insights & analyses for Federal human capital management

ISSUES OF MERIT

July 2009

a publication of the U.S. Merit Systems Protection Board, Office of Policy and Evaluation

WHAT'S INSIDE

Director's Perspective *Page 2*

Employee Engagement and Training *Page 4*

Team Leaders' Difficult Position *Page 5*

HR Research Resources *Page 6*

Choosing Between Internal and External Applicants *Page 7*

Career Advice from Federal Employees

What they told us about the importance of who and what you know.

Is it "who you know" or "what you know" that helps Federal employees advance in their careers? Results from the Merit Systems Protection Board's (MSPB) 2007 Career Advancement Survey indicate that Federal employees believe it is both. Based on the survey responses, we have summarized what Federal employees perceive to be important career accelerators in the accompanying table. These accelerators provide practical strategies for employees to explore in terms of how to advance their careers, as well as identifying roles supervisors can play in helping them.

One clearly cannot underestimate the power of personal connections in the workplace, particularly supervisory support. Given their influence over the developmental opportunities employees receive, supervisors play an important role in the career advancement of their employees. So it is essential that agencies: (1) select supervisors who will treat employees fairly; (2) educate supervisors on their responsibilities to all employees; and (3) hold them accountable if they should ever misuse their authority.

But that does not let employees off the hook for taking responsibility for their own careers. Employees must be proactive and partner with their supervisors to

Top 10 Career Accelerators, According to 2007 Career Advancement Survey

Accelerator	*% Reported Positive Impact*
A supportive supervisor to develop/encourage my development and advancement	85
Senior person/mentor (other than my supervisor) looking out for my interests	85
Ability/willingness to take on challenging work assignments	80
High quality past work experience	80
Contacts who knew the selecting official and recommended me	78
Extensive past work experience	78
Specialized or technical training	78
Formal educational qualifications	76
Acting in a position prior to appointment	76
Developmental assignments to improve the depth of my experience	75

continued, page 6

insights & analyses for Federal human capital management

ISSUES OF MERIT

U.S. Merit Systems Protection Board

CHAIRMAN
Neil A. G. McPhie

VICE CHAIRMAN
Mary M. Rose

Office of Policy and Evaluation

DIRECTOR
John Crum, Ph.D.

Our Mission
The MSPB Office of Policy and Evaluation conducts studies to assess the health of Federal merit systems and to ensure they are free from prohibited personnel practices.

Issues of Merit
We offer insights and analyses on topics related to Federal human capital management, particularly findings and recommendations from our independent research.

Reprint Permission
We invite you to reprint any of our articles. If you do, please include the following attribution: *Reprinted from Issues of Merit, a publication of the Office of Policy and Evaluation, U.S. Merit Systems Protection Board*.

For More Information
Contact us at:
www.mspb.gov
(click on "MSPB Studies")
STUDIES@mspb.gov
202-653-6772 x1350
1-800-209-8960
V/TDD: 202-653-8896
(TTY users may use the Federal Relay Service, 800-877-8339)

U.S. Merit Systems Protection Board
Office of Policy and Evaluation
1615 M Street, NW
Washington, DC 20419

DIRECTOR'S PERSPECTIVE

Moving Beyond Performance Standards

Effectively evaluating employee performance needs to go beyond using strict performance standards.

There continues to be a need to develop better systems of accountability for both Federal organizations and employees, so the American public knows its tax dollars are being spent wisely. As stewards of Federal organizations, managers should be able to accurately evaluate the performance of their subordinates—both to improve operations and to reward those who contribute the most to organizational success. Unfortunately, the development of accurate accountability or appraisal systems remains an elusive task because human judgment will always play a role in employee evaluation.

Take, for example, the Department of Defense appraisal system that underpins the National Security Personnel System. DoD expended a large amount of resources to train personnel in the development and use of "objective measures" of employee performance, yet the Government Accountability Office has identified issues with the transparency and perceived fairness of the system.

Where the concept of fair appraisal systems often breaks down is in thinking that an organization can develop truly objective measures of performance—such as through rigorous performance standards—for all types of jobs and remove the effect of supervisory judgments and the biases that might accompany them. While the basic idea appears to be a good one, research in psychology suggests that this may be an unrealistic goal and that there are limits to how useful even rigorous performance standards can be in providing an accurate and fair basis for evaluating employee performance.

In his recent book *The Drunkard's Walk*, Leonard Mlodinow summarizes research in psychology as it relates to random variation and how it affects peoples' lives. Human beings have a natural tendency to seek explanations for the things they observe happening around them—as if those occurrences were the products of causal relationships and not random variation.

One way in particular that randomness affects people is through their view of measurement—such as trying to develop strict standards for employee performance. Inevitably, there are many sources of random error in measurement, making measurement subject to uncertainty. However, people rarely acknowledge that this uncertainty exists. Instead, they assume that the defined measures explain the observed behavior. As Mlodinow notes in the book, human beings are subject to making errors in judgment which are not simply corrected by trying to develop objective performance standards.

The uncertainty in measurement is even more problematic when the item being measured is inherently subjective. For example, when researchers had 8 different college professors independently score term papers from 120 students, the assigned scores, on average, varied by one grade and frequently by two. To see if this pattern would persist under rigorous grading standards, researchers trained graduate students in the use of

continued, page 3

Performance Standards

(continued from page 2)

fixed grading criteria and had them grade 100 essays independently. The results showed that the scorers only agreed on the grades they assigned in about half of the essays. Similar results have been found in a number of other experiments. The point is that when the work being evaluated involves more than simply counting widgets, human judgment will always come into play. Therefore, spending inordinate amounts of resources trying to objectify the evaluation of performance will likely not be successful.

While Federal agencies certainly need to make employee appraisal systems better, there are limits on what they can expect to accomplish. Use of rigorous performance standards will not entirely eliminate the potential for bias; nor will their strict application ensure an accurate evaluation of performance. Performance standards can be particularly problematic when they are developed and applied as "check-the-box" lists of inflexible criteria. This type of list creates the illusion that work behavior and products can be evaluated purely objectively.

To use the performance standards as tools for both fairly evaluating employees and holding them accountable for their work, supervisors need to have a thorough understanding of both their employees' achievements and the context in which work was accomplished. There are several ways to obtain this view. First, when well-written standards are used in conjunction with organizational performance goals, they can help paint a picture of how performance towards achieving these goals looks from several different perspectives. Rather than being considered strict quantitative measurements, standards should be guidelines to help the supervisor think about and judge the overall merit of employees' performance and thus help the supervisor more accurately rate employees.

Supervisors need to be aware of the many variables that affect work outcomes, such as changes in organizational priorities that necessitated focusing time on other tasks, assistance received from others, available resources or staff support, or unforeseen obstacles or complexities in a project. This big picture of employees' work can be achieved in several ways. Supervisors can meet regularly with each employee to review their progress on their assignments, discuss the positive and negative forces affecting the work, and plan how to resolve any problems. Additionally, supervisors can collect feedback from the employees' coworkers, subordinates, customers, and suppliers. These groups will have unique perspectives on the value and impact of the employee's work.

When supervisors are well informed about their employees' achievements, good performance standards can assist them in making fairer judgments of employees' performance. The thing to remember is that for most jobs, the use of rigid performance standards alone will seldom ensure a fair evaluation of performance. ❖

John Crum
Director, Policy and Evaluation

MSPB Studies ListServ

Over the last few months we have had more than 300 newcomers join the MSPB Studies ListServ from many Federal agencies, such as the Departments of Labor, Transportation, and Treasury. This increase in membership is due largely to a notice in our Telework survey that went live at the end of March, as well as a complimentary article about the newsletter by FedSmith's (www.Fedsmith.com) Robbie Kunreuther, entitled "A Merit Badge for the MSPB."

As part of our growing ListServ community, members will receive press releases announcing newly released reports and notices about the release of the *Issues of Merit* newsletter. Our reports and newsletters contain a range of timely human capital management findings and articles on topics such as recruitment, hiring, and retention; employee engagement; the probationary period; performance management; and other issues taken from MSPB's research agenda.

We are happy to welcome our new ListServ members and look forward to serving you through our publications since your participation is key in creating a positive change in the Federal Government. Also, we encourage you to visit our Web page (www.mspb.gov) or contact us with your comments, questions, and suggestions by email at Studies@mspb.gov.

Employee Engagement and Training

Employees' engagement levels may influence the amount and type of training they seek.

MSPB's report, *The Power of Federal Employee Engagement*, defines employee engagement as a heightened connection between employees and their work, their organization, or the people they work with. Increased levels of employee engagement in Federal agencies are associated with several improved agency outcomes.

Highly engaged employees may also approach training differently. In our 2005 Merit Principles Survey, we asked Federal employees to describe the knowledge, skill or ability they most needed to improve their job performance and how they might acquire it. Responses from highly engaged employees differed from less engaged employees in three general ways.

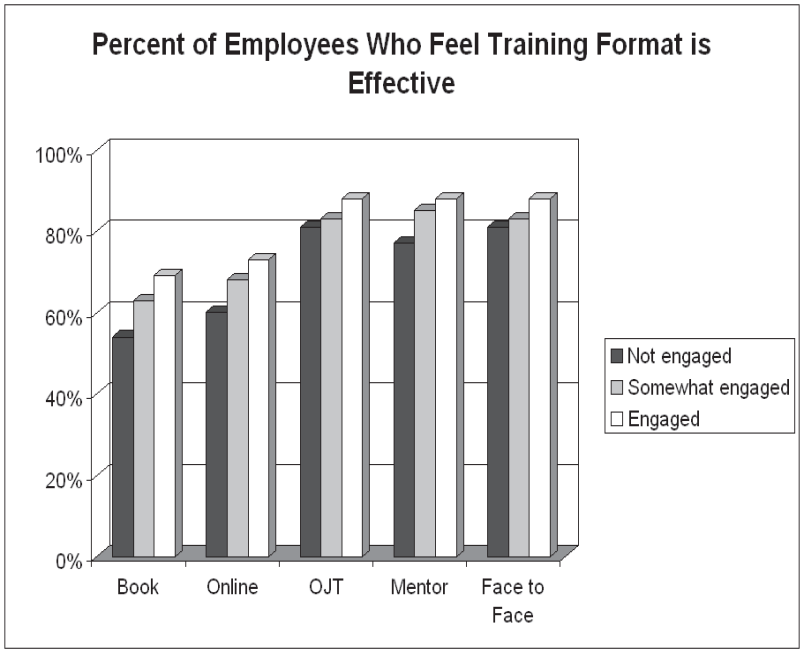
Broader perspective. When asked about the training they needed most, less engaged employees chose knowledge topics closely related to their current jobs more often (44%) than more engaged employees (31%). The highly engaged employees were correspondingly more likely to seek training on topics related to quantitative reasoning (32% versus 26%) and setting and meeting work standards (12% versus 9%). These latter two types of competencies generally require more prerequisite knowledge and ability and are needed for advancement to higher levels of responsibility.

More highly engaged employees (78%) also reported that their learning strategy involved fine-tuning an area of personal strength more often than did less engaged employees (68%). Highly engaged employees were also more likely than the less engaged (40% versus 28%) to pursue learning that was documented on a formal career development plan. This indicates that highly engaged employees may see training in a larger perspective, building on past learning and acquiring training according to a plan for career development.

Expect success. The accompanying chart summarizes Federal employee beliefs about the effectiveness of five different training formats: Books, Online Classes, On-the-Job Training, Mentoring and Face to Face classroom instruction. There is general agreement among employees about the relative effectiveness of these formats. But for each format, highly engaged employees are more likely to believe in its effectiveness than their moderately or less engaged coworkers. This greater expectation may become a self-fulfilling prophecy if engaged employees put more effort into learning.

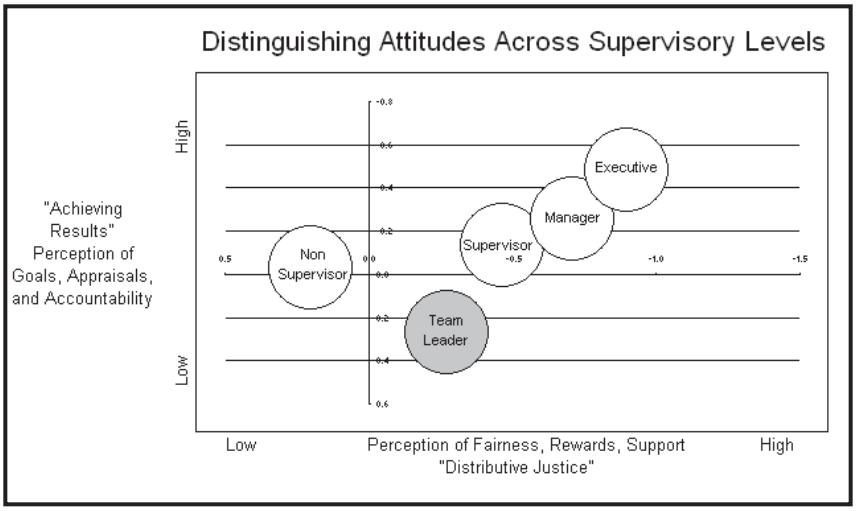
Willing to pay. Most Federal employees believe their agencies should pay for their job-related training (82%) and developmental experiences (78%). Highly engaged employees, however, are more likely than less engaged employees to fund their own training (23% versus 15%) and seek out their own developmental experiences (39% versus 29%). This willingness may give them a career path edge when budgets are tight and training dollars harder to obtain.

A broader perspective on training, greater confidence in its effectiveness, and more willingness to pay for it themselves are among the characteristics of highly engaged employees that our research has identified. These factors, as well as needs analysis and mastery of training prerequisites, may play a role in determining which Federal employees will get the training they want and need. Read more about what Federal employees expect from training in MSPB's upcoming report, *Making the Right Connections: Competencies and Training*. ❖



The Team Leader: A Difficult Position

While team leaders are similar to supervisors in many respects, they have very different views on some key factors.



The roles of supervisors and subordinates are relatively well established. However, in recent years agencies have begun relying increasingly on team leaders, whose roles and authorities are less well-defined than those of supervisors and subordinates. *The General Schedule Supervisory Guide* defines supervisor as someone who "accomplishes work through the direction of other people." *The General Schedule Leader Grade Evaluation Guide* describes team leaders as those who "work with team members to achieve specific tasks, produce work products and services and meet program and production goals." A key distinguisher of these two roles is that of directing versus working with others to accomplish goals. What remains ambiguous is the degree of accountability and authority conveyed to the team leader.

Because they are neither fully supervisor nor subordinate, we suspected that team leaders would have a unique set of workplace attitudes which reflect their intermediate position. We looked for differences in attitude patterns among executives, managers, supervisors, team leaders, and non-supervisors across 60 questions on the Merit Principles Survey 2007. We found that two sets of survey questions tended to distinguish these five groups, as shown in the accompanying chart.

First, there was a some similar trend regarding their attitudes in being treated fairly in awards, recognition, and promotions, and having the resources, information, and guidance to do the job well. We labeled this factor "Distributive Justice." Typically, the higher your status in the organization, the more you believe you are being treated fairly in terms of awards, recognition, and promotions. Also, the higher up in the management chain, the more resources, information, and guidance are available to you. We found this to be the case with each level of management more favorable than the one below it in terms of these attitudes. Predictably, team leaders lie in the middle in their attitudes about fairness, rewards, and support.

However, we found an interesting break in this pattern for the second distinguishing factor. We labeled this factor "Achieving Results" because it involves questions about performance goals reflecting expectations, appraisals reflecting performance, and being held accountable for results. Team leaders were less satisfied than all others in this factor, including non-supervisors. That is, while team leaders' attitudes about "Distributive Justice" were in line with their organizational status, their attitudes about "Achieving Results" were not.

Team leaders often find themselves between "a rock and a hard place" when it comes to being held accountable for results but not having the authority to enforce compliance from those whom they lead. Team leaders were less likely than other levels to express positive views about "Achieving Results" (e.g., attitudes about understanding what they need to do to earn higher performance ratings and about whether steps are taken to deal with poor performers). Team leaders tend to feel that they have more responsibility than authority for the performance of others and that poor performance is often not adequately addressed in their work units.

Managers and supervisors having team leader subordinates should be aware of and take into consideration the predicament faced by team leaders as they try to balance the authorities and responsibilities given to them. It is important to make both team leaders and their team members aware of performance expectations and ensure that rewards and appraisal ratings reflect only performance that is within team leaders' control. ❖

Career Accelerators

(continued from page 1)

develop their knowledge, skills, and abilities. They also need to aggressively pursue opportunities for further advancement.

Some employees may perceive that supervisors lack the time, ability, or motivation to help them career-wise. In these cases, employees should have an open conversation with their supervisors about the kind of support they would like to receive. If they still see no change in behavior from the supervisor, employees can consider other avenues for obtaining this support, such as by changing supervisors or obtaining a mentor.

Employees reported having a mentor as frequently as having a supportive supervisor. The importance that survey respondents gave to these strategies indicates that employees should learn to manage work relationships to their advantage. This doesn't imply that they should expect to parlay friendships into promotions. However, it does recognize that, as mentioned in the article on page 7, selecting officials often have to select among applicants whose performance they have directly observed and those whose performance they have not observed. As such, employees increasingly benefit from developing interpersonal connections that help them not only improve their performance but also provide a network to advertise their talents.

Not surprisingly, good old-fashioned quality and quantity of work experience also appeared high on the list of career accelerators. However, they were appropriately accompanied by the willingness of employees to demonstrate initiative by taking responsibility for challenging assignments. This indicates that employees should seek ways to distinguish themselves from the rest of the pack, particularly to progress to higher, more competitive levels.

Specialized training and formal education also can serve as prerequisites to success in the Federal Government. Specialized training enables employees to move upward within their career tracks, while formal education may not only help employees shine above the competition for promotions, but also assist with entry into the Federal ranks, particularly among professional occupations. Also, while the opportunity to act in a position provides a valuable experience, other developmental opportunities can assist with developing employees' skills and gaining recognition of their capabilities.

By pursuing these strategies, employees will be better positioned to excel in the competitive environment created by diminishing opportunities as one rises up the ranks. Supportive supervisors or advocates are the foundation of many of these strategies. We hope that by highlighting these career accelerators, both supervisors and employees will understand their respective roles in enhancing career advancement opportunities. ❖

Bookmark These Sites for HR-Related Research

Below is a collection of some of the Web sites we find useful when we research Federal Human Resources (HR) policies, practices, and innovations. We will continue adding to the list in upcoming newsletters. Please contact us at Studies@mspb.gov if you have a useful Web site to add to our list.

Government HR Research and Policy

Merit Systems Protection Board
www.mspb.gov/
Click on "Search Studies" to choose from our studies and archive of *Issues of Merit* newsletters.

Office of Personnel Management
www.opm.gov/
Click on "HR Practitioners/Agencies" for the latest in HR policy and guidance.

Government Accountability Office
www.gao.gov/
Click on the "Reports and Testimonies" tab to download GAO's most current research.

Congressional Research Service
www.pennyhill.com/
This service provides CRS reports for a fee. CRS may soon offer reports through its own Web site.

Non-Profit Research

GovTrack
www.govtrack.us/
Use this nonprofit organization's Web site to track the progress of bills through Congress.

Partnership for Public Service
www.ourpublicservice.org/
Click on the "Publications" tab to search for research on a wide selection of Government topics.

National Academy of Public Administration
www.napawash.org/
Click on the "Publications" tab to order or download studies on a selection of public management topics.

Media Sources

GovExec.com
www.govexec.com/
Click on HR-related topics under the "Key Topics" heading for HR-related news and commentary.

FedSmith.com
www.fedsmith.com/
Check this site or subscribe to its newsletter for breaking HR news.

The Hiring Manager and the Unknown Quantity

Choosing between internal and external applicants can be difficult. We offer some pointers on how to make this decision.

"The Hiring Manager and the Unknown Quantity" is an unlikely title for a best-seller, but it is a common scenario in Federal hiring. The fair and open competition that is central to a merit system can lead to candidate lists with many applicants who are completely unknown to the hiring manager. At the same time, the hiring manager often has the option to choose among candidates who are very well-known. In this article, we offer insights and advice to managers and applicants on handling this situation.

Internal and External Applicants are Different. Hiring managers should understand that internal (those known to them) and external (those unknown to them) applicants generally do not, and cannot, compete on a completely level playing field. One important reason is assessment—i.e., the hiring manager's ability to predict the performance of job applicants. MSPB consistently encourages agencies to use valid, rigorous assessments when hiring. Unfortunately, the best assessment of all—direct observation of performance on the job—is rarely available for pre-hire evaluation of an external applicant. So there's no getting around the fact that a good internal candidate may be a lower-risk choice than even a high-scoring external applicant. However, that does not mean that managers should limit their consideration to "safe" internal candidates.

Suggestions for the Hiring Manager. Do not make a hasty or uninformed decision. An on-the-spot offer to an impressive but unscrutinized candidate may lead to buyer's remorse. Yet defaulting to an internal candidate may result in a missed opportunity to hire a truly outstanding employee and frustrate promising applicants who then feel the process had been "wired" for someone else.

Instead, use assessment tools to make "unknown quantities" better known, such as structured interviews, work samples, and reference checks. Although that requires planning, time, and effort, a multi-step hiring process that uses such tools can be both timely and applicant-friendly, given sufficient foresight and resources. It is far better to spend time collecting the facts needed to make a well-informed hiring decision than to spend time agonizing over or justifying a choice among superficially-assessed candidates.

Suggestions for the Applicant. As an "unknown quantity," your task is to make yourself known. You have to reduce the hiring manager's uncertainty and even skepticism about how well you will perform if hired. As you have read, we advise the hiring manager to use tools such as structured interviews and reference checks. Our advice to you: cooperate fully. Do not rely on your impressive application or your easy charm to produce a job offer. If you are an internal candidate, do not assume that your loyalty and length of service will prevail—your observed performance is still the key. Savvy Federal managers will know that paper qualifications, first impressions, and years of experience are poor predictors of success on the job.

During the interview, provide specific examples of how you have used your abilities, overcome challenges, and achieved results. Focus on telling a story rather than selling your resume. Provide references who are familiar with, and willing to discuss, your job-related abilities, actions, and accomplishments. The hiring manager will be taking a chance in extending you a job offer, so do your best to reassure that person that it's a chance worth taking.

The point of the assessment process is to determine who is the best applicant for the position. That includes making unknown candidates known and measuring them as equally as possible against the known candidates. The steps listed above will help hiring managers move to that goal, as well as help applicants level the playing field. ❖

Tell Us What You Think!

Are you a new *Issues of Merit* (IOM) reader? Have you been reading it for years? We want to know what you think because your input can help make IOM an even more valuable tool for improving Federal management practices. Please take a few minutes to go to the Web site below to give us your feedback. The survey is also located on the studies page at www.mspb.gov.

http://www.surveymonkey.com/s.aspx?sm=NhH0n7Yfewka6Ip_2fQc-wD7A_3d_3d

U.S. Merit Systems Protection Board
1615 M Street, NW
Washington, DC 20419

FIRST CLASS MAIL
POSTAGE & FEES PAID
MSPB 20419
PERMIT NO. G-113

Issues of Merit

July 2009 Volume 14 Issue 3

In This Issue * In This Issue * In This Issue

Career Advancement. *What's more important to promotion—who or what you know? We discuss employees' perceptions regarding strategies for improving promotability. (Page 1)*

Director's Perspective. *Adhering to strict performance standards alone is not enough to ensure accountability for performance. (Page 2)*

Employee Engagement and Training. *Our research shows an interesting link between how engaged an employee is and what training s/he seeks. (Page 4)*

Team Leaders. *How do team leaders view the work environment? The answer may surprise you. (Page 5)*

HR Research Resources. *Are you looking for information on Federal human resources issues? Here are some starting resources. (Page 6)*

Choosing Between Internal and External Hires. *The internal candidate is a known quantity. The external candidate has a really interesting resume. How do you decide? (Page 7)*