understand what is happening to poor performers in the Federal service. The better route is that of going "straight to the horse's mouth" and simply asking Federal managers and employees themselves what they see happening around them.

A simple but cogent sample survey of Federal managers and supervisors could illuminate the subject far beyond the limitations of the central personnel data system. How many of their employees do supervisors and managers see as being "inefficient or incompetent?" What do they do about it? Do they try to fire them? Why not? Or do they accommodate to the subordinate's inadequacies in some other way? If so, how?

We have not yet conducted exactly such a survey in the relatively short history of our program of special studies. However, we have asked Federal employees (in the context of other surveys) about the likelihood of their being removed if their performance were inadequate.

The data from those questions indicate that, in general, Federal employees do not have a high expectation that poor performance will lead to their removal. 13/

Senior Federal personnel officials see managers as tending to act to remove poor performers. Among the groups of Federal employees we have surveyed, senior personnel managers are perhaps the most knowledgeable on the

13/ We hasten to repeat at this point that we have been unable to find a comparable set of data setting forth the expectations of employees in equivalent organizations in the private sector.

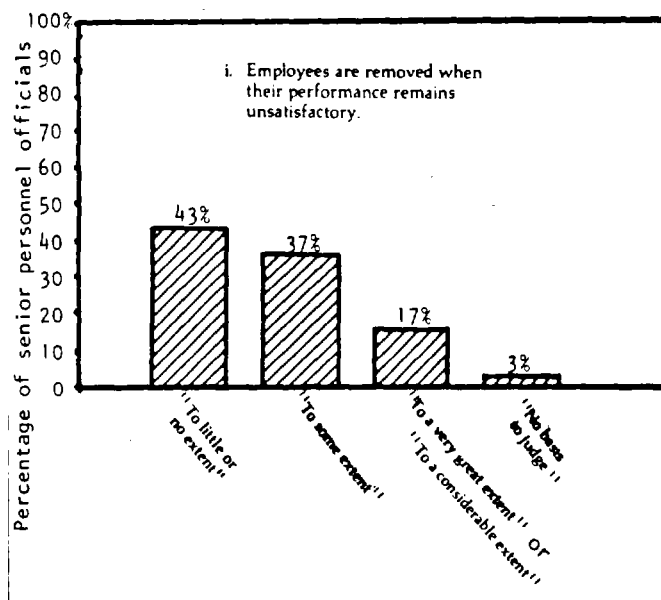
subject of what action is being taken against poor performers. Their responses to several questions indicate that Federal managers are not acting to remove poor performers (Charts 1 and 2).

We asked these senior personnel officials to indicate the extent to which they felt that "employees are removed when their performance remains unsatisfactory." Only 17% of the respondents felt that this was happening to "a considerable" or "very great" extent. On the other hand, 43% felt that it was happening to "little or no extent," and 37% only to "some" extent (Chart 1).

CHART 1

RESPONSES OF SENIOR PERSONNEL OFFICIALS

3. In the following question, we list several elements of the merit principles and ask you to indicate to what extent you feel these ideals are being achieved in your organization.

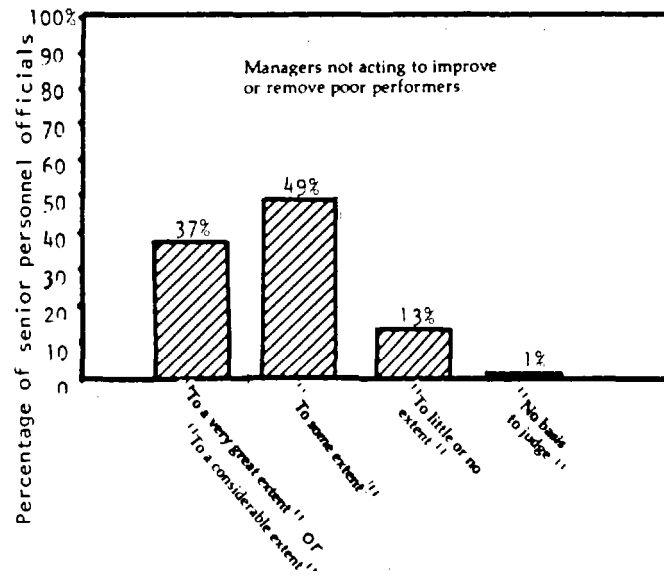


A similar picture emerges from the responses of senior personnel officials to a question which explored the extent to which managers failed to act to improve or remove poor performers. Over a third (37%) thought that managers' not acting to improve or remove poor performers was occurring to a "very great" or "considerable" extent in their organizations (Chart 2).

CHART 2

RESPONSES OF SENIOR PERSONNEL OFFICIALS

12. A. To what extent is this occurring in your organization?



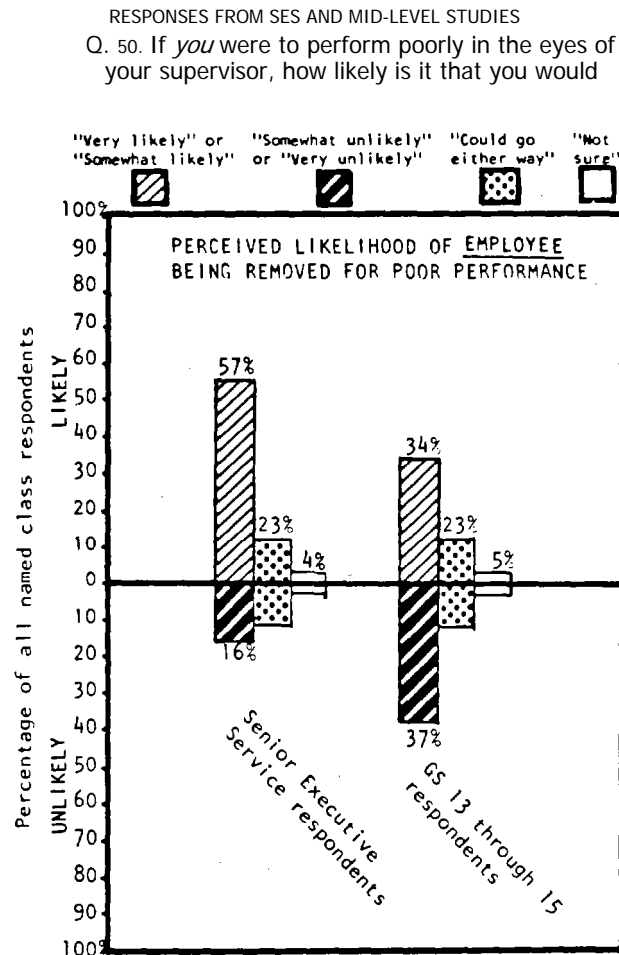
The perceptions of mid-level and senior executive employees about the likelihood of their (or their boss') being removed confirm the senior personnel officials' view that little is being done to remove poor performers.

Federal employees have a generally low expectation that either they or their bosses would be removed if their performance were inadequate. We asked two significant groups of Federal employees--mid-level employees (in grades GS-13 through GS-15) and members of the Senior Executive Service--to indicate how likely they thought it was that they would be removed from their positions if they were to perform poorly in the eyes of their supervisors.

Although senior executives clearly saw themselves as being more vulnerable, neither group expressed a high expectation that they would be removed under those circumstances. Government-wide, 57% of the senior executive

respondents felt that it was "very" or "somewhat" likely that they would be removed; only 34% of the mid-level employees indicated those levels of likelihood. 14/ (Chart 3).

CHART 3

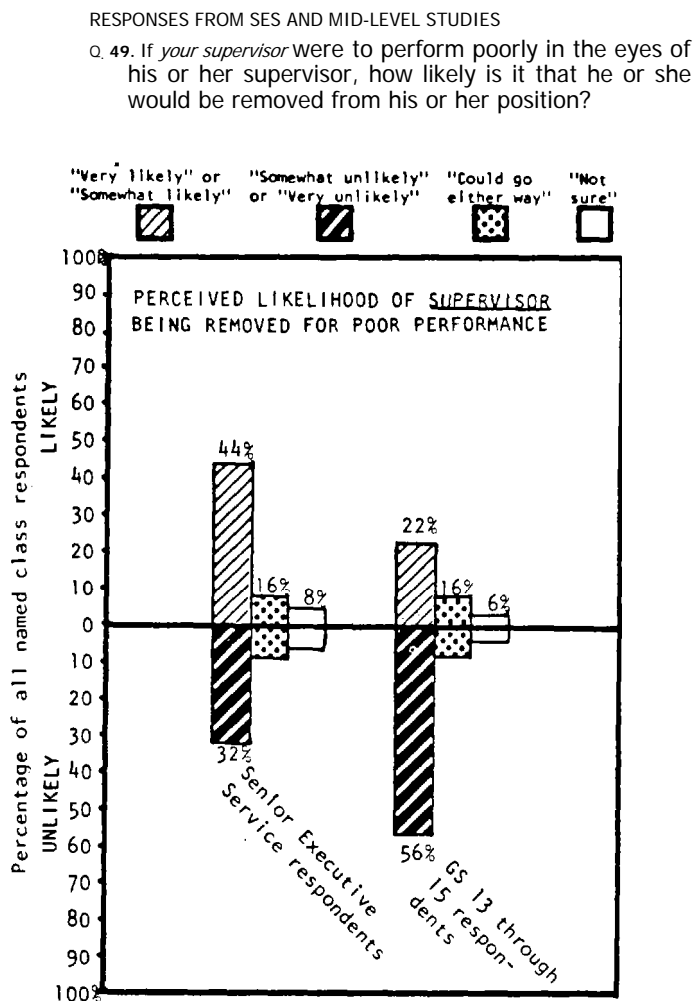


14/ Federal employees in a broader range of grade levels and occupation groupings expressed similarly low levels of expecting negative consequences for poor performance in a survey of the Federal work force conducted by the Office of Personnel Management in 1979 (prior to the effective date of CSRA). "Only approximately one-third of the workforce feel that they will be demoted if they perform poorly. Negative consequences are perceived as slightly more likely by supervisory personnel. However, even at those levels generally less than 50 percent see the connection." Office of Personnel Management, Federal Employee Attitudes, Phase 1: Baseline Survey 1979 at p. 20. The question upon which this finding was based was **not** included in the second Federal employee attitude survey conducted by OPM. Therefore, no trend can be derived from that source.

The subject took on an interesting dimension when we approached it from another perspective. Thus, we also asked both groups what the likelihood was that their supervisors would be removed if the supervisors performed poorly in the eyes of their supervisors.

Both groups of employees saw themselves as being more vulnerable than their supervisors, the mid-level employees dramatically so. Forty-four percent of the senior executive respondents thought it was "very likely" or "somewhat likely" that their boss would be removed if the boss performed poorly, while only 22% of the mid-level employees thought that their supervisors would be fired under those circumstances (Chart 4).

CHART 4

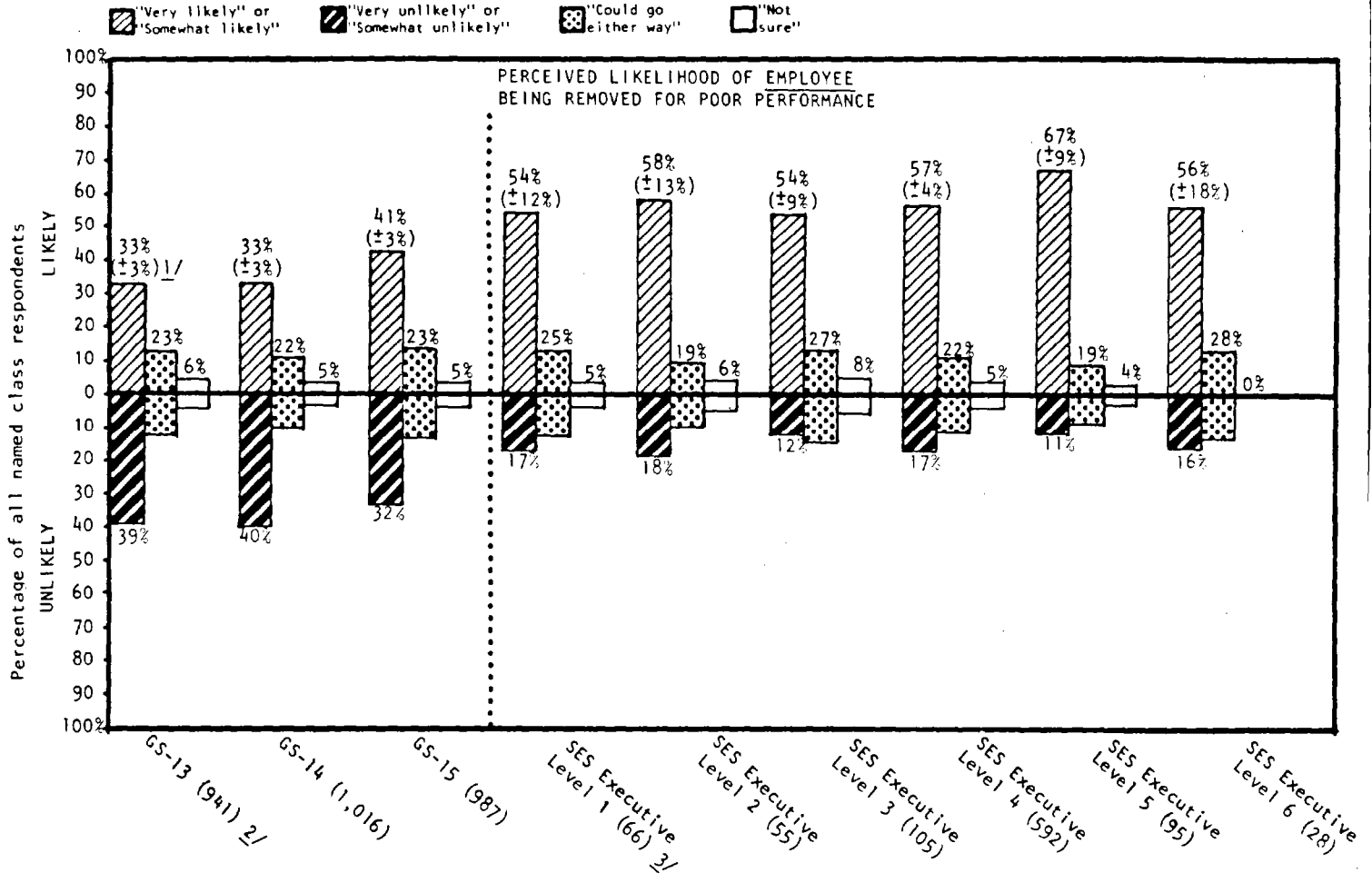


The attitudes of the employees we surveyed on the likelihood of removal varied significantly, depending on the grade level of the employees, and that of their supervisors. Charts 5 through 8 illustrate that the strength of employee perceptions about the likelihood of removal varies, depending upon the grade level of the employees and that of their supervisors.

As we noted above, senior executives generally saw themselves as being more vulnerable to removal than did mid-level employees, and both groups saw themselves as being more vulnerable than they saw their supervisors being. However, when these categories of employees are broken out by specific grade or (in case of the Senior Executive Service) pay level of the respondents, interesting subtleties appear.

CHART 5

Q. 50. If you were to perform poorly in the eyes of your supervisor, how likely is it that you would be removed from your position?



1/ The number in parentheses indicates the possible error range, at the 95% confidence level, for the associated figure. In other words, based on a sample of this size, one can say with 95% confidence that the error attributable to sampling and other random effects could be up to this many percentage point in either direction, but there is less than 5% chance that the "true" figure lies outside the indicated bracket.

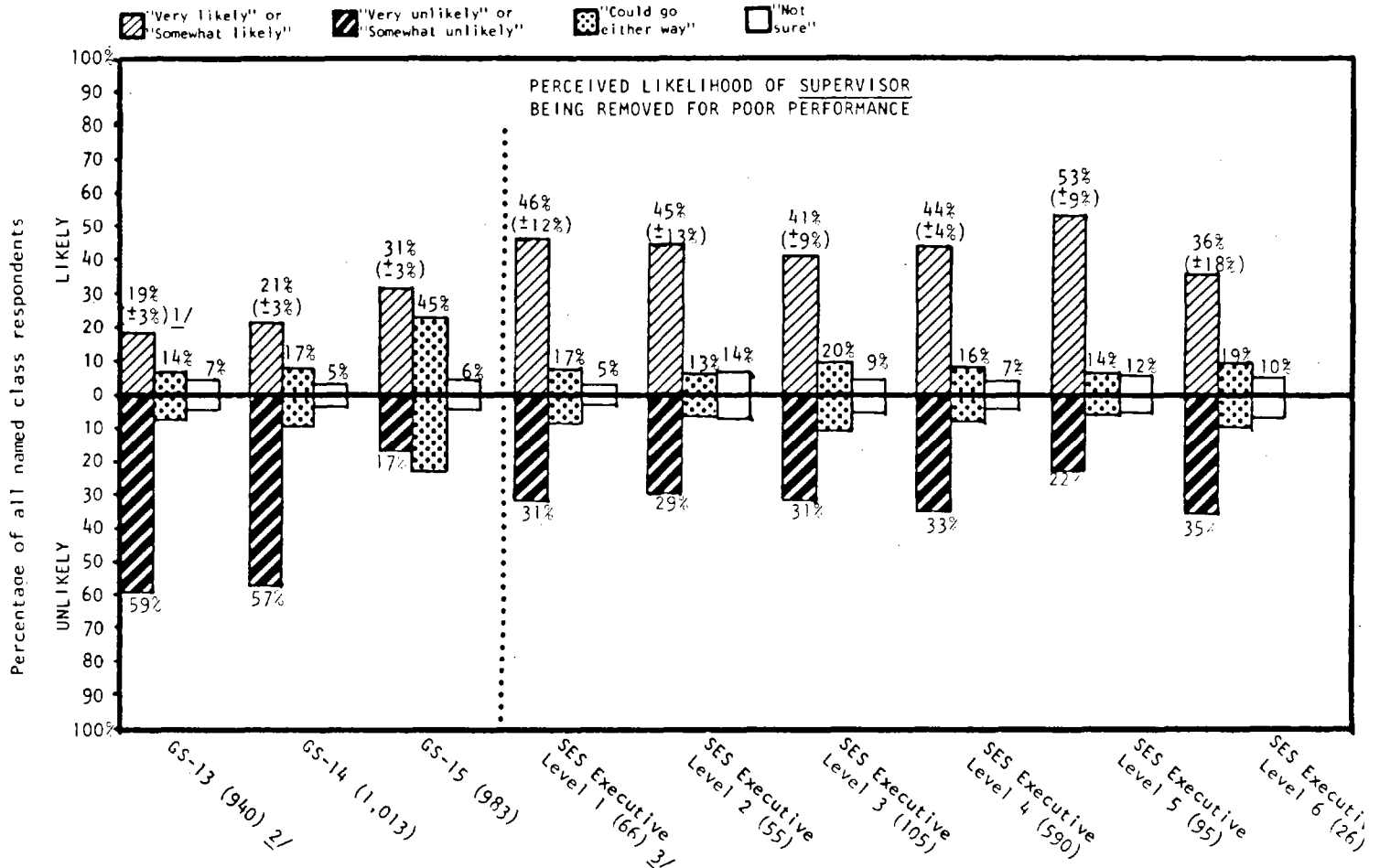
2/ The number in parentheses indicates the total number of named class respondents who answered this question.

3/ Executive levels refer to SES pay rates. Most executives are at Executive Level 4, because OPM's initial guidance on converting supergrades to SES in July 1979 recommended the conversion of executives in grades GS-16, Steps 4-9, and GS-18 to Executive Level 4.

4/ Because the percentages were rounded to the nearest whole number, the total of the responses may not sum to 100%.

CHART 6

Q49. If your supervisor were to perform poorly in the eyes of his or her supervisor, how likely is it that he or she would be removed from his or her position?^{1/}



the number in parentheses indicates the possible error range, at the 95% confidence level, for the associated figure. In other words, based on a sample of this size, one can say with 95% confidence that the error attributable to sampling and other random effects could be up to this many percentage points in either direction, but there is less than 5% chance that the "true" figure lies outside the indicated bracket.

2/ The number in parentheses indicates the total number of named class respondents who answered this question.

3/ Executive levels refer to SES pay rates. Most executives are at Executive Level 4, because OPM's initial guidance on converting supergrades to SOS in July 1979 recommended the conversion of executives in grades GS-16, Steps 4-9, and GS-18 to Executive Level 4.

4/ Because the percentages were rounded to the nearest whole number, the total of the responses may not sum to 100%.

Thus, for example, there is apparent a rough increase in apprehension of removal for poor performance as one moves up in rank, from a low of 33% of mid-level employees in grade GS-13 seeing a "very" or "somewhat" likely connection between poor performance and removal, to a high of 67% of senior executives at Executive Level 5 seeing the connection. (Chart 5). A similar, but more modest increase in apprehension for **one's supervisor** also accompanies the rise in the employee's rank (Chart 6).

In both cases, the "apprehension" of senior executives at all pay levels is greater than that of mid-level employees. This greater degree of apprehension may be explained by the perceived greater vulnerability of executives in the "high risk, high reward elite corps" which the Senior Executive Service was intended to be. However, as we have pointed out in our earlier report on the Senior Executive Service, neither the high risk nor the high reward envisioned for this corps has materialized. 15/

It will be important to track these perceptions over time, in order to understand whether the fundamental risk and reward premise on which the Senior Executive Service is based has any credibility among its members. 16/

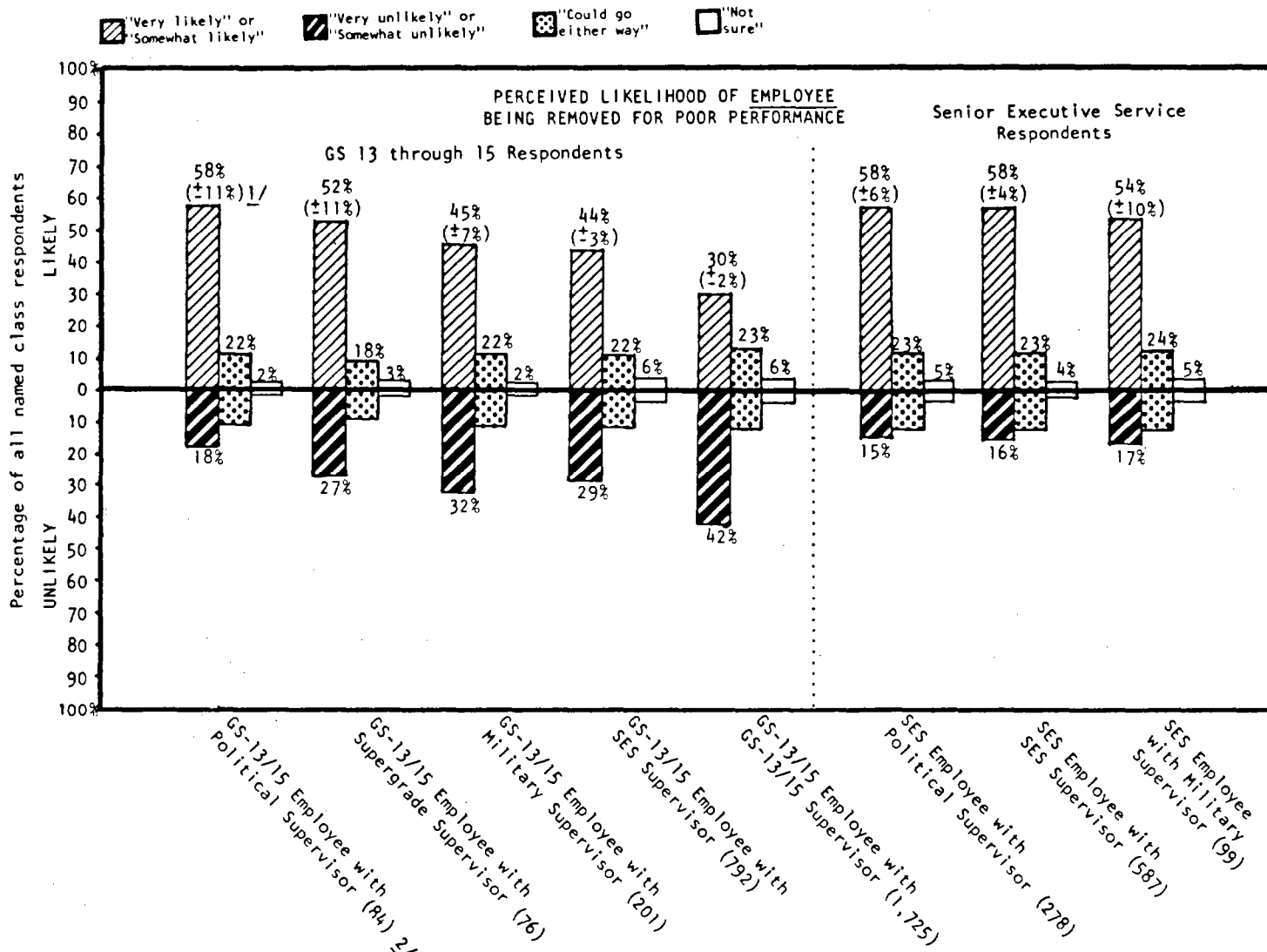
Other variations appear when the respondents are grouped by the type and grade of their supervisors (Charts 7 and 8).

15/ U.S. Merit Systems Protection Board, A Report on the Senior Executive Service, p. 36 (September 1981). According to the Office of Personnel Management, based on information provided to OPM by agencies, as of December 1, 1981 (17 months after creation of the SES) one (1) career SES member had been removed from SES and placed in a GS-15 position, one (1) career member had received an unsatisfactory rating and retired, and one (1) had been removed from SES during probation. It is reasonable to suppose that agencies may also have dealt with some "marginal" executives by reassignment or by allowing them to reassign, retire, or accept a demotion; such instances generally would not be detectable from formal records.

16/ Our report has pointed out that the reward side of the ledger has had little credibility among the SES. Id.

CHART 7

50. If you were to perform poorly in the eyes of your supervisor, how likely is it that you would be removed from your position?1/



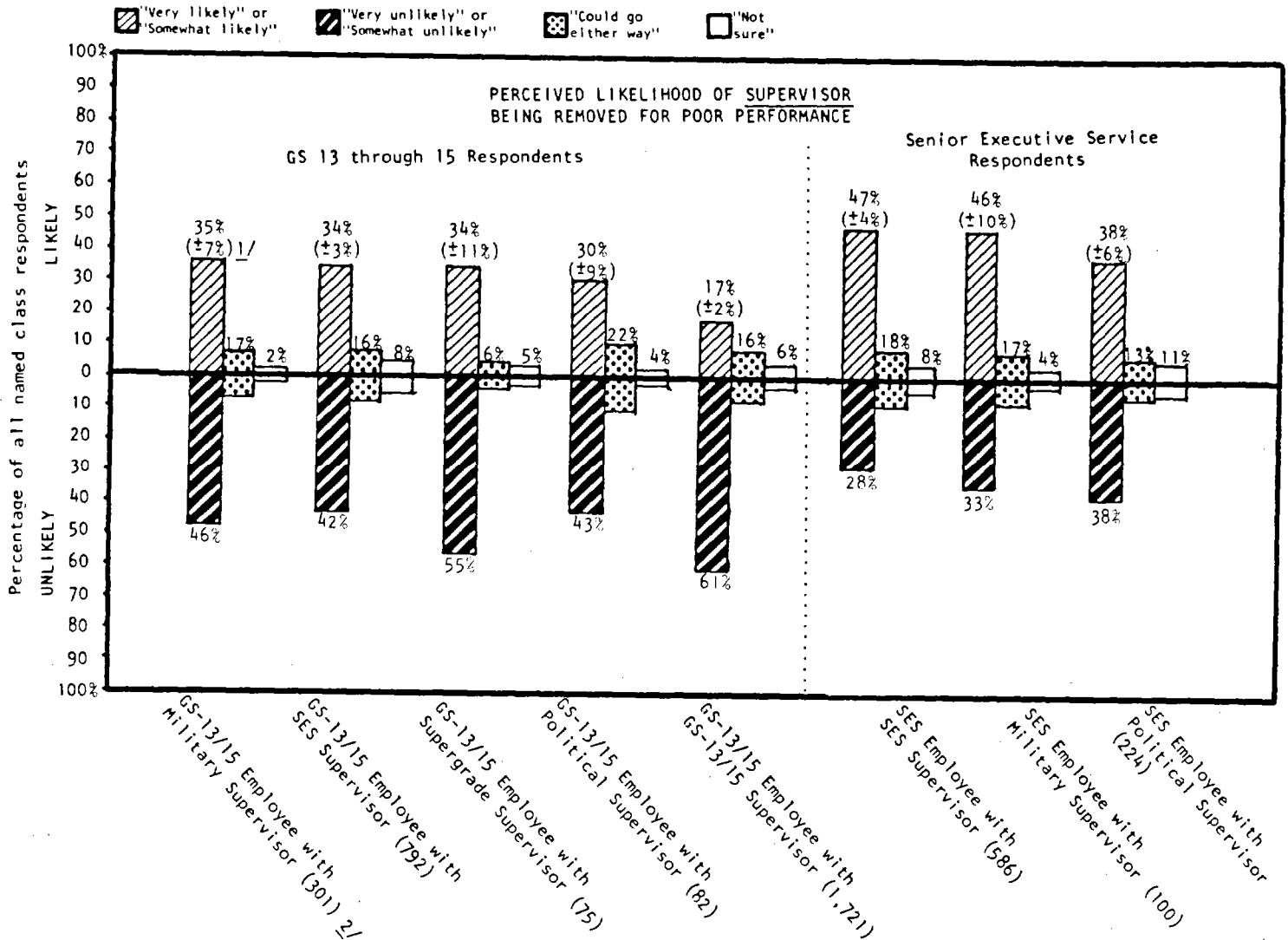
The number in parentheses indicates the possible error range, at the 95% confidence level, for the associated figure. In other words, based on a sample of this size, one can say with 95% confidence that the error attributable to sampling and other random effects could be up to this many percentage points in either direction, but there is less than 5% chance that the "true" figure lies outside the indicated bracket.

2/ The number in parentheses indicates the total number of named class respondents who answered this question.

3/ Because the percentages were rounded to the nearest whole number, the total of the responses may not sum to 100%.

CHART 8

Q.49. If your supervisor were to perform poorly in the eyes of his or her supervisor, how likely is it that he or she would be removed from his or her position?1



/ The number in parentheses indicates the possible error range, at the 95% confidence level, for the associated figure. In other words, based on a sample of this size, one can say with 95% confidence that the error attributable to sampling and other random effects could be up to this many percentage point in either direction, but there is less than 5% chance that the "true" figure lies outside the indicated bracket.

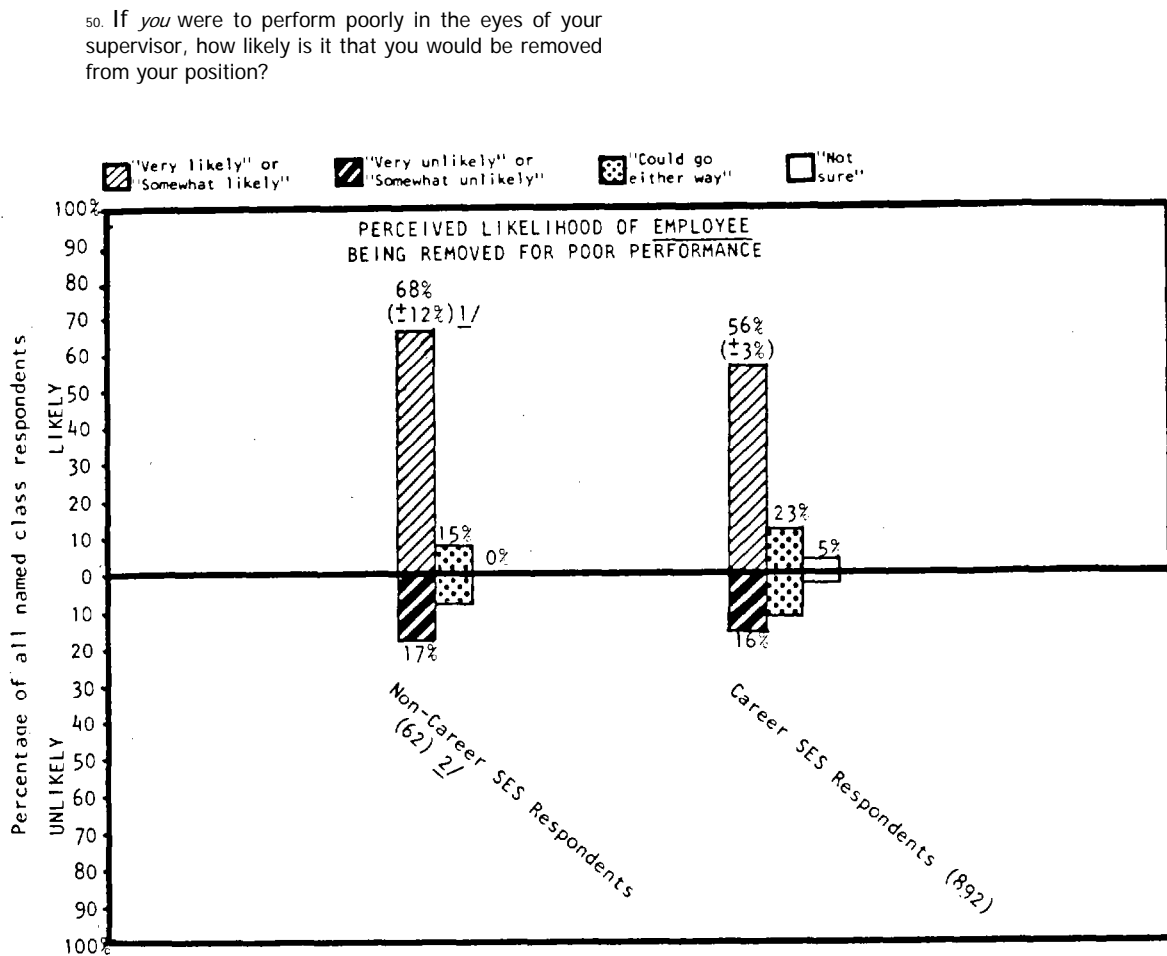
2/ The number in parentheses indicates the total number of named class respondents who answered this question.

3/ Because the percentages were rounded to the nearest whole number, the total of the responses may not sum to 100%.

We cannot say on the available data why these variations exist, but some of the differences are worth noting. Thus, 58% of both mid-level employees and senior executives who are supervised by political appointees think it "very likely" or "somewhat likely" that they would be removed if they performed poorly in the eyes of their supervisors (Chart 7). This is the highest percentage of such response among groups ordered by category of supervisor, equalled only by the views of senior executives who are supervised by other senior executives.

One striking anomaly is that senior executives who are supervised by political supervisors have lower expectation that their supervisor would be removed for poor performance than do senior executives supervised by either other senior executives or military personnel (Chart 8). This contrasts with the fact that non-career (essentially "political") SES appointees themselves have a higher expectation that they would be removed for poor performance than do career senior executives (Chart 9).

CHART 9



1/ The number in parentheses indicates the possible error range, at the 95% confidence level, for the associated figure.

In other words, based on a sample of this size, one can say with 95% confidence that the error attributable to sampling and other random effects could be up to this many percentage points in either direction, but there is less than 5% chance that the "true" figure lies outside the indicated bracket.

2/ The number in parentheses indicates the total number of named class respondents who answered this question.

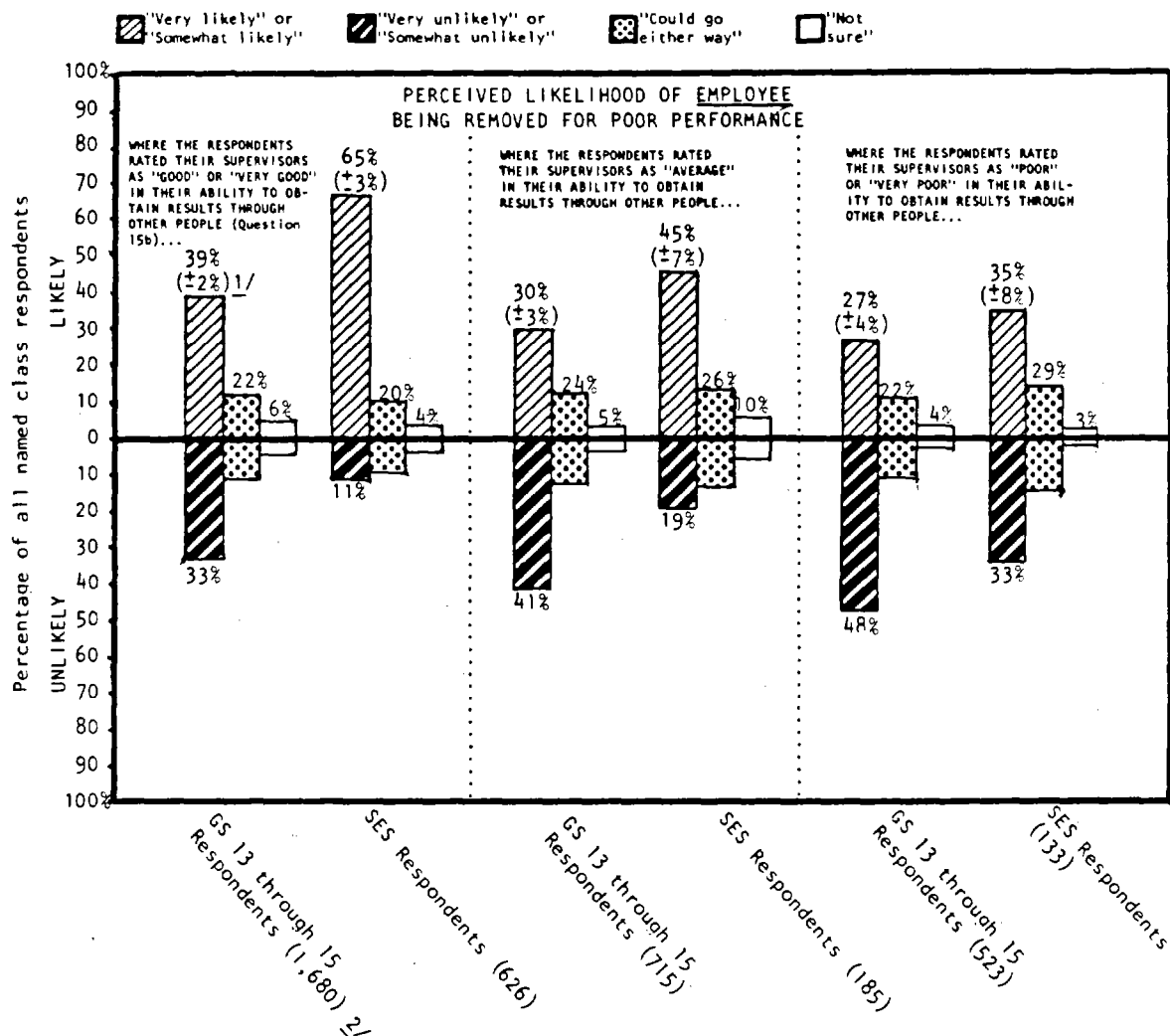
3/ Because the percentages were rounded to the nearest whole number, the total of the responses may not sum to 100%.

Employee perceptions very according to the employees' view of their supervisors' "human relations" skills. Charts 10 and 11 illustrate one of the more significant relationships we observed. It appears that the more effective the supervisor's "human relations" skills, the higher the perception of his or her subordinates that removal is likely to be a consequence of poor performance.

Thus, we grouped the mid-level and senior executive respondents according to how they had rated their supervisors' ability to "obtain results through other people." (Given the personnel intensive nature of supervision in most areas of the Federal service, that characteristic serves as a rough but useful benchmark of the supervisor's human relations skills.)

CHART 10

50. If *you* were to perform poorly in the eyes of your supervisor, how likely is it that you would be removed from your position?



1/ The number in parentheses indicates the possible error range, at the 95% confidence level, for the associated figure

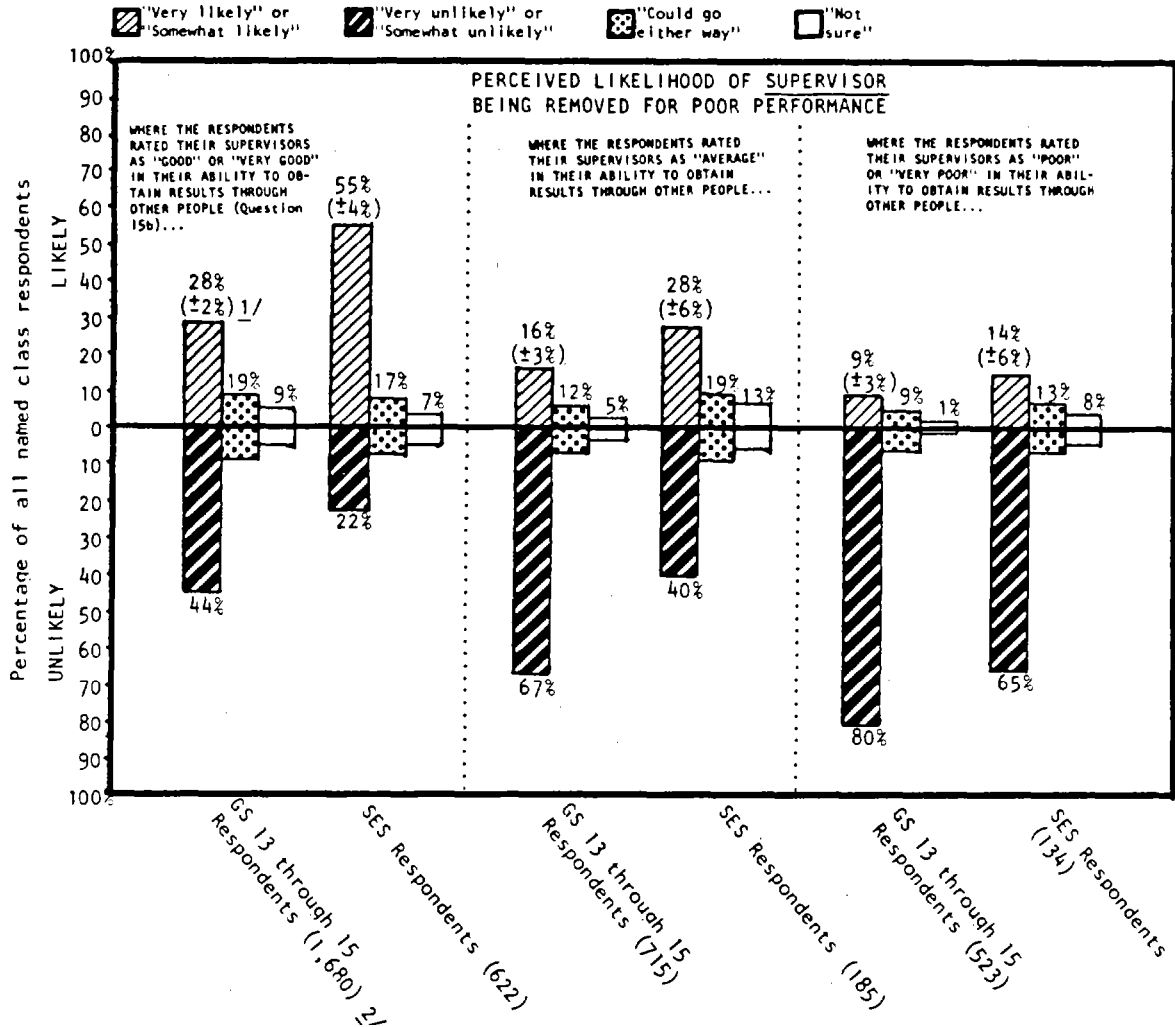
1n other words, based on a sample of this size, one can say with 95% confidence that the error attributable to sampling and other random effects could be up to this many percentage points in either direction, but there is less than 5% chance that the "true" figure lies outside the indicated bracket.

2/ The number in parentheses indicates the total number of named class respondents who answered this question.

3/ Because the percentages were rounded to the nearest whole number, the total of the responses may not sum to 100%.

CHART 11

49. If *your supervisor* were to perform poorly in the eyes of his or her supervisor, how likely is it that he or she would be removed from his or her position?



1/ The number in parentheses indicates the possible error range, at the 95% confidence level, for the associated figure. In other words, based on a sample of this size, one can say with 95% confidence that the error attributable to sampling and other random effects could be up to this many percentage points in either direction, but there is less than 5% chance that the "true" figure lies outside the indicated bracket.

2/ The number in parentheses indicates the total number of named class respondents who answered this question.

1/ Because the percentages were rounded to the nearest whole number, the total of the responses may not sum to 100%.

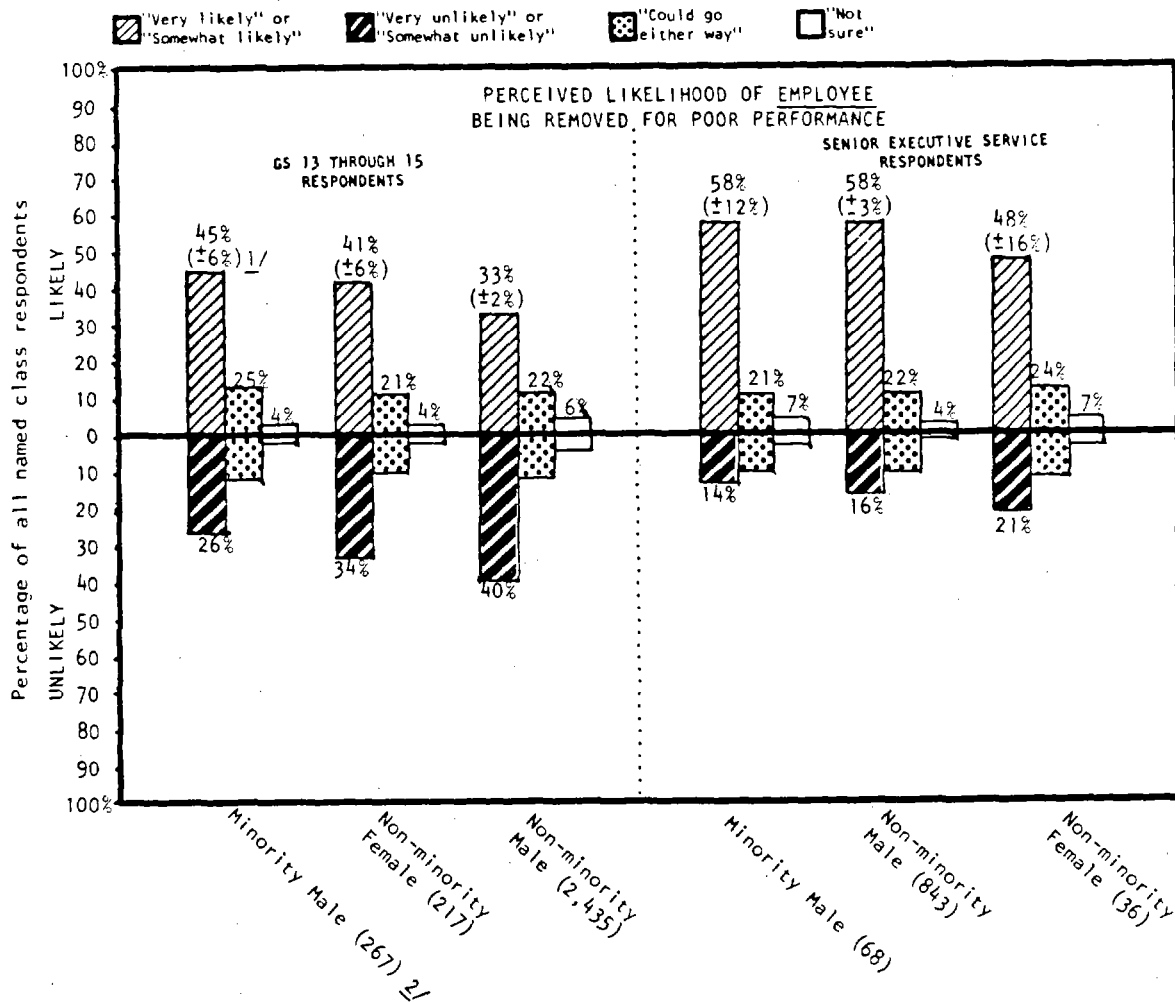
Both mid-level employees and senior executives who rated their supervisors as "good" or "very good" in obtaining results through other people had significantly higher expectations that they would be removed if their performance were poor (Chart 10), and that their supervisor would be removed if his or her performance were poor (Chart 11).

There thus seems to be a clear relationship between organizational climate and employee perceptions of the likelihood of removal for poor performance. What is not clear is which is cause and which is effect. Are the supervisors thought to be effective in getting things done through people because it is also thought likely that they (or their superiors) will take action to remove poor performers, or is the relationship vice versa?

Perceptions also vary somewhat by the personal characteristics of the respondents. Chart 12 illustrates the levels of expectation of removal which occur when the respondents are grouped by such personal characteristics as race and sex. (The number of minority female respondents in all surveys discussed here was too small to permit a statistically significant figure to be reported.)

CHART 12

50. If you were to perform poorly in the eyes of your supervisor, how likely is it that you would be *removed* from your position?



Although there are some variations among these categories, none are of sufficient significance to warrant extended discussion. However, these data provide an important base line for future analysis.

There are significant differences in perceptions among the employees of different. Federal agencies. Charts 13 and 14 set forth the expectations of respondents concerning removal when they are grouped according to the agencies by which they are employed.

It is obvious from inspection of these data that how employees feel about the likelihood of removal for poor performance varies greatly among the agencies. Clearly, the Federal Government is not a monolithic employer, a fact which we have noted in our reports on nearly every facet of the merit system which we have studied.

We must repeat here our constant caution that the differences among the agencies do not lend themselves to grossly simplified comparisons. (Certainly the differences between closely ranked agencies have virtually no significance.) Nevertheless, the differences in employee perceptions by agency must reflect specific differences among the agencies in "organizational climate," mission, agency history and the demographics of employment.

Agency heads and personnel managers in each agency will no doubt wish to explore in further detail the underlying reasons for their respective rankings in these matters.

CHART 13

PERCEIVED LIKELIHOOD OF EMPLOYEE BEING REMOVED FOR POOR PERFORMANCE

Q50. If you were to perform poorly in the eyes of your supervisor, how likely is it that you would be removed from your position?

Army	GS 13/15 (119)[1]	55% ($\pm 10\%$)[2] chose "somewhat unlikely" or "very unlikely", 13% chose "could go either way, 28% chose "very likely" or "somewhat likely", and 5% chose "not sure." [5]
	SES (37)	27% ($\pm 13\%$) chose "somewhat unlikely" or "very unlikely", 24% chose "could go either way, 38% chose "very likely" or "somewhat likely", and 11% chose "not sure."
NRC	GS 13/15 (98)	45% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely", 19% chose "could go either way, 32% chose "very likely" or "somewhat likely", and 4% chose "not sure."
	SES (29)	21% ($\pm 14\%$) chose "somewhat unlikely" or "very unlikely", 24% chose "could go either way, 48% chose "very likely" or "somewhat likely", and 9% chose "not sure."
EPA	GS 13/15 (93)	44% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 14% chose "could go either way, 30% chose "very likely" or "somewhat likely", and 12% chose "not sure."
	SES (45)	11% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 20% chose "could go either way, 67% chose "very likely" or "somewhat likely", and 2% chose "not sure."
Transportation	GS 13/15 (105)	42% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 24% chose "could go either way, 31% chose "very likely" or "somewhat likely", and 3% chose "not sure."
	SES (54)	17% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 20% chose "could go either way, 50% chose "very likely" or "somewhat likely", and 13% chose "not sure."
HHS	GS 13/15 (106)	42% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 19% chose "could go either way, 320% chose "very likely" or "somewhat likely", and 7% chose "not sure."
	SES (48)	17% ($\pm 10\%$) chose "somewhat unlikely" or "very unlikely", 27% chose "could go either way, 48% chose "very likely" or "somewhat likely", and 8% chose "not sure."
Labor	GS 13/15 (100)	41% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 32% chose "could go either way, 20% chose "very likely" or "somewhat likely", and 8% chose "not sure."
	SES	Insufficient size sample [3]
Navy	GS 13/15 (119)	40% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 27% chose "could go either way, 28% chose "very likely" or "somewhat likely", and 5% chose "not sure."
	SES (42)	12% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 21% chose "could go either way, 67% chose "very likely" or "somewhat likely", and 0% chose "not sure."
NASA	GS 13/15 (122)	40% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 24% chose "could go either way, 31% chose "very likely" or "somewhat likely", and 5% chose "not sure."
	SES (46)	11% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 17% chose "could go either way, 72% chose "very likely" or "somewhat likely", and 0% chose "not sure."
HUD	GS 13/15 (92)	39% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 19% chose "could go either way, 32% chose "very likely" or "somewhat likely", and 10% chose "not sure."
	SES	Insufficient size sample
Commerce	GS 13/15 (103)	38% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely", 21% chose "could go either way, 35% chose "very likely" or "somewhat likely", and 6% chose "not sure."
	SES (54)	24% ($\pm 10\%$) chose "somewhat unlikely" or "very unlikely", 17% chose "could go either way, 50% chose "very likely" or "somewhat likely", and 9% chose "not sure."
Small Merit Pay Agencies[4]	GS 13/15 (244)	38% ($\pm 3\%$) chose "somewhat unlikely" or "very unlikely", 20% chose "could go either way, 37% chose "very likely" or "somewhat likely", and 5% chose "not sure."
	SES	Insufficient size sample
WEIGHTED SURVEY AVERAGE	GS 13/15 (2,985)	37% ($\pm 1\%$) chose "somewhat unlikely" or "very unlikely", 23% chose "could go either way, 34% chose "very likely" or "somewhat likely", and 5% chose "not sure."
	SES (969)	16% ($\pm 1\%$) chose "somewhat unlikely" or "very unlikely", 23% chose "could go either way, 57% chose "very likely" or "somewhat likely", and 5% chose "not sure."
OPM	GS 13/15 (89)	37% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 25% chose "could go either way, 26% chose "very likely" or "somewhat likely", and 13% chose "not sure."
	SES	Insufficient size sample
Energy	GS 13/15 (108)	35% ($\pm 6\%$) chose "somewhat unlikely" or "very unlikely", 25% chose "could go either way, 33% chose "very likely" or "somewhat likely", and 6% chose "not sure."
	SES (57)	21% ($\pm 10\%$) chose "somewhat unlikely" or "very unlikely", 25% chose "could go either way, 51% chose "very likely" or "somewhat likely", and 3% chose "not sure."
Other DOD	GS 13/15 (250)	34% ($\pm 4\%$) chose "somewhat unlikely" or "very unlikely", 25% chose "could go either way, 66% chose "very likely" or "somewhat likely", and 4% chose "not sure."
	SES (57)	12% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely", 23% chose "could go either way, 61% chose "very likely" or "somewhat likely", and 0% chose "not sure."
State	GS 13/15 (91)	34% ($\pm 6\%$) chose "somewhat unlikely" or "very unlikely", 28% chose "could go either way, 31% chose "very likely" or "somewhat likely", and 7% chose "not sure."
	SES	Insufficient size sample
All Other Agencies	GS 13/15 (148)	33% ($\pm 5\%$) chose "somewhat unlikely" or "very unlikely", 21% chose "could go either way, 40% chose "very likely" or "somewhat likely", and 7% chose "not sure."

	SES (238)	17% ($\pm 26\%$) chose "somewhat unlikely" or "very unlikely" , 22% chose "could go either way, 57% chose "very likely" or "somewhat likely", and 4% chose "not sure."
Justice	GS 13/15 (89)	33% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely" , 21% chose "could go either way, 42% chose "very likely" or "somewhat likely", and 4% chose "not sure."
	SES (29)	7% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely" , 28% chose "could go either way, 65% chose "very likely" or "somewhat likely", and 0% chose "not sure."
Treasury	GS 13/15 (111)	33% ($\pm 10\%$) chose "somewhat unlikely" or "very unlikely" , 20% chose "could go either way, 45% chose "very likely" or "somewhat likely", and 2% chose "not sure."
	SES (49)	14% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely" , 25% chose "could go either way, 61% chose "very likely" or "somewhat likely", and 0% chose "not sure."
Interior	GS 13/15 (132)	31% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely" , 25% chose "could go either way, 38% chose "very likely" or "somewhat likely", and 6% chose "not sure."
	SES (35)	9% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely" , 29% chose "could go either way, 60% chose "very likely" or "somewhat likely", and 3% chose "not sure."
Air Force	GS 13/15 (113)	28% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely" , 21% chose "could go either way, 46% chose "very likely" or "somewhat likely", and 5% chose "not sure."
	SES (37)	19% ($\pm 12\%$) chose "somewhat unlikely" or "very unlikely" , 22% chose "could go either way, 54% chose "very likely" or "somewhat likely", and 5% chose "not sure."
GSA	GS 13/15 (110)	28% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely" , 39% chose "could go either way, 24% chose "very likely" or "somewhat likely", and 9% chose "not sure."
	SES	Insufficient size sample
Agriculture	GS 13/15 (128)	27% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely" , 28% chose "could go either way, 39% chose "very likely" or "somewhat likely", and 6% chose "not sure."
	SES (55)	5% ($\pm 5\%$) chose "somewhat unlikely" or "very unlikely" , 9% chose "could go either way, 76% chose "very likely" or "somewhat likely", and 9% chose "not sure."
Education	GS 13/15 (91)	25% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely" , 34% chose "could go either way, 36% chose "very likely" or "somewhat likely", and 5% chose "not sure."
	SES	Insufficient size sample
SBA	GS 13/15 (72)	24% ($\pm 10\%$) chose "somewhat unlikely" or "very unlikely" , 20% chose "could go either way, 40% chose "very likely" or "somewhat likely", and 16% chose "not sure."
	SES	Insufficient size sample
VA	GS 13/15 (130)	23% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely" , 26% chose "could go either way, 45% chose "very likely" or "somewhat likely", and 7% chose "not sure."
	SES (48)	10% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely" , 35% chose "could go either way, 48% chose "very likely" or "somewhat likely", and 6% chose "not sure."

1/ The number in parentheses indicate the total number of respondents from the agency who answered this question.

2/ The number in parentheses indicate the possible error range, at the 95% confidence level, for the associated figure. In other words, based on a sample of this size, one can say with 95% confidence that the error attributable to sampling and other random effects could be up to this many percentage points in either direction, but there is less than 5% change that the "true" figure lies outside the indicated bracket. Due to the error ranges shown, differences between closely ranked agencies may not be statistically significant.

3/ We have included agency-specific data from those departments and agencies where we received a sufficient number of responses to provide statistically reliable information. The sample of mid-level employees within individual agencies was much larger than the sample of SES members. Consequently, there are some agencies for which we are able to report on the views of mid-level employees, but not for senior executives.

4/ This category--Small Merit Pay Agencies--combines the responses from the five smallest agencies implementing Merit Pay in October 1980. Civil Aeronautics Board, Commission on Civil Rights, Farm Credit Administration, Selective Service System, and U.S. Metric Board. Three other agencies--Office of Personnel Management, Environmental Protection Agency, and Small Business Administration--also implemented Merit Pay in October 1980. These agencies are show separately, because the number of respondents was sufficiently large to allow for statistically reliable comparisons.

5/ Because the percentages in each column were rounded to the nearest whole number, the total of the responses for a specific agency may not sum to 100%.

CHART - 14

PERCEIVED LIKELIHOOD OF SUPERVISOR BEING REMOVED FOR POOR PERFORMANCE

Q49. If your supervisor were to perform poorly in the eyes of his or her supervisor, how likely is it that he or she would be removed from his or her position?

Transportation	GS 13/15 (104)[1]	73% ($\pm 10\%$)[2] chose "somewhat unlikely" or "very unlikely", 13% chose "could go either way, 12% chose "very likely" or "somewhat likely", and 2% chose "not sure." [5]
	SES (54)	28% ($\pm 11\%$) chose "somewhat unlikely" or "very unlikely", 22% chose "could go either way, 33% chose "very likely" or "somewhat likely", and 17% chose "not sure."
Navy	GS 13/15 (118)	69% ($\pm 10\%$) chose "somewhat unlikely" or "very unlikely", 12% chose "could go either way, 14% chose "very likely" or "somewhat likely", and 6% chose "not sure."
	SES (43)	28% ($\pm 12\%$) chose "somewhat unlikely" or "very unlikely", 12% chose "could go either way, 56% chose "very likely" or "somewhat likely", and 5% chose "not sure."
HHS	GS 13/15 (106)	68% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 9% chose "could go either way, 15% chose "very likely" or "somewhat likely", and 3% chose "not sure."
	SES (47)	32% ($\pm 12\%$) chose "somewhat unlikely" or "very unlikely", 8% chose "could go either way, 49% chose "very likely" or "somewhat likely", and 11% chose "not sure."
Army	GS 13/15 (119)	65% ($\pm 10\%$) chose "somewhat unlikely" or "very unlikely", 12% chose "could go either way, 18% chose "very likely" or "somewhat likely", and 5% chose "not sure."
	SES (37)	32% ($\pm 14\%$) chose "somewhat unlikely" or "very unlikely", 22% chose "could go either way, 38% chose "very likely" or "somewhat likely", and 6% chose "not sure."
Other DOD	GS 13/15 (251)	61% ($\pm 5\%$) chose "somewhat unlikely" or "very unlikely", 11% chose "could go either way, 25% chose "very likely" or "somewhat likely", and 3% chose "not sure."
	SES (57)	32% ($\pm 11\%$) chose "somewhat unlikely" or "very unlikely", 19% chose "could go either way, 37% chose "very likely" or "somewhat likely", and 12% chose "not sure."
NRC	GS 13/15 (98)	60% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 13% chose "could go either way, 23% chose "very likely" or "somewhat likely", and 4% chose "not sure."
	SES (29)	31% ($\pm 16\%$) chose "somewhat unlikely" or "very unlikely", 14% chose "could go either way, 48% chose "very likely" or "somewhat likely", and 7% chose "not sure."
HUD	GS 13/15 (92)	59% ($\pm 10\%$) chose "somewhat unlikely" or "very unlikely", 20% chose "could go either way, 13% chose "very likely" or "somewhat likely", and 8% chose "not sure."
	SES	Insufficient size sample[3]
State	GS 13/15 (91)	59% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 16% chose "could go either way, 18% chose "very likely" or "somewhat likely", and 7% chose "not sure."
	SES	Insufficient size sample
Labor	GS 13/15 (100)	58% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 19% chose "could go either way, 12% chose "very likely" or "somewhat likely", and 11% chose "not sure."
	SES	Insufficient size sample
OPM	GS 13/15 (103)	38% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely", 13% chose "could go either way, 20% chose "very likely" or "somewhat likely", and 10% chose "not sure."
	SES (54)	Insufficient size sample
Education	GS 13/15 (91)	56% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 22% chose "could go either way, 15% chose "very likely" or "somewhat likely", and 7% chose "not sure."
	SES	Insufficient size sample
WEIGHTED SURVEY AVERAGE	GS 13/15 (2,977)	56% ($\pm 1\%$) chose "somewhat unlikely" or "very unlikely", 16% chose "could go either way, 22% chose "very likely" or "somewhat likely", and 6% chose "not sure."
	SES (963)	32% ($\pm 1\%$) chose "somewhat unlikely" or "very unlikely", 16% chose "could go either way, 44% chose "very likely" or "somewhat likely", and 9% chose "not sure."
Commerce	GS 13/15 (103)	55% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 11% chose "could go either way, 26% chose "very likely" or "somewhat likely", and 8% chose "not sure."
	SES (54)	41% ($\pm 12\%$) chose "somewhat unlikely" or "very unlikely", 11% chose "could go either way, 39% chose "very likely" or "somewhat likely", and 9% chose "not sure."
Justice	GS 13/15 (89)	53% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 20% chose "could go either way, 21% chose "very likely" or "somewhat likely", and 6% chose "not sure."
	SES (29)	38% ($\pm 17\%$) chose "somewhat unlikely" or "very unlikely", 17% chose "could go either way, 35% chose "very likely" or "somewhat likely", and 10% chose "not sure."
VA	GS 13/15 (130)	53% ($\pm 11\%$) chose "somewhat unlikely" or "very unlikely", 13% chose "could go either way, 27% chose "very likely" or "somewhat likely", and 7% chose "not sure."
	SES (48)	29% ($\pm 12\%$) chose "somewhat unlikely" or "very unlikely", 21% chose "could go either way, 44% chose "very likely" or "somewhat likely", and 6% chose "not sure."
GSA	GS 13/15 (109)	53% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 20% chose "could go either way, 14% chose "very likely" or "somewhat likely", and 13% chose "not sure."
	SES	Insufficient size sample
SBA	GS 13/15 (72)	53% ($\pm 14\%$) chose "somewhat unlikely" or "very unlikely", 21% chose "could go either way, 19% chose "very likely" or "somewhat likely", and 6% chose "not sure."
	SES	Insufficient size sample
Interior	GS 13/15 (130)	51% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 10% chose "could go either way, 35% chose "very likely" or "somewhat likely", and 5% chose "not sure."
	SES (34)	27% ($\pm 14\%$) chose "somewhat unlikely" or "very unlikely", 29% chose "could go either way, 38% chose "very likely" or "somewhat likely", and 6% chose "not sure."
EPA	GS 13/15 (93)	51% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 14% chose "could go

		either way, 25% chose "very likely" or "somewhat likely", and 10% chose "not sure."
	SES (46)	26% ($\pm 12\%$) chose "somewhat unlikely" or "very unlikely", 20% chose "could go either way, 46% chose "very likely" or "somewhat likely", and 9% chose "not sure."
NASA	GS 13/15 (121)	48% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 16% chose "could go either way, 30% chose "very likely" or "somewhat likely", and 6% chose "not sure."
	SES (46)	15% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely", 20% chose "could go either way, 59% chose "very likely" or "somewhat likely", and 6% chose "not sure."
Agriculture	GS 13/15 (128)	45% ($\pm 9\%$) chose "somewhat unlikely" or "very unlikely", 21% chose "could go either way, 29% chose "very likely" or "somewhat likely", and 5% chose "not sure."
	SES (55)	15% ($\pm 8\%$) chose "somewhat unlikely" or "very unlikely", 9% chose "could go either way, 65% chose "very likely" or "somewhat likely", and 11% chose "not sure."
Small Merit Pay Agencies ^[4]	GS 13/15 (244)	45% ($\pm 3\%$) chose "somewhat unlikely" or "very unlikely", 20% chose "could go either way, 28% chose "very likely" or "somewhat likely", and 7% chose "not sure."
	SES	Insufficient size sample
All Other Agencies	GS 13/15 (146)	44% ($\pm 6\%$) chose "somewhat unlikely" or "very unlikely", 18% chose "could go either way, 29% chose "very likely" or "somewhat likely", and 9% chose "not sure."
	SES (232)	47% ($\pm 35\%$) chose "somewhat unlikely" or "very unlikely", 12% chose "could go either way, 31% chose "very likely" or "somewhat likely", and 10% chose "not sure."
Air Force	GS 13/15 (112)	41% ($\pm 11\%$) chose "somewhat unlikely" or "very unlikely", 20% chose "could go either way, 30% chose "very likely" or "somewhat likely", and 9% chose "not sure."
	SES (37)	30% ($\pm 14\%$) chose "somewhat unlikely" or "very unlikely", 8% chose "could go either way, 57% chose "very likely" or "somewhat likely", and 5% chose "not sure."
Energy	GS 13/15 (107)	40% ($\pm 7\%$) chose "somewhat unlikely" or "very unlikely", 21% chose "could go either way, 29% chose "very likely" or "somewhat likely", and 9% chose "not sure."
	SES (57)	26% ($\pm 10\%$) chose "somewhat unlikely" or "very unlikely", 21% chose "could go either way, 46% chose "very likely" or "somewhat likely", and 7% chose "not sure."
Treasury	GS 13/15 (112)	37% ($\pm 10\%$) chose "somewhat unlikely" or "very unlikely", 28% chose "could go either way, 26% chose "very likely" or "somewhat likely", and 9% chose "not sure."
	SES (49)	25% ($\pm 11\%$) chose "somewhat unlikely" or "very unlikely", 19% chose "could go either way, 37% chose "very likely" or "somewhat likely", and 2% chose "not sure."

1/ The number in parentheses indicates the total *number of* respondents *from the agency* who answered this question.

2/ The *number in* parentheses indicates the possible error range at the 95% confidence level, for the associated figure. In other words, based on a sample of this size, one can say with 95% confidence that the error attributable to sampling and other random effects could be up to this *ear* percentage points in either direction, but there is less than 5% change that the "true" figure lies outside the indicated bracket. Due to the error ranges shown, differences between closely ranked agencies may not be statistically significant.

3/ we have included agency specific data from those departments and agencies where we received a sufficient number of responses to provide statistically reliable information. The sample of mid-level employees within individual agencies was much larger than the sample of Set SES members. *Consequently*, there are some agencies for *which* we are able to report on the views of mid-level employees, but not for Senior executives.

4/ This category--Small Merit Pay Agencies--combines the responses from the five smallest agencies implementing Merit Pay in October 1980. Civil Aeronautics Board, Commission on Civil Rights, Farm Credit Administration, Selective Service System, and U.S. Metric Board. Three other agencies--Office of Personnel Management Environmental Protection Agency, and Small Business Administration--also implemented Merit Pay in October 1980. These agencies are shown separately, because the number of respondents was sufficiently large to allow for statistically reliable comparisons.

5/ Because the percentages in each column were rounded to the nearest whole number, the total of the responses for a specific agency may not sum to 100%.

CONCLUSIONS AND IMPLICATIONS

Perhaps the most important function of this series of monographs is to focus attention on specific issues in the context of as much objective data as it is possible to bring to bear on the issue. We hope through this process to shed light on what questions policymakers ought to be asking about the future direction of the merit system.

The poverty of comparative data. The levels of expectation of removal we report here may come as no surprise to most, and may be viewed by many as confirmation of one or another view of the security of Federal employment. We caution against intellectual smugness on this point. As we have pointed out in the preceding text, there is virtually no objective data as to what the comparable experience is in large private sector organizations--the bureaucracies of free enterprise, academia and non-profit.

The right question to ask may well not be, why do so few Federal employees apparently fear removal, but rather **how do these levels of expectation compare to those in equivalent private sector organizations?** Perhaps only those who have not actually worked in such private sector bureaucracies can indulge themselves the leisure of scoffing at such a formulation of the question.

We are suggesting that the responses we report here may at bottom reflect no more or less than a view held in common by those employed in complex organizations.

Which model is the right one for the Federal merit system? We also touched in this monograph on the fact that there are many choices of models for how an organization, whether public or private, chooses to deal with inadequate performance or incompetence.

In one sense, the Federal model may actually have the unintended--or at least unforeseen--consequence of being less "humane" than the model which is available to, and used by, many non-government organizations.

Consider, for example, the options available to the private sector employer who is faced with a decision about what to do with an inadequate employee, especially one whose inadequacy or incompetence is not a matter of perverse character but rather of simply "not being able to cut it."

Such an employee may be told in private, but quite directly, that he or she is faced with dismissal, and given any one of a number of options for further action. These options are intended to save everyone concerned the aggravation, embarrassment, and perhaps litigation, involved in an outright "firing."

In some circles this is described as "building a golden bridge." It may take the form of allowing the employee to use the office and its facilities as a base from which to search for other employment (during a limited period of time). The person involved may be "kicked upstairs," even "off-loaded" to another organization. And in some cases, there may be extensive negotiations between the organization and the person it wishes to rid itself of, resulting in such quid pro quos as continuing benefits over some time after the employee leaves, lump sum payments, and so forth.

Such alternatives **to** outright removal are not available to the Federal supervisor, **once it has been determined that an employee "must go."** Indeed, to attempt to negotiate "more humane" alternatives to removal could jeopardize the entire removal process.

No Federal manager can call in a subordinate and say, "Look, you're just not making it. Take a few weeks, take a month. Use the office, use the phones. But get another job, **or** I'll have to fire you."

At such a point the Federal manager has only one legal and supportable option: fire the employee following specific procedures set forth in law and regulation. (We are assuming here that the manager has done everything possible and required to first **improve** the employee's performance.) To attempt other "more humane" alternatives is to invite disaster, in the form of reversals on appeal or charges against the supervisor of committing one or another prohibited personnel practice.

Since Federal employees are human beings like anyone else, and therefore are aware of the fact that their subordinates have families, mortgage payments, and so forth, it is understandable that many--perhaps most--managers flinch when faced with the narrow choice: fire or accommodate.

And out of that "flinching" may be born multiple ways in dealing with poor performers **outside of removal: e.g.,** "turkey farms" or "pastures," where employees are set out to wither until their ego has been sufficiently destroyed to compel them to resign or retire; imposing totally unacceptable changes in work location or duties; and so forth.

On the other hand, however, it is by no means certain that the Federal merit system could tolerate the degree of flexibility in dealing with poor performers allowed private managers. Great flexibility in dealing with removal on individual terms could increase the risk that punitive reprisals might be taken for reasons other than poor performance.

Since the public trust which Federal employees hold requires that at times they put professional or technical integrity before partisan desires, such reprisals are an intolerable threat to the stewardship of that trust. In one sense, the most important problems of the merit system revolve around the continuing attempt to strike a proper balance between managerial flexibility and preserving the public trust.

It may be that policymakers can devise a middle ground. Perhaps more flexible, **but above-board,** options can be devised for dealing with inadequate performance among the great majority of Federal employees who are not at the cutting edge between partisan policy and professional or technical integrity.

At a minimum, however, policymakers should understand that the phenomena we report here may be the unforeseen but natural result of one side of the merit system's concern for uniformly equitable procedures on the other side of the system's concern that inadequate performers be removed.

APPENDIX A Relevant Questions

Questions from SES and Mid-Level Surveys

15. How would you rate your immediate supervisor in each of the following areas?

b. Ability to obtain results through other people

- ☐ Very good
- ☐ Good
- ☐ Average
- ☐ Poor
- ☐ Very poor
- ☐ Not sure

49. If *your supervisor* were to perform poorly in the eyes of his or her supervisor, how likely is it that he or she would be removed from his or her position?

- ☐ Very likely
- ☐ Somewhat likely
- ☐ Could go either way
- ☐ Somewhat unlikely
- ☐ Very unlikely
- ☐ Not sure

50. If you were to perform poorly in the eyes of your supervisor, how likely is it that you would be removed from your position?

- ☐ Very likely
- ☐ Somewhat likely
- ☐ Could go either way
- ☐ Somewhat unlikely
- ☐ Very unlikely
- ☐ Not sure

53. Which type of SES appointment do you have?

- ☐ Career
- ☐ Non-Career
- ☐ Limited

72. Which of the following describe your present immediate supervisor?

- ☐ Military
- ☐ Political appointee
- ☐ Senior Executive Service (SES)
- ☐ GS-16 through GS-18 (non-SES)
- ☐ GS-13 through GS-15
- ☐ Other (Write your response on page 14.)

74. What is your SES pay rate?

- ☐ ES-I
- ☐ ES-II
- ☐ ES-III
- ☐ ES-IV
- ☐ ES-V
- ☐ ES-VI

75. Are you?

- ☐ Male
- ☐ Female

76. Are you?

- ☐ American Indian or Alaskan Native
- ☐ Asian or Pacific Islander
- ☐ Black; not of Hispanic origin
- ☐ Hispanic
- ☐ White; not of Hispanic origin
- ☐ Other

79. What is your present pay grade?

General Schedule

- ☐ GS-13 ☐ GS-14 ☐ GS-15

GG Pay Plan

- ☐ GS-13 ☐ GS-14 ☐ GS-15

GM (Merit Pay) Pay Plan

- ☐ GS-13 ☐ GS-14 ☐ GS-15

79a. My grade is not shown above. My annual salary is:

- ☐ Less than \$37,000 per year
- ☐ \$37,000 to less than \$45,000 per year
- ☐ \$45,000 or more per year

Skip to Question 81.

Questions from Senior Personnel Official Survey

3. In the following question, we list several elements of the merit principles and ask you to indicate to what extent you feel these ideals are being achieved in your organization. (Please check one box for each item.)

This ideal is being achieved:

i. Employees are removed when their performance remains unsatisfactory.

- ☐ To a very great extent
- ☐ To a considerable extent
- ☐ To some extent
- ☐ To little or no extent
- ☐ No basis to judge

12. A list of possible abuses appears below. Please indicate the extent to which any of the following are presently occurring in your organization.

e. Managers not acting to improve or remove poor performers.

- ☐ To a very great extent
- ☐ To a considerable extent
- ☐ To some extent
- ☐ To little or no extent
- ☐ No basis to judge

PROHIBITED PERSONNEL PRACTICES

The Civil Service Reform Act (Pub. L. No. 95-454, 92 Stat. 111 (1978)) forbids personnel actions based on the following eleven practices:

- 1) Discrimination based on race, color, religion, sex, age, national origin, handicapping condition, marital status or political affiliation;
- 2) Soliciting or considering employment recommendations not based on the individual's work performance, ability, aptitude, general qualifications, suitability, character, or loyalty;
- 3) Coercing the political activity of any person;
- 4) Deceiving or willfully obstructing anyone from competing for employment;
- 5) Influencing anyone to withdraw from competition for any position, whether to help or hurt anyone else's employment prospects;
- 6) Giving unauthorized preferential treatment to any employee or applicant;
- 7) Nepotism;
- 8) Taking or failing to take a personnel action as a reprisal against a whistleblower;
- 9) Taking or failing to take a personnel action as a reprisal for the exercise of any appeal right;
- 10) Discriminating on the basis of personal conduct which does not adversely affect the performance of any employee or applicant or the performance of others, except in case of criminal conviction for the conduct; and
- 11) Taking or failing to take any other personnel action if that would violate any law, rule, or regulation implementing or directly concerning the merit system principles.

For original text see 5 U.S.C. Section 2302(b).

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