

Issues of Merit

A Publication of the Office of Policy and Evaluation, U.S. Merit Systems Protection Board

December 2000

Director's Perspective

Federal HR Management in Transition

As this is being written, almost two weeks after election day, we still don't know the final results of the closest presidential election in recent history. What we do know is that once the final results are in, the great flurry of activity that precedes every change in presidential administration will begin in earnest. Transition teams within the federal departments and agencies have been formed. A wide variety of individuals and organizations have produced issue papers and briefing books on a huge array of topics for the new administration to consider. Although many of these documents will address subjects that are unique to the mission of a particular department or agency, we can expect that many will address crosscutting issues as well. Certainly one of the latter will be HRM—human resources management.

As MSPB has noted in a number of its published reports over the last two decades, if the federal government is to effectively and efficiently fulfill its many responsibilities on behalf of the nation, it is imperative that it attract, motivate, and retain a highly qualified workforce. Unfortunately, as MSPB and others also have reported, we have good reason to believe that we are falling short in achieving those basic HRM objectives.

On the positive side, there appears to be growing recognition that these issues deserve more attention. One encouraging sign, for example, is the U.S. General Accounting Office's August 2000 report, "Confirmation of Political Appointees: Eliciting Nominees' Views on Leadership and Manage-
(continued on page 2)

OPE Focus on the Facts

Belief:

With all the downsizing between 1986 and 1998, opportunities for promotion have declined and the number of minority employees in grades 13 through 15 has remained about the same.

Fact:

The number of minority employees at the GS-13 through GS-15 grade levels increased from 22,000 in 1986 (or 10 percent of all employees at those grade levels) to over 59,000 in 1999 (more than 18.5 percent of GS-13s through 15s).

Source: OPM Factbook 2000

Managers Speak Out on Hiring Processes

The more involved managers are in hiring new employees, the more likely they are to be satisfied with the hiring process and its outcomes. That's one thing we learned from a series of focus groups we held recently in Baltimore, Philadelphia, Chicago, and New York, to find out what managers know and think about federal hiring tools and processes.

The managers we talked with were quick to emphasize that the agency, the job location, and the job to be filled all influence the various hiring steps (recruitment, candidate assessment, referral, selection, etc.), making it clear that there's no single ideal way to handle hiring. But the managers also agreed that they should be involved long before the final selection stage is reached. Early and frequent managerial participation helps ensure a good match between the job's requirements and the referred candidates' strengths.

Largely reflecting differences among agencies, many of our
(continued on page 2)

Inside this Issue

Feds Rate Work Quality. Page 3
Presidential Intern Demographics. Page 3.

Telecommuting and Employee Retention. Page 4

Professionalizing the Personnel Function. Page 4

Retaliation Rate Remains Unchanged. Page 5

Director's Perspective *(continued from page 1)*

ment Issues.” The report provides the Senate with a series of suggested questions to ask nominees for political appointments who are undergoing the Senate confirmation process. The questions are arranged in four categories, and fully 13 of the 31 questions are in the category GAO labels “strategic human capital management.” The report notes that “asking questions focused on selected leadership and management issues will send a strong message that the Senate considers such issues to be a priority for all nominees for senior agency positions.” In other words, the nominees are expected to come to their jobs already equipped to lead people and manage work.

This implies a solid understanding of human resources principles, which is particularly important now because, as MSPB’s research over the last several years suggests, the new political appointees will find that federal HRM is itself in a period of transition. The following areas of concern are among those that make our short list of HRM issues that urgently need attention—and action—at the highest levels of management:

1. The federal government is severely limited in its ability

to compete for highly qualified candidates in at least some occupations and geographic areas. A relatively inflexible compensation system that is still insufficiently sensitive to labor market forces is part of the problem. Simply raising salaries across the board, however, is not feasible, nor will it really solve the problem. A multi-faceted response is needed which also deals with the negative image of the federal government as an employer, ineffective or outdated recruitment strategies, and the lack of a coherent approach to employee selection and hiring that leaves applicants and would-be applicants baffled and frustrated.

2. Too many HRM practices and decisions still focus on meeting short-term needs without adequate regard for the longer-term consequences. MSPB’s June 1998 report, “Federal Supervisors and Strategic Human Resources Management,” discusses the negative impact that the lack of a longer range, strategic view can have in the areas of staffing, training and development, and performance management. The fact that federal agencies are increasingly discussing HRM issues and goals in their strategic plans and performance plans under the Government Performance and Results Act is a positive sign. However, the momentum gained in this regard can be easily

lost without the buy-in and continued attention of top management, including new appointees to senior leadership positions.

3. The federal HR community does not have the capacity—in staff size or in expertise—to do all that is expected of it in support of critical agency missions. During the downsizing of the federal workforce over the last seven years, the federal personnel occupation declined by over 11,000 employees—an overall reduction of more than 21 percent. This decrease was to be accommodated through increased efficiencies made available through improvements in HR-related technologies, streamlined rules and procedures, increased involvement of federal managers, and the expansion of skills and competencies of agency HR staffs. While some improvements have occurred, they haven’t been nearly enough to keep pace with the demands being placed upon the HR workforce and the challenges it is being asked to meet. This is another area that requires a broad-based solution that addresses the many facets of the problem—and needs sustained attention from both the political and career leadership.

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Managers and Hiring Processes *(continued from page 1)*

focus group participants said they didn’t know what went on during the various steps in the hiring process before they received a list of candidates eligible to be hired. Only about half said they understood how candidates are rated (the process of making distinctions among qualified applicants

to decide who is to be referred to the selecting official for consideration).

We also encountered widespread dissatisfaction with the assessment tools used to identify the candidates for referral. “Those tools just don’t make useful distinctions” was an oft-repeated refrain among the managers in our focus groups. The impreci-

sion of generic position descriptions and generic rating schedules—tools developed by agencies to ease the HR burden on line managers and reduce the workload on the HR offices—were identified by the focus group participants as contributing to their dissatisfaction.

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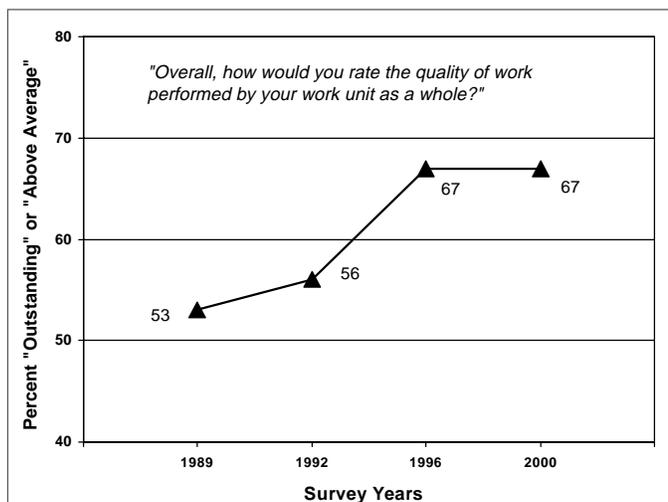
In addition, many managers said they believe that existing assessment tools are not applied rigorously during the initial assessments. In these managers' views, too many marginally qualified or even unqualified individuals are referred for employment.

Further probing of participants' views disclosed broad interest in restoring written tests (mostly for occupations common to many organizations or for high-population occupations in specific agencies) but not at the expense of timeliness. In sharp contrast, however, was the view that, in today's job market, any form of applicant testing would be excessive. "We can't find enough qualified candidates to fill our vacancies, so why test the ones we can find?" sums up this latter view. Nonetheless, our focus groups generally agreed that better assessment tools are needed.

The focus groups were arranged through the auspices of each city's Federal Executive Board. Information from these meetings will contribute to a report on employee selection tools that the Board expects to release in the Spring of 2001.

Feds Rate Work Quality

Do federal workers think they're good at their jobs? MSPB recently sought to discover what those most familiar with the work of government—the federal employees themselves—think about work quality in federal offices and installations.



In each of four governmentwide Merit Principles Surveys we've administered since 1989, we've asked federal employees how they view the quality of work performed in their work units.

In 1989 and 1992, slightly over half of the survey respondents (53 percent and 56 percent, respectively) rated the work of their units as outstanding or above average. In 1996, this percentage jumped to 67 percent, probably for a variety of reasons including, perhaps, the government's reinvention efforts (begun in early 1993); increases in automation; more emphasis on results; a focus on customer-oriented service; mandates to do more with less; and the ongoing threat of job loss (which can serve as an incentive to improve work performance).

A major question in the year 2000 was whether that increased regard for the quality of work in federal organizations would hold up over time. The answer we got was a positive one, as shown in the figure below. The results of the 2000 survey indicate that an identical percentage of respondents (67 percent) rated the work of their units as outstanding or above average. This is an encouraging finding, suggesting as it does that most of the government's offices

HELP WANTED

MSPB's Office of Policy and Evaluation in Washington, DC, is looking for a GS-13 or 14 personnel management specialist to join our team of analysts who study and report to the President and the Congress on federal HR topics.

Knowledge of federal staffing and good writing skills are essential. Contact Dan Murphy at our personnel office, (612) 370-2163 or check out the announcement at <http://www.usajobs.opm.gov>

and installations are perceived to be functioning at a high level by the workers in those units.

The challenge for the government will be to maintain this high performance level as large numbers of experienced, retirement-eligible employees depart and the number of new and less experienced employees rises.

Presidential Intern Demographics

It may surprise you to know that the percentage of women hired into the Presidential Management Intern (PMI) program has been as high as 68 percent (in 1994) and never lower than 47 percent (in 1992). This is not an indication that the program favors the selection of females, however. As might be expected, the percentage of women in the program is the

(continued on page 4)

same as that of the candidate pool from which the interns are drawn.

There are a number of reasons that might explain why women make up the majority of the candidate pool. For example, Department of Education data indicate that in 1995, some 55 percent of those being awarded master's degrees (a requirement of the PMI program) were women. Further, women outnumber men in the dominant discipline among PMIs—public administration. Some 41 percent of the 1997-1999 PMIs received their master's degrees in public administration, and according to the National Association of Schools of Public Affairs and Administration, 62 percent of those who received master's degree from its member schools in 1998 were women.

The PMI program is also attracting minority candidates in representative numbers. The percentage of minority employees in the PMI program has varied from a low of 5 percent in 1984 to a high of 23 percent in 1999. In 1981, about 11 percent of master's graduates were minority group members. By 1996, the percent of minorities receiving master's degrees was up to 17 percent.

These data suggest that the PMI program has been generally successful in hiring applicants who reflect the demographic makeup of the candidate pool. This issue and others concerning PMIs will be addressed in more detail in the Board's report on the PMI program, scheduled for publication next Spring.

Telecommuting and Employee Retention

Is telecommuting important to you personally? If so, your

views coincide with those of 47% of the federal employees who completed MSPB's Merit Principles Survey 2000 earlier this year. At the same time, only 20 percent reported that telecommuting is available to them at work.

Of all the family-friendly programs that we asked about in our survey and that we first reported about in the September issue of this newsletter, telecommuting stood out for several reasons. First, it showed the greatest disparity between importance and availability, making it one of the most-desired but least-available programs. Second, of all the work/life programs we asked about, only telecommuting was the one that appeared to have a relationship to employee intentions to retire or look for another job in the coming year (i.e., "planning to leave").

The table (above, right) looks at the respondents who said that telecommuting is important to them and shows their intentions to leave in relation to whether telecommuting is available to them. The table shows that workers who consider telecommuting important are more likely to plan to leave when it is not available (55 percent) than when it is available (44 percent).

Telecommuting is certainly not the only factor related to employee plans to leave their jobs. Indeed, more than a few respondents to whom telecommuting is important say they plan to leave even when telecommuting *is* available. Nevertheless, the data show that telecommuting has high appeal for many employees. Therefore, it's a program that supervisors should include among their strategies for

Percentage of respondents to whom telecommuting is important who say they are planning to leave

		Percent Planning to Leave
Availability of Telecommuting	No	55%
	Yes	44%

Source: MSPB Merit Principles Survey 2000.

retaining valued employees who might otherwise leave their jobs.

Professionalizing the Personnel Function

Much attention has been paid in recent years to the issue of professionalism in the federal HR community. A number of organizations, including OPM, have examined the issue, developing lists of competencies needed by HR professionals and measures of current knowledge and skill levels.

Out of a growing concern over the competence of the federal HR workforce, some researchers and policymakers have suggested the possibility of requiring certification of HR professionals. Recently, as part of a larger survey looking at various HR issues, MSPB's Office of Policy and Evaluation queried the HR directors in the 24 largest federal departments and agencies (and a sample of directors from small federal agencies) to get their thoughts on the issue of certification. We focused our inquiry on HR specialists who handle employee benefits.

Although the responses of the HR directors reflected a variety of views, over two-thirds of them favored requiring that benefits specialists complete a certification program. Not surprisingly, many

(continued on page 5)

respondents noted that the nature of the advice and information these specialists dispense makes it critical that they be current and technically competent in the field. As one HR director stated, “No other area of personnel [affects] an employee’s life as much as benefits, and employees need competent advice to make critical decisions that impact their lives, quality of life, and ability to provide for their loved ones should they become ill or die.”

Several respondents also noted that because of the loss of seasoned staff resulting from downsizing in all areas of HR, as well as the complex array of laws and regulations that govern federal benefits programs, HR offices have found it tough to ensure their staff stay abreast of the changes that are constantly occurring in these programs.

While having a certified benefits specialist on staff is an attractive notion, a number of our survey respondents raised important questions about requiring formal certification. For example:

- Who would provide the resources to create and maintain a certification program?
- How would we ensure that benefits specialists remain up-to-date on program changes that occur after they’ve been formally certified?
- How would benefits specialist certification fit into offices where all HR duties are performed by personnel generalists?
- What would be done about current employees who fail the certification process?
- How would a certification program ensure that the certified specialists are able to effectively communicate with and counsel employees facing life-altering decisions?

Even though they didn’t all agree that certification was the

In each of the 15 fiscal years spanning the period 1985 through 1999, between 92 percent and 97 percent of MSPB’s decisions that were appealed to federal court were unchanged. In FY 1999, 93 percent were unchanged.

Source: MSPB “A Report on Cases Decided in Fiscal Year 1999”

It’s a fact

answer to concerns about the competence of benefits specialists, these HR directors did share the view that the benefits area is a very important one for which more and better training is needed. The health and financial well-being of all federal employees and their families depend on it.

Retaliation Rate Remains Unchanged

No news can be considered good news when you’re looking at rates of retaliation experienced by federal whistleblowers.

In spite of the changes over the past decade in agency leadership, laws and regulations, and workforce composition (including downsizing and increased contract-

ing)—all of which have the potential to create workplace turmoil—federal workers’ perceptions regarding retaliation for various protected actions have not changed during the 1990s. In its Merit Principles Survey 2000, the Board asked employees whether they had experienced retaliation for a variety of activities, from whistleblowing to refusing to obey an unlawful order. (Respondents could mark as many actions as applied to them.) As the table below shows, the percentage of employees who believe they experienced retaliation for each of these activities has remained fairly stable over the past decade. Because such retaliation is a prohibited personnel practice, the fact that any retaliation occurs at all is, of course, troubling. Nevertheless, there’s some comfort in knowing that there has been no increase in such behavior.

Percentage of employees who believe they experienced retaliation in the preceding two years for the indicated action.

<i>In the last 2 years have you experienced retaliation for:</i>	Percentage saying Yes		
	1992	1996	2000
Making disclosures concerning health and safety dangers, unlawful behavior, and/or fraud, waste, and abuse?	8	7	7
Exercising any appeal, complaint, or grievance right?	11	12	9
Testifying for or otherwise assisting any individual in the exercise of whistleblowing, equal employment opportunity, or appeal rights?	6	6	5
Refusing to obey an unlawful order?	4	3	2
Reporting unwanted sexual attention or sexual harassment?	*	2	1

* Did not ask in 1992

Source: Merit Principles Surveys 1992, 1996, 2000



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Selected Publications from the Office of Policy and Evaluation *

- Competing for Federal Jobs: Job Search Experiences of New Hires
- Restoring Merit to Federal Hiring: Why Two Special Hiring Programs Should Be Ended
- The Role of Delegated Examining Units: Hiring New Employees in a Decentralized Civil Service
- Federal Supervisors and Poor Performers
- Civil Service Evaluation: the Evolving Role of the U.S. Office of Personnel Management
- Federal Supervisors and Strategic Human Resources Management
- The Changing Federal Workplace: Employee Perspectives
- Adherence to the Merit Principles in the Workplace: Federal Employees' Views
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- Fair and Equitable Treatment: A Progress Report on Minority Employment in the Federal Government
- The Rule of Three in Federal Hiring: Boon or Bane?
- Sexual Harassment in the Federal Workplace: Trends, Progress, Continuing Challenges
- Leadership for Change: Human Resource Development in the Federal Government
- Temporary Federal Employment: In Search of Flexibility and Fairness
- A Question of Equity: Women and the Glass Ceiling in the Federal Government

Selected Current Projects

- OPM 20-year retrospective
- Merit promotion
- Selection tools used in federal hiring
- Governmentwide Merit Principles Survey 2000
- Presidential Management Interns
- Alternative delivery of HR services

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* Most of these reports can be downloaded from the **STUDIES** page of the MSPB website: mspb.gov

"Issues of Merit" provides findings and recommendations drawn from MSPB research on topics and issues relevant to the effective operation of the federal merit systems and the significant actions of the Office of Personnel Management.