The Power of Federal Employee Engagement

A Report to the President and Congress of the United States
by the U.S. Merit Systems Protection Board

THE CHAIRMAN

U.S. MERIT SYSTEMS PROTECTION BOARD
1615 M Street, NW
Washington, DC 20419-0001

September 2008

The President
President of the Senate
Speaker of the House of Representatives

Dear Sirs and Madam:

In accordance with the requirements of 5 U.S.C. 1204(a)(3), it is my honor to submit this Merit Systems Protection Board report, "The Power of Federal Employee Engagement." The purpose of this report is to emphasize the role that employee engagement plays in improving Federal agency outcomes. A focus on strategies to further engage the Federal work force is critical as agencies attempt to improve their operations within budget constraints, and as they face increasing numbers of retirement-eligible employees in a labor market where there is intense competition for top talent.

This report examines what engages Federal employees—that is, what contributes to a heightened connection between Federal employees and their work or their organization. We explore the extent that different groups of employees are engaged and, more importantly, we discuss how employee engagement relates to improved Federal agency outcomes.

Our research indicates that there are variations in the engagement level among different groups of Federal employees and that first-level supervisors play an important role in engaging employees. We also found differences in the engagement level of employees based on the agency in which they work. These differences are important to note because we found a significant relationship between the level of employee engagement in an agency and various agency outcomes. For example, engaged employees have less intention to leave their current agency, use less sick leave, and work in agencies that produce better programmatic results.

By establishing a link between employee engagement and agency outcomes, we hope to refocus attention and energy on the recommended management practices that can increase the level of employee engagement in Federal agencies. I believe you will find this report useful as you consider these and other issues regarding the future of the Federal civil service.

Respectfully,

Neil A. G. McPhie

Enclosure

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A REPORT TO THE PRESIDENT AND
THE CONGRESS OF THE UNITED STATES
BY THE U.S. MERIT SYSTEMS PROTECTION BOARD

U.S. Merit Systems Protection Board

Neil A. G. McPhie, *Chairman*

Mary M. Rose, *Vice Chairman*

Office of Policy and Evaluation

Director
John Crum, Ph.D.

Project Manager
Doug Nierle

Project Analysts
John M. Ford, Ph.D.
Laura Shugrue

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Executive Summary

We have found evidence that a heightened connection, or engagement, between Federal employees and their organization that surpasses job satisfaction is related to better organizational outcomes. As Federal agencies face stiff competition for new talent, employee engagement strategies may help them to attract the best new employees available and retain the talented employees already on board. By fully engaging their employees as recommended, agencies can improve their operations despite a highly competitive labor market.

Background

What is employee engagement and why is it important? Employee engagement is a heightened connection between employees and their work, their organization, or the people they work for or with. Engaged employees find personal meaning in their work, take pride in what they do and where they do it, and believe that their organization values them.

Competitive pay and benefits along with a healthy work-life balance all help to increase employee satisfaction. But, unless employees feel a special bond with the employing organization, they will not be highly engaged and may not put forth the extra effort typically needed to improve organization results.

We have found that Federal agencies with employees who are more engaged experience better outcomes than agencies with employees who are less engaged.

Why study employee engagement now? In an atmosphere of continued management focus on improving results within tight budgets, increasing numbers of retirement-eligible employees, and an increasing struggle to find and attract top talent, developing work environments that attract that talent—and engaging it once it is in place—is vital to the continued success of agency missions.

To help agencies better meet the challenges that this environment poses, the U.S. Merit Systems Protection Board (MSPB) conducted this study of employee engagement to:

1. Measure the level of employee engagement in the Federal Government to determine if different organizations or groups exhibit different levels of engagement;

2. Determine whether increased levels of employee engagement are related to better results and outcomes for Federal agencies; and

3. Identify how Federal agencies can improve the engagement level of their employees.

Study Method

For the past two decades, the MSPB has conducted periodic Governmentwide Merit Principles Surveys of Federal employees to solicit their perceptions of their jobs, work environments, supervisors, and agencies. The scale that we developed to measure the engagement level of Federal employees is derived from answers that Federal employees gave to the 2005 Merit Principles Survey (MPS 2005). Twenty-four Federal agencies participated in the survey and a total of 36,926 employees completed it.

We analyzed the results of the MPS 2005 to determine what kinds of issues were important for engaging Federal employees. We then developed a scale based on 16 questions from the MPS 2005 that we used to measure an employee's level of engagement.

Findings

What engages Federal employees? The six themes that we found that are important for engaging Federal employees are:

- Pride in one's work or workplace,
- Satisfaction with leadership,
- Opportunity to perform well at work,
- Satisfaction with the recognition received,
- Prospect for future personal and professional growth, and
- A positive work environment with some focus on teamwork.

The Federal work force: Who is engaged and why? According to our engagement scale, about one-third of Federal employees are fully engaged, almost one-half are somewhat engaged, and the remaining 17 percent are not engaged.

First-level supervisors are an important influence on their subordinates' level of engagement as they have a direct effect on the themes that we found are important for engaging Federal employees. We also found that engaged employees have a much more positive view of their supervisors' management skills than do employees who are not engaged.

There are differences in the level of employee engagement in the Federal work force based on the following factors:

- Level of organizational responsibility: More members of the Senior Executive Service (SES) are engaged than supervisory employees, who are, in turn, more likely to be engaged than nonsupervisory employees.
- Salary: Differences in employee engagement based on salary are not as pronounced as those based on level of organizational responsibility, but top earning Federal employees tend to be more engaged than the lowest earning employees.
- Level of education: The more education employees have, the higher their engagement level.
- Race/Ethnicity: We found differences in the levels of engagement for employees of different racial/ethnic groups. While varying levels of education and average salaries within our respondent population may account for some of these engagement differences, it is important to note that they do exist.
- Agency: In some agencies nearly half of the employees were engaged while in others, only about one-quarter were engaged.

There are no sizeable variations among the level of employee engagement across the Federal work force based on such other factors as gender, age, length of tenure with the civil service or agency, location of the employee in a headquarters or field setting, or whether the employee is rated under a pass/fail or more traditional five-tiered performance management system.

How do employee engagement levels advance or hinder Federal agency mission accomplishment? We found a significant relationship between the average level of employee engagement in agencies and the following outcomes:

- Agency results as measured by the Office of Management and Budget's Program Assessment Rating Tool (PART): Higher levels of employee engagement correlated to higher scores on the program results/accountability portion of the PART.
- An employee's intent to leave the agency: Employees who reported that they were very *unlikely* to leave their agency were much more engaged than those who reported they were very *likely* to leave. This pattern was the same for both retirement-eligible employees and employees not eligible for retirement. This suggests that if employees are not engaged, they will start to look for better opportunities elsewhere.

  An important related finding showed that a majority of employees who were very likely to leave their agency and were not engaged had received the highest performance rating granted on their most recent rating of record. Federal

agencies may be at risk of losing these high-performing but unengaged employees to more engaging employment opportunities elsewhere.

- An agency's average sick leave use: Higher levels of employee engagement correlated to fewer average days of sick leave used.
- Level of equal employment opportunity (EEO) complaint activity: Higher levels of employee engagement correlated to fewer EEO complainants (the number of employees filing complaints as a percentage of the total agency work force).
- The rate at which employees miss work time because of work-related injury or illness: Higher levels of employee engagement correlated to a lower rate of lost time cases.

Recommendations

The Merit Systems Protection Board recommends that agencies take steps to increase employee engagement in view of the relationship we found between employee engagement and desirable agency outcomes. Specifically, agencies should:

Ensure a good person-to-job fit. To have a good chance at fully engaging an employee, a good fit between the person and the job is as necessary as the technical competence required to perform the job. Agency human resources staffs and hiring managers should use existing tools, as suggested in this report, to recruit candidates who are well matched to their organization's needs and hence more likely to become engaged in their agency and its mission.

- Improve their job marketing: The vacancy announcement is very often the first place applicants get a glimpse of the open position if not their first look at the agency itself. Hiring managers and human resources staffs should use vision and creativity to entice job candidates to apply who would not only perform well in the job but who would also fit in well with the organization's culture.
- Encourage networking: To recruit for engagement, managers should encourage current employees to network within their job field to identify high-quality candidates who may be cultivated for current or future job openings.
- Assess more intensively: Agencies should use work sample assessments during the hiring process so hiring organizations and applicants gain as much insight into each other as possible.
- Use rotations: Managers should rotate employees to different teams or organizations, where practical, to help improve the chances of a good fit between employees and jobs.

Show employees they are valued from their first day on the job. If seemingly little things are done correctly during the start of an employee's tenure, the employee will most likely be easier to engage. For example, is there someone to greet the new

employee and show him or her the ropes for the first several days? Does the new employee have meaningful work to do on the first day of work?

Stimulate employee commitment. Supervisors should inspire employee commitment by showing employees how important their work is, demonstrating an interest in developing their employees, and encouraging them to take ownership of their work.

Manage performance with the attention it deserves. Supervisors must provide the appropriate guidance and feedback to employees during each of the different performance management phases.

Establish a clear line of sight from the employee to the larger work unit. Managers should use their agency's performance management process to establish a clear line of sight from the employee to the larger organization so individual employees know the organization's mission and goals and how they contribute to their fulfillment.

Mentor employees. Agencies should put mentoring programs in place to help employees define their role in the organization and to better assimilate new employees into the organization.

Recruit and select supervisors to supervise. Agencies should recruit and select supervisors based on their supervisory-related abilities or potential—part of which should be the ability to engage subordinates.

Use a competency-based approach. Agencies should embrace a competency-based approach to managing employees to ensure that their skills are well-used and continually enhanced.

Communicate vision and commitment. Senior agency leaders should communicate a clear vision of how the agency will accomplish its mission and show that they are committed to their employees.

Measure engagement. Agencies should periodically measure employee engagement and work to increase the level of engagement of their work force to improve agency outcomes.

Managers and human resources professionals should determine how to tailor these recommendations to best fit their organization and the individuals within those organizations. By establishing a link between employee engagement and Federal agency outcomes, we hope to refocus attention and energy on these management practices that can increase the level of Federal employee engagement.

Engagement Background

At one time workers were considered by most factory owners to be merely an element of production—no more or less important than any raw materials that were needed to produce an output. At that time, companies were valued based on the strength of their financial and tangible assets. Today, the elements that drive business value include such things as innovation; customer relationships; and employee motivation, loyalty, and intellectual expertise.[1] As these intangible assets become increasingly important for organizational success, the question of how to achieve higher levels of worker productivity becomes more important.

Early Management Theory

Over the past century, to increase outputs and profits, organizations have attempted to use many of the theories emanating from the systemic study of what motivates employees to work harder. Among these theories are those of Maslow, Herzberg, and Skinner.

Maslow's five levels of needs (physiological, safety, love, esteem, and self-actualization) represented an early attempt to explain what motivates people. Maslow proposed that as one need is satisfied, the next need replaces it as the primary motivator for the individual.[2] Herzberg's Two Factor Theory proposed that people are influenced by motivation factors and hygiene factors. Motivation factors such as responsibility, achievement, recognition, advancement, and work itself motivate employees to improve their performance. Hygiene factors such as working conditions, salary, and job security ensure that employees do not become dissatisfied but the factors themselves do not motivate the individual to achieve higher levels of performance.[3] Skinner's reinforcement theory states that if there are consequences for certain behaviors, those consequences influence that behavior. In other words, employees will repeat behaviors that have positive consequences and will avoid those behaviors that have negative consequences.[4]

[1] "Measuring the Immeasurable," *Strategic HR Review*, 4(5), July/August 2005, p. 7.

[2] A. H. Maslow, "A Theory of Human Motivation," *Psychological Review*, 50 (1943), pp. 370-396.

[3] Frederick Herzberg, Bernard Mausner, and Barbara Bloch Snyderman, *The Motivation to Work*, John Wiley and Sons, Inc., New York, NY, 1959, pp. 113-119.

[4] B. F. Skinner, *Science and Human Behavior*, The Free Press, New York, NY, 1965, pp. 182-193 (originally published by The Macmillan Company, New York, NY, 1953).

Employee engagement is rooted in these scientific management theories that explore both the intrinsic and extrinsic motivation that propels employees to greater levels of performance.[5]

What Is Employee Engagement?

Definition. Academicians, management theorists, and organizations themselves all seem to have similar definitions of "employee engagement." Most of these definitions center around the idea that employees who are engaged have some type of heightened connection to their work, their organization, or the people they work for or with that causes them to produce better results for the organization.

The common themes that emerge when researchers discuss engaged employees go beyond basic job satisfaction to employees finding personal meaning in their work, taking pride in what they do and where they do it, and having the feeling that their organization values them. The greater an employee's engagement, the more likely the employee will go above and beyond the minimum required and expend discretionary effort to provide excellent performance.[6]

Emotional and Rational Commitment. Employees can commit to an organization in two ways: rationally and emotionally. Employees commit rationally to an organization when they see that they will personally benefit financially, developmentally, or professionally from one or a combination of their managers, their teammates, or their organization. Employees commit emotionally when they believe in, value, or enjoy their work, their managers, their team, and/or their organization.[7] Rational incentives can create the forceful reasons that employees stay with their organizations and why they feel compelled to meet basic performance requirements. However, employees who "derive pride, inspiration, and enjoyment from their job and organization" are the employees who expend the highest levels of discretionary effort.[8]

Discretionary Effort. Simply put, discretionary effort results when employees put forth their very best efforts, instead of the minimum required to keep their bosses happy, or, worse yet, just going through the motions at work. Almost every day employees make the kinds of decisions that define the level of discretionary effort they give: Whether to go to lunch or work through lunch; whether to leave for the day on time or stay until the job is finished; whether to help a coworker finish a project when it is not part of the one's normal duties; or to be extra helpful and

[5] Fredric D. Frank, Richard P. Finnegan, and Craig R. Taylor, "The Race for Talent: Retaining and Engaging Workers in the 21st Century," *Human Resource Planning*, 27(3), 2004, pp. 15-16.

[6] Robert J. Vance, "Employee Engagement and Commitment: A Guide to Understanding, Measuring and Increasing Engagement in Your Organization," *Society for Human Resource Management*, 2006, p. 6.

[7] Corporate Leadership Council, *Driving Employee Performance and Retention through Engagement: A Quantitative Analysis of the Effectiveness of Employee Engagement Strategies*, Corporate Executive Board, Washington, DC, 2004, p. 4.

[8] Corporate Leadership Council, 2004, p. 36.

friendly to an unsatisfied customer.[9] The greater employees' engagement, the more likely that they will expend discretionary effort to improve their own and, in turn, their organization's performance.

Job Satisfaction. Many organizations have focused on trying to satisfy their employees in the belief that a satisfied employee is a happy, productive employee. Satisfaction was generally measured through periodic surveys whose results were intended to spur management action to increase employee satisfaction. However, studies have shown that employee engagement surpasses satisfaction as an indicator of productivity. Competitive pay and benefits along with a healthy work-life balance all help to drive employee satisfaction. But unless employees feel a special bond with the employing organization they will not be highly engaged and will be reluctant to put forth the added discretionary effort upon which improved organizational results rely.[10]

This is not to downplay employee satisfaction as an important component of employee engagement. If an organization's pay, benefits, and work environment are not able to produce satisfied employees, then it is unlikely that employees will form a higher bond with the organization. When employees are engaged they will accept periods of low satisfaction and still remain committed. But when employee satisfaction is low to begin with, they will be disengaged and soon leave the organization—physically, or perhaps mentally, which can be even worse.[11]

Engagement and Business Outcomes

Although having satisfied or even happy employees may be a goal of some managers, the real importance of employee engagement to organizations lies in the evidence from previous studies that highly engaged employees produce better outcomes for their organizations.

The 2003 Towers Perrin Talent Report, based on a survey of over 35,000 U.S. workers in medium to large organizations that spanned the different economic sectors, found that highly engaged employees outperform their less engaged counterparts.[12] Although the report cautions that there are a number of variables that affect business outcomes, Towers Perrin found that there is a clear relationship between increased engagement and improved retention of talent and better financial performance. Companies whose employees exhibited higher engagement outperformed companies that scored lower on employee engagement relative to industry benchmarks. "Whether that's because they attract more engaged people as a consequence of their superior performance, or whether their superior performance

[9] Bill Erickson, "Nature Times Nurture: How Organizations Can Optimize Their People's Contributions," *Journal of Organizational Excellence*, 24(1), Winter, 2004, p. 26.

[10] Edmond Mellina, "Happy Doesn't Always Mean Productive," *Canadian HR Reporter*, 16(19), November 3, 2003, p. 15.

[11] Erickson, 2004, p. 25.

[12] Towers Perrin, "Working Today: Understanding What Drives Employee Engagement," *The 2003 Towers Perrin Talent Report*, 2003, pp. 2, 20.

comes from the discretionary effort of their engaged people is, in the end, almost moot. What's clear is that the two are intertwined and together work to create a 'virtuous circle' of enhanced performance."[13]

In 2001, the Gallup organization collected employee engagement scores and profitability, sales, employee retention, and customer satisfaction data for 7,939 business units to determine if units with high engagement scores had better business outcomes than those with lower engagement scores. They found that the "correlation was positive and substantially meaningful to success across different businesses: Highly engaged individuals were most often found in the high-performance units."[14] The Gallup results attribute successful business outcomes to many different factors. But the large amount of data and the number of different industries and work situations involved supported their statement that "this picture of the nexus between engagement and economic performance is robust."[15]

In addition to higher organizational productivity, employee engagement has also been shown to have an inverse relationship to employee turnover. Towers Perrin reports that about a quarter of disengaged employees are actively seeking other employment, which is 10 times the rate of highly engaged workers.[16] This means that there is a very real possibility that an organization will lose disengaged employees—a welcome prospect if the employees in question are chronic under-achievers, but quite another story entirely when the disengaged are high performers or key people in the organization.

Towers Perrin also reports that half of the disengaged employees are open to other opportunities even though they are not actively seeking other employment. This means that organizations could have a large group of disaffected and nonproductive people who may be "adversely affecting performance by spreading their own negative views and behaviors to others."[17] Although high engagement does not necessarily guarantee retention (because some highly engaged employees are open to interesting opportunities elsewhere), it increases the chances of retaining the very people who are going to be the most attractive to other employers.[18]

Purpose of the Study

So why should we study Federal employee engagement, and why should we study it now? In the private sector, a tight economy was a major contributor in focusing attention on maximizing employee output and getting the most out of employee resources.[19] Regardless of how different organizations define engagement, or if they

[13] Towers Perrin, 2003, pp. 18-20.

[14] James K. Harter, "Taking Feedback to the Bottom Line," *Gallup Management Journal*, March 15, 2001, p. 3.

[15] Harter, 2001, p. 4.

[16] Towers Perrin, 2003, p. 21.

[17] Towers Perrin, 2003, p. 21.

[18] Towers Perrin, 2003, p. 21.

[19] Paul R. Bernthal, *Measuring Employee Engagement*, Development Dimensions International, Inc. White Paper, 2004, p. 1.

specifically refer to employee engagement at all, the goal is the same: Increasing discretionary effort. In a tight labor market with virtually all employers dealing with cutbacks and financial pressures (i.e., improving organization results with fewer resources), a critical mass of employees who are willing to routinely give discretionary effort can be of tremendous value to an organization.[20]

It is no different in the Federal Government. In recent years there has been an ever-increasing focus on improving results in Federal agencies. This focus has come from management directives in the form of the National Performance Review and the President's Management Agenda, from increasingly tight budgets, and from reduced staffing levels. The admonition to "Do more with less" is well-known to Federal managers and employees alike.

In addition to these pressures, Federal managers are also facing a wave of retirements as the baby boom generation ages. The Office of Personnel Management estimates that 60 percent of the Federal Government's General Schedule employees, and 90 percent of the Senior Executive Service, will be eligible to retire by 2016.[21] Even if the impact of these retirements is mitigated by employees working longer or opting to stay employed with their organizations in some other capacity (either part time or as reemployed annuitants), the Bureau of Labor Statistics estimates that by the year 2010 there could be as many as 7 to 10 million more jobs than there are employees in the United States, and by 2015 a whopping 21 to 40 million more jobs than employees.[22] These estimates make clear that the fight the Federal Government is waging to attract talented new employees has just begun.

Management and budgetary pressures, increasing numbers of retirement-eligible employees, and ever-intensifying competition for talent among agencies and with the private and not-for-profit sectors are all factors over which Federal agencies have little or no direct control. In this atmosphere, work environments that attract top talent and engage that talent once it is in place are vital to the continued success of agency missions. To help agencies better meet these environmental challenges, the U.S. Merit Systems Protection Board (MSPB) conducted this study to:

1. Measure the level of employee engagement in the Federal Government to determine if employees of different organizations or demographic groups exhibit different levels of engagement;

2. Determine whether increased levels of employee engagement are related to better outcomes for Federal agencies; and

3. Identify how Federal agencies can improve the engagement level of their employees.

[20] Towers Perrin, 2003, p. 2.

[21] Carl Fillichio, "Getting Ready for the Retirement Tsunami," *The Public Manager*, Spring 2006, p. 4.

[22] Jay Jamrog, "The Perfect Storm: The Future of Retention and Engagement," *Human Resource Planning*, 27(3), 2004, p. 27.

The MSPB conducted this study in accordance with our mandate to study Federal merit systems to determine if the work force is managed in adherence with the merit system principles and is free from prohibited personnel practices.[23] Our recommendations of methods to increase the level of Federal employee engagement support the merit system values of using the Federal work force efficiently and effectively and ensuring that all employees receive fair and equitable treatment in all aspects of human resources management.[24]

[23] 5 U.S.C. § 1204(a)(3).

[24] 5 U.S.C. § 2301(b)(2) and (5).

Merit Principles Survey

For the past two decades, the MSPB has conducted periodic, Governmentwide Merit Principles Surveys of Federal employees to solicit their perceptions of their jobs, work environment, supervisors, and agencies. The MSPB uses the survey results to assist in its statutory responsibility to study the hiring, development, and management of civilian employees to ensure that agencies follow the Federal merit principles and do not allow prohibited personnel practices to occur.

For this study we measured the engagement level of Federal employees using a scale derived from answers that Federal employees gave to the 2005 Merit Principles Survey (MPS 2005). The MPS 2005 was administered to full-time, permanent, nonseasonal Federal employees during the summer and fall of 2005. Twenty-four Federal agencies participated in the survey, and a total of 36,926 employees completed the survey, for a response rate of just over 50 percent.[25]

MSPB Engagement Scale

We analyzed the results of the MPS 2005 to determine what kinds of issues were important for engaging Federal employees.[26] We also reviewed studies of employee engagement in the private sector and note that while they may focus on slightly different aspects of employee work experiences, most also touch on the same major issues that we found are important for fostering employee engagement. These are:

1. Pride in one's work or workplace,
2. Satisfaction with leadership,
3. Opportunity to perform well at work,

[25] For more information about the MPS 2005 see, U. S. Merit Systems Protection Board, *Accomplishing Our Mission: Results of the Merit Principles Survey 2005*, Washington, DC, February 2007.

[26] See Appendix A for detailed information about how we developed our engagement scale and Appendix B for a copy of the MPS 2005.

4. Satisfaction with the recognition received,
5. Prospect for future personal and professional growth, and
6. A positive work environment with some focus on teamwork.

We then identified a series of 16 questions from the MPS 2005 that we used to measure employee attitudes toward these six themes. The sum of the scores on these 16 questions form the scale that we used to represent an employee's level of engagement.

The six themes we found that influence employee engagement are each discussed below, along with the survey questions that we used to gauge employee attitudes toward each theme. The six themes and related 16 questions also appear in the side-bar.

Pride in one's work or workplace. The first theme that emerged on our employee engagement scale is the pride that employees have in their work and/or in their organization. In order to develop a higher emotional connection to the organization, an employee must have some degree of pride in his or her work or the mission of the organization. It is difficult to conceive that employees who do not possess a certain amount of pride in their work and their organization will be fully engaged in the work that they do. In our analysis, these four MPS 2005 questions best measured the level of employees' pride in what they do every day and where they do it:

MSPB Employee Engagement Scale Questions

Pride in one's work or workplace

1. My agency is successful at accomplishing its mission.
2. My work unit produces high-quality products and services.
3. The work I do is meaningful to me.
4. I would recommend my agency as a place to work.

Satisfaction with leadership

5. Overall, I am satisfied with my supervisor.
6. Overall, I am satisfied with managers above my immediate supervisor.

Opportunity to perform well at work

7. I know what is expected of me on the job.
8. My job makes good use of my skills and abilities.
9. I have the resources to do my job well.
10. I have sufficient opportunities (such as challenging assignments or projects) to earn a high performance rating.

Satisfaction with the recognition received

11. Recognition and rewards are based on performance in my work unit.
12. I am satisfied with the recognition and rewards I receive for my work.

Prospect for future personal and professional growth

13. I am given a real opportunity to improve my skills in my organization.

Positive work environment with some focus on teamwork

14. I am treated with respect at work.
15. My opinions count at work.
16. A spirit of cooperation and teamwork exists in my work unit.

1. My agency is successful at accomplishing its mission.
2. My work unit produces high-quality products and services.
3. The work I do is meaningful to me.
4. I would recommend my agency as a place to work.

Satisfaction with leadership. The second theme that contributed to employee engagement for Federal employees was satisfaction with supervision and leadership. First-line supervisors play a critical role in the daily lives of employees, from assigning work to evaluating performance, so it should not be surprising that they have an important effect on employee engagement. Likewise, managers at higher levels, tasked with developing the vision toward which the agency strives, can also affect employee engagement. If there is no organizational vision, if employees have a difficult time seeing the vision or their role in bringing about the vision, or if employees perceive that the agency is headed in a direction that seems inconsistent with the stated vision, it is likely that the employees will be less engaged. The MPS 2005 questions that most closely measured participants' attitudes toward their managers and supervisors were:

5. Overall, I am satisfied with my supervisor.
6. Overall, I am satisfied with managers above my immediate supervisor.

Opportunity to perform well at work. The opportunity to perform well is another important contributor to employee engagement in the Federal Government. This opportunity encompasses a wide range of job features best captured by the following MPS 2005 questions:

7. I know what is expected of me on the job.
8. My job makes good use of my skills and abilities.
9. I have the resources to do my job well.
10. I have sufficient opportunities (such as challenging assignments or projects) to earn a high performance rating.

Satisfaction with the recognition received. Recognition is central to any discussion of employee engagement. Recognition may take the form of monetary or nonmonetary awards, or a simple acknowledgement of a job well done. Whatever the method, recognition systems encompass a number of variables that are all important for maintaining high levels of employee engagement, including communication and respect. When an organization or a supervisor rewards or recognizes an employee or team, they are communicating in a powerful way what types of activities and accomplishments the organization values. By granting this recognition, the organization is reinforcing what kind of effort and what types of behaviors it would like to see repeated by other employees. Recognition and rewards are also a method organizations use to make employees feel respected and valued.

When employees are rarely recognized for a job well done, or when recognition is given inappropriately, engagement will suffer. The two MPS 2005 questions we used to gauge employee attitudes about their organization's recognition systems were:

11. Recognition and rewards are based on performance in my work unit.

12. I am satisfied with the recognition and rewards I receive for my work.

Prospect for future personal and professional growth. The prospect for future growth within the organization also has a role to play in employee engagement. Of course not everyone can be promoted every year, and the continuing focus on flatter organizations with wider spans of control means that the opportunities for promotions in many organizations may be dwindling. However, growth need not be limited solely to advancing to the next grade level. Growth can occur when employees are given the opportunity to learn new skill sets, or improve current ones; participate in different types of assignments; exercise leadership roles within teams; or rotate to different parts of the organization. The following MPS 2005 question gauged employee beliefs about their future prospects with their organization:

13. I am given a real opportunity to improve my skills in my organization.

Positive work environment with some focus on teamwork. The general work environment has an important influence on employee engagement as it may or may not foster cooperative attitudes and respectful treatment. The MPS 2005 questions that best measured employee attitudes toward their work environment were:

14. I am treated with respect at work.

15. My opinions count at work.

16. A spirit of cooperation and teamwork exists in my work unit.

As discussed in the previous chapter, employees can commit to an organization in two ways—rationally and emotionally. Both types of commitment are necessary for engaging employees. Incentives that drive rational commitment include pay and benefits and form the basis of why employees are attracted to, and stay with, an organization. Typically, this rational foundation is necessary in order for emotional incentives, such as enjoyment of the work or a belief in an organization's mission, to spur higher levels of engagement. So it is appropriate that we found elements of both rational and emotional commitment in our analysis of what engages Federal employees.

Scoring Methodology

The engagement scale we developed using the 16 MPS 2005 questions discussed allowed us to determine what percentage of the Federal work force is engaged, somewhat engaged, or not engaged. Each of the 16 questions had a five-level response scale: Strongly Disagree, Disagree, Neither Agree nor Disagree, Agree, and Strongly Agree. We assigned a point value ranging from 1 to 5 to each of these

possible responses, with Strongly Disagree equating to a value of 1 and Strongly Agree equating to a value of 5.

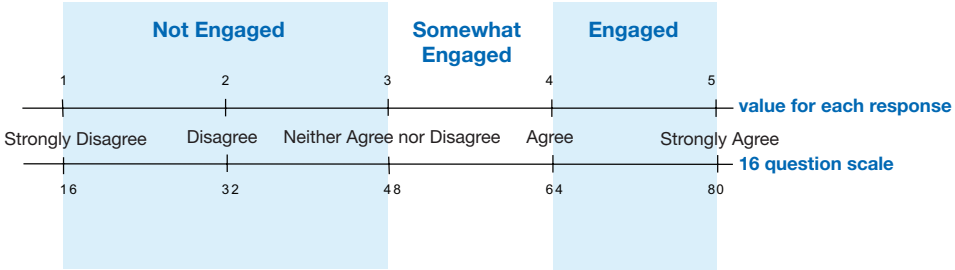
If a survey respondent answered "Strongly Agree" to all 16 engagement questions, that respondent would have an engagement score of 80 (the Strongly Agree point value of 5 times the 16 engagement questions equals 80). Similarly, if a survey respondent answered "Strongly Disagree" to all 16 engagement questions that respondent would have an engagement score of 16 (the Strongly Disagree point value of 1 times the 16 engagement questions equals 16). MPS 2005 respondents who did not answer one or more of our scale questions were not included in our analysis.

We classified an employee as "engaged" if the employee achieved a score as if he or she agreed with each of our 16 engagement questions. In other words, since the response of "Agree" had a point value of 4, employees who agreed with all 16 questions would have an engagement score of 64. Not every respondent who achieved an engagement score of 64 agreed with every single question—he or she could very well have disagreed with some and strongly agreed with others. The cutoff of 64 is simply the breakpoint we used to denote an engaged employee based on the belief that to be labeled "engaged," an employee's score should average out to show agreement with each of the 16 questions.

We classified employees who scored between our engaged cutoff of 64 and pure neutrality as "somewhat engaged." In other words, the low cutoff for our somewhat engaged category was 48—as if the employee had answered Neither Agree nor Disagree for each of the 16 questions.

We classified employees who scored less than 48 (that is, they achieved less than neutrality for each question) as "not engaged." (See **Figure 1** for a graphic depiction of our scoring methodology.)

Figure 1: Employee Engagement Scoring Methodology



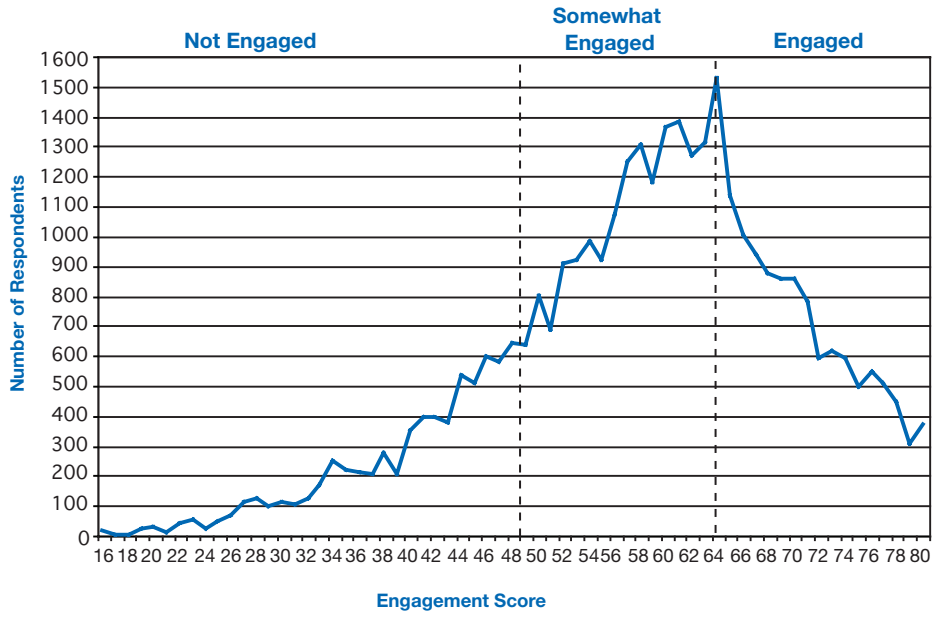
The Federal Work Force: Who Is Engaged?

Our findings based on the application of our employee engagement scale are presented in the next two chapters. In this chapter, we look at the engagement level of the Federal work force as a whole, as well as different segments of the Federal work force.

The Federal Work Force

Figure 2 shows the frequency distribution of the engagement scores across the Federal Government based on our scale of the 16 MPS 2005 questions.

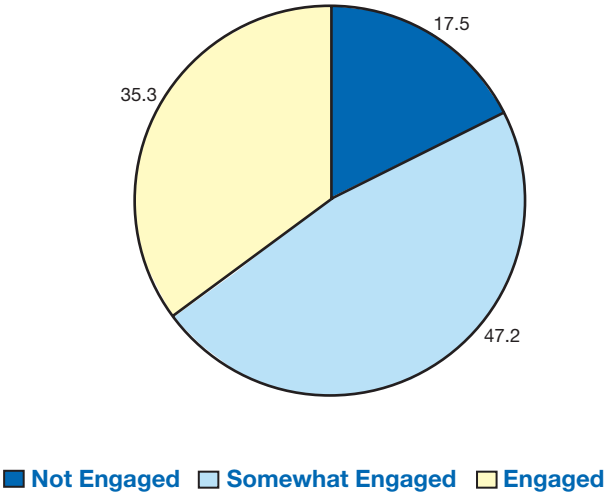
Figure 2: Frequency of Engagement Scores



The first thing that we notice about Figure 2 is that the engagement scores for Federal employees seem to trend toward the higher side of the engagement scale. This is good news for the Government in general in that more employees seem to fall toward the top of the range than would be expected from a chance distribution of scores.

Figure 3 breaks out these data in a different way—showing the percentage of employees that fall into each of our engagement categories.

Figure 3: Percentage of Federal Employees in Each Engagement Category



Just over one-third (35.3 percent) of Federal employees fall into the engaged category, twice as many as fall into the not engaged category (17.5 percent). However, the greatest numbers of Federal employees fall into the somewhat engaged category—47.2 percent. Figure 3 gives a good picture of why the issue of employee engagement should be important to Federal managers and decision-makers—almost half (47.2 percent) of Federal employees are basically up for grabs as far as engagement goes. With the bulk of the work force on the "engagement fence," Federal agencies should be proactive in putting strategies in place that will help further engage as much of this population as possible.

Level of Organizational Responsibility

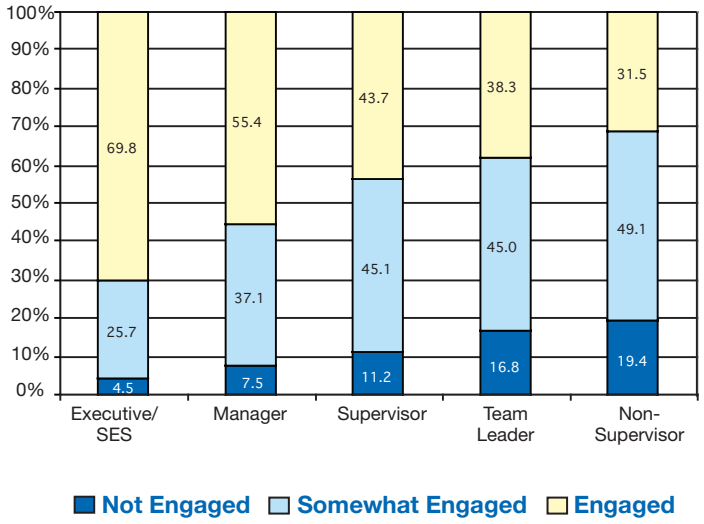
Figure 4 contrasts the engagement level of Federal employees based on their differing levels of organizational responsibility. As the responsibility level increases in Federal organizations, we see that higher levels of employee engagement are realized.

Members of the Senior Executive Service (SES) are the management leaders who serve in the key positions in Federal agencies just below the top Presidential appointees. SES members are the major link between these political appointees and the rest of the career Federal work force.[27]

[27] U.S. Office of Personnel Management, *About the Senior Executive Service*, downloaded from http://www.opm.gov/ses/about_ses/index.asp on July 18, 2008.

As we might expect, the senior leaders in Federal agencies are more highly engaged than other Federal employees. Members of the SES have generally exhibited more favorable attitudes toward their work and their employing organization than other Federal employees.[28] It is hardly surprising that the senior leaders who are setting the course for Federal agencies are more engaged in the very organizations which they lead. In fact, over twice as many members of the SES reported being engaged as did nonsupervisors.

Figure 4: Engagement by Responsibility Level



Percentages may not equal 100 due to rounding.

In our report outlining the results of the Merit Principles Survey 2005, we noted that more supervisors than nonsupervisors generally believe that their agency treats them fairly, that supervisors have a higher level of satisfaction with their immediate and upper level supervisors than nonsupervisors have, and that supervisors have a higher level of satisfaction with the recognition and rewards they receive than nonsupervisors.[29] Given these findings we would expect more supervisors to be engaged than nonsupervisors, as Figure 4 shows.[30]

[28] For instance, see U.S. Merit Systems Protection Board, *Accomplishing Our Mission: Results of the Merit Principles Survey 2005*, and the demographic results of the Office of Personnel Management's Federal Human Capital Survey 2006 downloaded from www.fhcs2006.opm.gov/ Reports on July 18, 2008.

[29] U.S. Merit Systems Protection Board, *Accomplishing Our Mission: Results of the Merit Principles Survey 2005*, February 2007, pp. 41-42.

[30] The source of Figure 4 is MPS 2005 question 44, *What is your supervisory status?*, which defines "Nonsupervisor" as one who does not supervise other employees; "Team Leader" as one who does not have official supervisory responsibilities nor conducts performance appraisals, but provides employees with day-to-day guidance in work projects; "Supervisor" as one responsible for employee performance appraisals and approval of their leave, but does not supervise other supervisors; "Manager" as one in a management position who supervises one or more supervisors; and "Executive" as SES or equivalent.

There could be different reasons for higher levels of engagement among supervisors than nonsupervisors. Perhaps employees who are the most engaged are more likely to be promoted into the supervisory ranks than their counterparts who are less engaged. More highly engaged employees entering supervisory ranks could account for those ranks outpacing the nonsupervisory population in engagement. Or, perhaps, as members of management, supervisors simply identify more closely with their organization and are more cognizant of what, and how, the organization is doing—resulting in higher levels of engagement.

The Importance of First-Level Supervisors

Supervision affects the engagement equation in different ways. As we have seen, supervisors in the Federal Government are likely to be more highly engaged than their nonsupervisory counterparts. Also, as one might expect, supervisors have an important effect on the level of engagement of their subordinates. Finally, employees with differing levels of engagement also have widely differing opinions of the management and technical skills of their supervisors.

Even a cursory review of the 16 questions that we used to measure employee engagement reveals how important supervisors are to their subordinates' level of engagement. Most of the questions in our engagement scale relate to areas over which supervisors have a major influence, including:

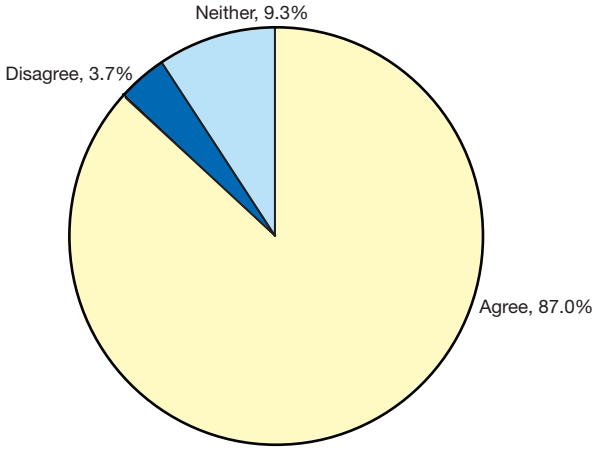
- Communicating job expectations,
- Making good use of employees' skills and abilities,
- Ensuring that employees have the resources to do their jobs well,
- Providing employees with challenging assignments,
- Rewarding and recognizing employees appropriately,
- Giving employees an opportunity to improve their skills,
- Treating employees with respect,
- Valuing employee opinions, and
- Fostering an environment of cooperation and teamwork.

It is clear that, given the importance of a supervisor's role in each of these tasks, supervisors who are successful in accomplishing them (supervisors who are, in fact, more effective managers) will lead a work force that is more highly engaged.

Underscoring the idea that it is important for supervisors to possess good management skills in order to foster engagement, many more employees who are engaged perceived their supervisors to have good management skills than employees who were not engaged. Of the employees who were engaged, 87 percent agreed that their supervisors had good management skills (see **Figure 5**). Conversely, of the

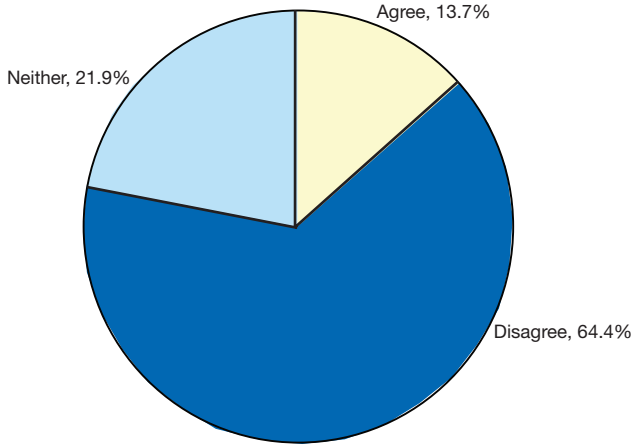
employees who were not engaged, a mere 13.7 percent agreed that their supervisors had good management skills (see **Figure 6**).

Figure 5: My Supervisor Has Good Management Skills - Engaged Employees



Source: MPS 2005 question 35m.

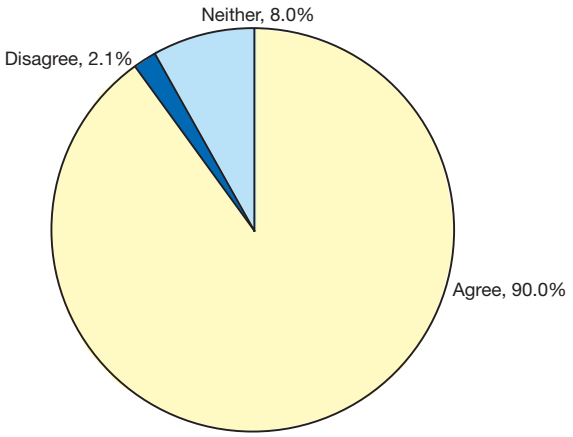
Figure 6: My Supervisor Has Good Management Skills - Employees Not Engaged



Source: MPS 2005 question 35m.

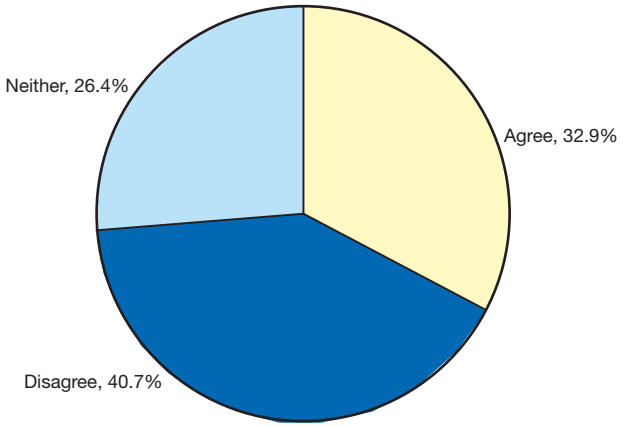
A somewhat different picture emerged when we looked at employee attitudes about their supervisors' technical skills. Of the employees who were engaged, 90 percent agreed that their supervisors had good technical skills (see **Figure 7**). However, there was more of a split in attitudes among the employees who were not engaged. As **Figure 8** shows, of the employees who were not engaged, 32.9 percent agreed that their supervisors had good technical skills, 40.7 percent disagreed, and 26.4 percent neither agreed nor disagreed.

Figure 7: My Supervisor Has Good Technical Skills - Engaged Employees



Source: MPS 2005 question 35l.
Percentages may not equal 100 due to rounding.

Figure 8: My Supervisor Has Good Technical Skills - Employees Not Engaged



Source: MPS 2005 question 35l.

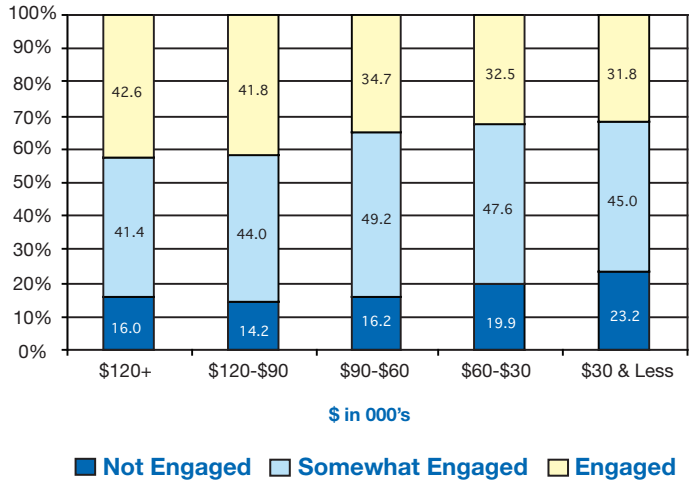
The difference in employee attitudes about their supervisors' management and technical skills suggests that perhaps a supervisor's technical skills are not as important for employee engagement as his or her management skills. Given the focus on sound management skills that can be found in our employee engagement scale, this finding is not unexpected. However, it does have implications for agencies as they recruit and hire supervisory employees.

Salary

Figure 9 displays the engagement level of Federal employees based on different total salary ranges. About 11 percent more of the employees in the highest salary range fell into the engaged category than those in the lowest salary range.

Given the large variation in engagement based on organizational responsibility level (Figure 4), we would expect to see similar variation based on differing pay levels, since executives, managers, and supervisors are generally paid more than nonsupervisors. While we did find differences in the level of engagement among the differing pay ranges, they were not as pronounced as those based on organizational responsibility level. It would appear that responsibility level has a greater relationship to employee engagement than salary alone.

Figure 9: Engagement by Total Salary



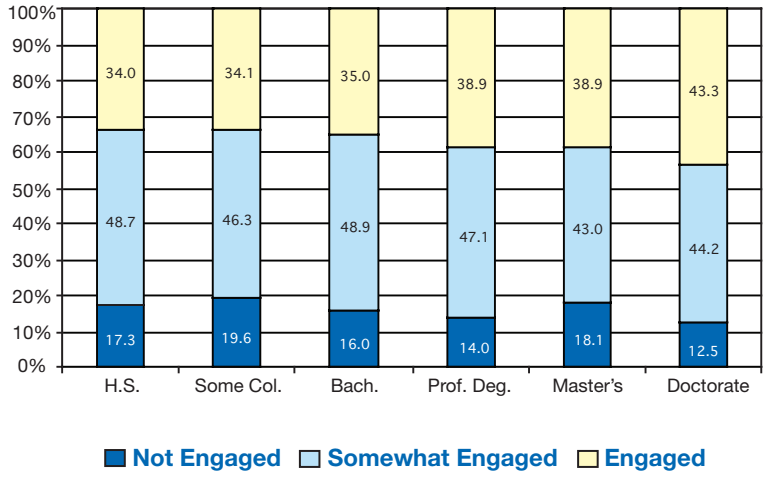
Additional source: OPM, Central Personnel Data File.
Percentages may not equal 100 due to rounding.

Level of Education

There are some differences in the level of engagement based on the level of education that employees have attained. The higher an employee's level of education the more likely that the employee will fall into the engaged category (see **Figure 10**). For example, 34 percent of employees with a high school diploma reported being engaged, compared to 43.3 percent of employees with a doctorate.

Assuming many employees further their education in a job-related field, or are more likely to take a job in the field in which they received an advanced degree, this pattern is understandable. We would expect employees to be more engaged in a job when they have sought more formal education in that job field.

Figure 10: Engagement by Education Level

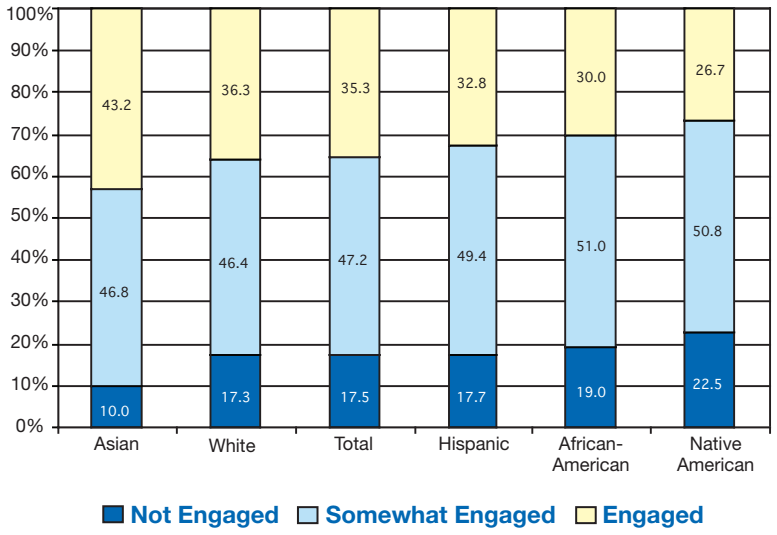


Additional source: OPM, Central Personnel Data File.
Percentages may not equal 100 due to rounding.

Race/Ethnicity

There was some variation in the level of engagement of different racial/ethnic groups across the Federal Government, with the greatest difference occurring between people of Asian origin and Native Americans. Over 43 percent of the MPS 2005 respondents who were Asian reported being engaged, while we could classify only about 27 percent of Native American respondents as engaged (see **Figure 11**). To a lesser degree, engagement levels varied among the other racial/ethnic groups as also shown in Figure 11.

Figure 11: Engagement by Race/Ethnicity



Additional source: OPM, Central Personnel Data File.
Percentages may not equal 100 due to rounding.

It is important to note that there were certain trends among the respondents within each of the five groups that may be related to the differences in each group's engagement level.

For example, we have shown that the higher an employee's level of education the more likely the employee will be engaged. Of the MPS 2005 respondents who were Asian, 36.2 percent had not attained a bachelor's degree and 20.7 percent had attained more than a bachelor's degree. In contrast, 69.2 percent of the Native American respondents had not attained a bachelor's degree, and only 5.1 percent had attained more than a bachelor's degree.

We have also shown that the higher an employee's salary, the more likely the employee will be engaged. About one-third of the Asian and White respondents earned $60,000 or less (34.1 percent and 35.8 percent, respectively), while over one-fifth earned $90,000 or more (21.5 percent and 24.4 percent, respectively). In contrast, over one-half of the African-Americans and Native American respondents earned $60,000 or less (53 percent and 57.9 percent, respectively), while only about one-tenth earned $90,000 or more (11.8 percent and 11.5 percent, respectively).

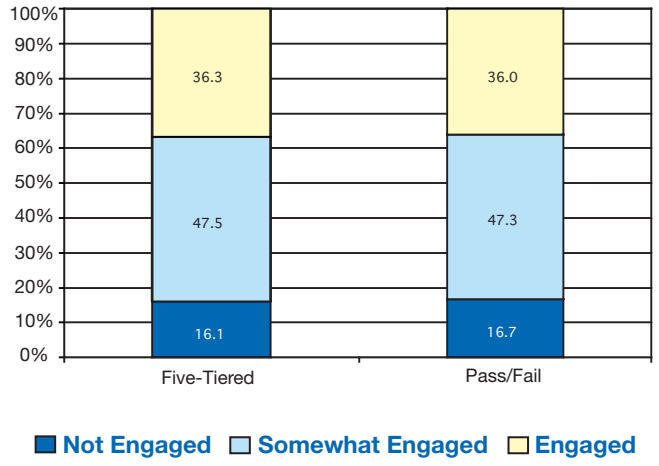
These and other factors that may influence the attitudes of members of the various racial/ethnic groups toward their jobs and work environment will be explored in depth in an upcoming MSPB report.

Performance Management

Performance management processes are very important in engaging employees. As was discussed in the previous chapter, performance management activities such as ensuring that employees know what is expected of them on the job, making good use of employees' skills and abilities, giving employees the opportunity to earn a high performance rating, appropriately awarding employees, and giving employees the opportunity to improve their skills are all part of what we found to engage employees.

What does not seem as clear is the effect that the formal agency performance management structure has on employee engagement. For example, we found virtually no difference in the number of employees who were engaged, somewhat engaged, or not engaged based on which rating pattern their agency employed. Employees who were rated under the Government's traditional five-tiered rating pattern were just as engaged as those rated under a pass-fail (two-tiered) rating pattern (see **Figure 12**).

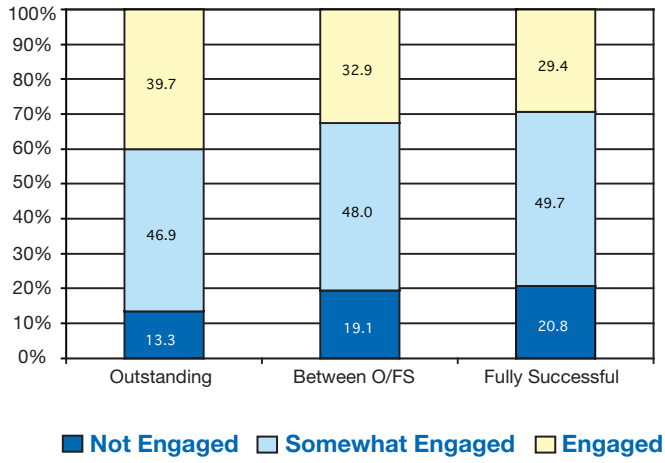
Figure 12: Engagement by Rating Pattern



Additional source: OPM, Central Personnel Data File.
Percentages may not equal 100 due to rounding.

In contrast, we found that in the rating pattern where we would expect the most differentiation to occur among levels of performance—i.e., a five-tiered pattern—engagement level differences did occur based on the rating of record. We would typically expect employees who are more engaged to receive higher performance ratings and our data generally support this expectation. Of the employees rated under a five-tiered pattern who received the highest rating (Outstanding or equivalent), 39.7 percent were engaged, compared to 29.4 percent of those rated Fully Successful or the equivalent (see **Figure 13**).

Figure 13: Engagement by Rating of Record



Data are for employees covered by performance management systems with a five-tiered rating pattern only. The number of ratings below Fully Successful in our sample was too small to report. Additional source: OPM, Central Personnel Data File. Percentages may not equal 100 due to rounding.

About 13 percent of the employees whom Federal agencies deem their top performers were not engaged. Agencies should know that they may be at risk of losing these high performing employees to more engaging opportunities either in other agencies or in other sectors of the economy. See the next chapter, *The Importance of Federal Employee Engagement,* for a discussion of employee engagement, performance ratings, and an employee's intent to leave his or her agency.

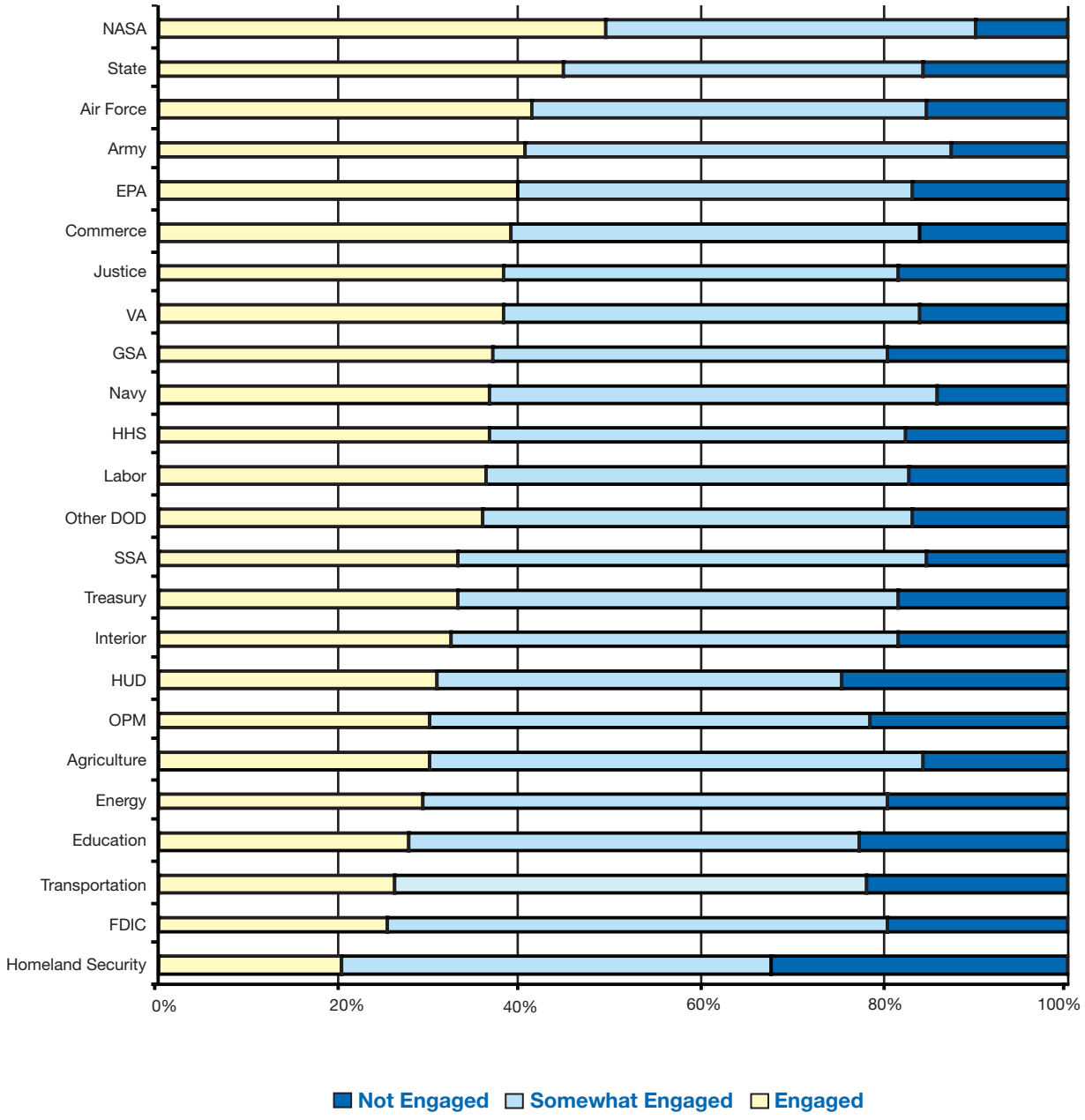
Agency

The final variable responsible for substantial differences in the level of employee engagement was the agency where an employee worked (see **Figure 14**). For instance, about half of the employees in the agency with the highest level of employee engagement were engaged, while only about one-quarter of the employees in other agencies were engaged.

Given this disparity in the engagement level of employees among the different agencies, we can infer that the influence that an organization exerts on its employees is an important factor in their engagement. The nature of an organization's work and its management practices, culture, mission, and other agency factors may all influence the issues that we have identified as engaging Federal employees. In fact, an upcoming MSPB report that examines data from all previous Merit Principles Surveys finds that an organization's culture is a major driver of employee attitudes.

In addition to these organizational influences, an organization's stability may play a part in engagement as well. For example, 39.8 percent of all employees from the top five engaged agencies in Figure 14 strongly agreed or agreed when asked if their organizational structure had been stable during the last 2 years. Of the bottom five agencies in Figure 14, only 21.6 percent of all employees either strongly agreed or agreed that their organizational structure had been stable during the last 2 years.

Figure 14: Engagement by Agency



Other Variables

We found no noteworthy difference in the engagement level of employees based on six other variables we examined—gender, age, white-collar occupational category, length of tenure with the Federal civil service, length of tenure with an agency, and work location. The charts in Appendix C show employee engagement levels for each of these variables.

This chapter of the report has examined the engagement level of different populations across the Government with the aim of providing managers and agency human resources professionals some insight into where to focus efforts to increase engagement.

We also looked at engagement levels by agency, an important examination that allowed us to compare differing agency outcomes to the differing engagement levels of their work forces. If better outcomes can be correlated to higher levels of engagement, a strong business case can be made for increased management and human resources attention to increasing the level of employee engagement. The importance of Federal employee engagement to agency outcomes is discussed in the next chapter.

The Importance of Federal Employee Engagement

Our first set of findings, presented in the previous chapter, were based on engagement data from the results of the MPS 2005. In contrast, our second set of findings, presented below, show how different engagement levels correlate with various Federal agency outcomes. As discussed earlier, previous studies across the different economic sectors have found a link between an organization's level of employee engagement and better organization results. This chapter addresses whether a similar relationship exists in the Federal Government.

A note about the following discussion: The outcome measures that we have employed are aggregate measures at the agency level. In most instances, standard Governmentwide outcome measures simply do not exist for more discreet organization units. Likewise, the engagement levels that are presented are calculated at the agency level because the structure of the MPS 2005 data precludes us from a more detailed analysis.

Federal Agency Results

Pinning down whether Federal agencies are producing successful outcomes is not easy—there is no profit margin, cost of goods sold, stock price, or other distinct financial measure to examine. Federal agencies do track whether they are fulfilling their missions by monitoring goal attainment through the Performance and Accountability Report or other processes, however. Most agencies also measure and track the level and quality of services they provide through customer satisfaction surveys or similar methods. Unfortunately, these methods do not result in the consistent Governmentwide measurement of results that is needed to determine whether the level of employee engagement in agencies is related to the results they produce.

However, one way that the results of Federal programs are somewhat consistently assessed is through the Program Assessment Rating Tool (PART) administered by the Office of Management and Budget (OMB). The PART is an effort to get agencies to consistently report their goals and results and to improve performance measurement. It is used by OMB to inform funding decisions. The PART is one way that information about program performance may be linked to budgeting

decisions (called "performance budgeting").[31]

The PART process requires that agencies submit an assessment of their performance to OMB which then computes PART ratings based on program manager responses to a series of questions. The questionnaire includes four sections dealing with different aspects of program performance: purpose and design (20 percent of the total PART score), strategic planning (10 percent of the total PART score), program management (20 percent of the total PART score), and results/accountability (50 percent of the total PART score).[32]

The results/accountability section of the PART is designed to determine if the agency's programs are meeting their long-term and annual performance goals. It also assesses how well the program compares to other similar programs and how effective the program is based on independent evaluations.[33] It is this results/accountability section of the PART that we examined to determine if higher levels of employee engagement were related to better programmatic results.

PART Questions Measuring Program Results/Accountability

1. Has the program demonstrated adequate progress in achieving its long-term performance goals?
2. Does the program (including program partners) achieve its annual performance goals?
3. Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?
4. Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?
5. Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?
6. Were programmatic goals (and benefits) achieved at the least incremental societal cost and did the program maximize net benefits?*
7. Were program goals achieved within budgeted costs and established schedules?*

** Questions only asked for specific types of programs*

The February 2006 release of the President's fiscal year 2007 budget completed the fourth year of the PART process to evaluate Federal programs. The programs assessed by 2006 accounted for 64 percent of the budget, or $1.47 trillion.[34] The

[31] Eileen Norcross and Kyle McKenzie, *An Analysis of the Office of Management and Budget's Program Assessment Rating Tool (PART) for Fiscal Year 2007*, George Mason University Mercatus Center's Government Accountability Project, May 2006, p. 3, downloaded from http://www.mercatus.org/repository/docLib/20060831_20060605_mc_gap_partpaper07.pdf on July 18, 2008.

[32] Norcross and McKenzie, 2006, p. 3.

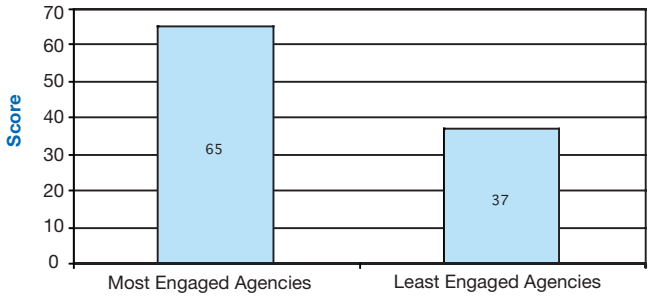
[33] U.S. Office of Management and Budget, *Guide to the Program Assessment Rating Tool*, March 2006, p. 54, downloaded from http://www.whitehouse.gov/omb/part/fy2006/2006_guidance_final.pdf on July 18, 2008.

[34] Norcross and McKenzie, 2006, p. 1.

MPS 2005 was administered over the summer and through the fall of 2005, so we selected the PART assessments made available shortly after (in February 2006) the MPS administration to analyze with respect to agency engagement and outcomes.[35]

We found a statistically significant positive correlation between the average levels of employee engagement in agencies and agencies' programmatic results as measured by the PART process.[36] Specifically, the higher an agency's average employee engagement score, the better it scored on the results/accountability portion of the PART. **Figure 15** shows what this correlation means in real terms. The agencies with the five highest average engagement scores scored an average of 65 (out of 100) on the results/accountability section of the PART, while the agencies with the five lowest average engagement scores scored an average of 37 on the results/accountability section of the PART.[37]

Figure 15: Average PART Results/ Accountability Score by Engagement Level, February 2006



This correlation means that there is a relationship between the two variables of employee engagement and agency results as measured by the PART process. The existence of the correlation by itself does not tell us if one of these variables caused the other or if there is some other, unknown, variable that causes both higher engagement and higher results/accountability scores on the PART. But, since this correlation is statistically significant, we can expect that, in the future, if an agency's engagement level were to increase, then its scores on the results/accountability portion of the PART (and presumably the results themselves) would also likely improve. We would also expect that if one of these variables were to decrease then the other variable would be likely to decrease as well.

[35] For more information on the PART see: http://www.whitehouse.gov/omb/part/.

[36] r=.519, p=.007. See Appendix A for average agency engagement scores, and further information on correlations and the study method.

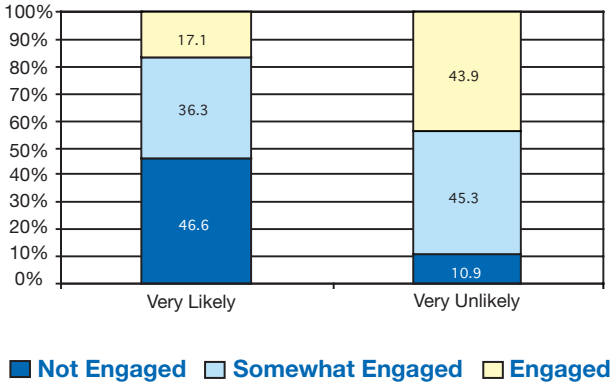
[37] PART scores downloaded from http://www.whitehouse.gov/omb/budget/fy2007/sheets/part.pdf on July 18, 2008.

Intent to Leave

As discussed in the *Engagement Background* chapter at the beginning of this report, previous employee engagement studies have found that many more disengaged employees seek other employment than their engaged counterparts. We found that the same dynamic also holds true for the Federal Government.

Among those not eligible to retire in the next 12 months, over twice the percentage of employees (43.9 percent to 17.1 percent) who said they were *very unlikely* to leave their agencies were engaged than those who said they were *very likely* to leave their agency (see **Figure 16**). In addition, more than four times as many employees (46.6 percent to 10.9 percent) who were *very likely* to leave their agencies were not engaged than those who were *very unlikely* to leave their agency. These dramatic differences illustrate that if employees are not engaged in their work they will start looking for better, more engaging, opportunities elsewhere.

Figure 16: Among those not eligible to retire: How likely is it that you will leave your agency in the next 12 months?



Source: MPS 2005 question 40 (How likely is it that you will leave your agency in the next 12 months?) and question 42 (Are you or will you become eligible to retire within the next 12 months?). Percentages may not equal 100 due to rounding.

Perhaps agencies can withstand this turnover if the 46.6 percent are populated with chronic low performers, but what if the top-rated employees in an agency don't feel engaged by their work? In fact, of the 46.6 percent of not engaged employees who were very likely to leave their agency, 59.1 percent received the highest performance rating (Outstanding or equivalent) on their most recent rating of record.[38] It only makes sense that agencies should take steps to engage these top performers who are currently less than engaged before they act on their intention to leave the agency for more engaging employment opportunities elsewhere.

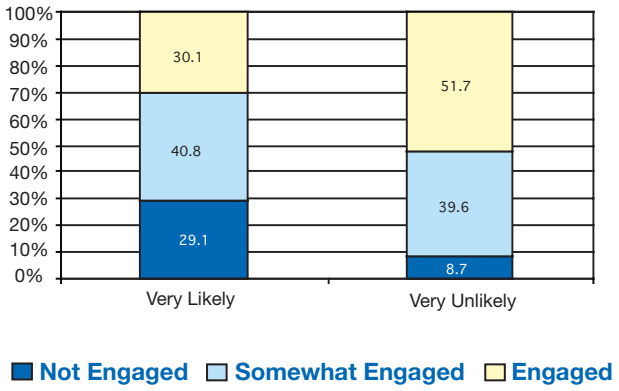
[38] Percentages represent employees rated under a five-tiered performance appraisal system.

One may wonder exactly how many of the disengaged employees cited in Figure 16 actually act on their desire to leave their agency. However, in some ways, if the organization makes no attempt to engage these employees, the only thing worse than their leaving may be that they stay. A group of disengaged employees who dream of leaving their jobs may have a negative effect on an organization's work environment and culture, which may in turn have a negative effect on other, higher engaged employees.

To get a more accurate picture of employee attitudes, in Figure 16 we looked only at the likelihood of employees who are not eligible to retire leaving their agencies. When we looked at employees who are eligible to retire and whether it is likely that they will be leaving their agencies in the next 12 months, an interesting picture emerged.

Figure 16 showed that only 17.1 percent of employees not eligible for retirement who said they were very likely to leave their agency in the next 12 months were engaged. In contrast, **Figure 17** shows that 30.1 percent of retirement-eligible employees who said they were very likely to leave in the next 12 months were engaged. These are employees who have worked long careers and may be ready to retire—and they have earned it.

Figure 17: Among those eligible to retire: How likely is it that you will leave your agency in the next 12 months?



Source: MPS 2005 question 40 (How likely is it that you will leave your agency in the next 12 months?) and question 42 (Are you or will you become eligible to retire within the next 12 months?).

The next finding from Figure 17 is even more noteworthy, showing that over half (51.7 percent) of retirement-eligibles who said they were very unlikely to leave their agency were engaged. Many factors go into making the decision to retire, not the least of which are financial considerations and how much one enjoys one's job. We may hypothesize that if employees are bound to their jobs after they are eligible to retire by purely economic considerations (that is, they can not yet afford to retire), their level of engagement may be diminished somewhat. It appears, though, that employees who are eligible to retire but plan on remaining at work have high levels of engagement that may play a factor in keeping them on the job. This is a particularly timely finding

given that the Federal Government is facing a wave of baby boomer retirements. The lesson here is a simple one: If agencies want to hold onto their older workers for a longer period, they should figure out how to engage them.

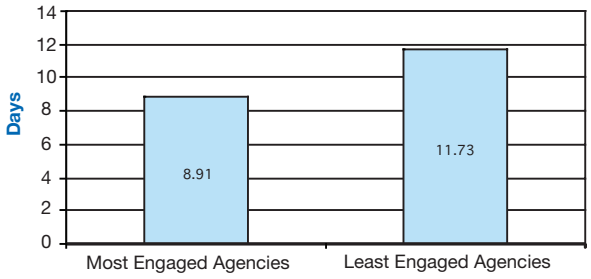
Sick Leave Use

Full-time Federal employees earn 4 hours of sick leave for each biweekly pay period they work, which amounts to 13 days of sick leave a year. There are no limits on the amount of sick leave that Federal employees can accumulate. Employees may use sick leave for personal medical needs, care of a family member, or adoption-related purposes.[39]

We wondered if there was a correlation between the levels of employee engagement in agencies and employee sick leave use. Our hypothesis was that perhaps in agencies where employees are less engaged, employees may take sick leave more often possibly for reasons other than those listed above—for example, to simply avoid going to work or perhaps because the stress of a disengaging work place actually makes some employees ill.

We did find a statistically significant negative correlation between the average level of employee engagement in an agency and the amount of sick leave that agency employees used in 2005.[40] This means that the higher an agency's average employee engagement score, the less sick leave its employees used. For example, as shown in **Figure 18**, employees in the agencies with the five highest average engagement scores used an average of about 9 sick days during 2005, while employees in the agencies

Figure 18: Average 2005 Sick Leave Days Used by Engagement Level, Leave Year 2005



The average years of service with the Federal Government for survey respondents in the most engaged agencies was about 18 years, while for the least engaged agencies it was about 17 years. Survey respondents from both groups of agencies averaged about 48 years of age.

[39] For more information on the Federal Government's sick leave program, see: http://opm.gov/oca/leave/html/sicklv.asp.

[40] r=-.609, p=.002.

with the five lowest average engagement scores used an average of about 12 sick days during 2005.[41]

There is a strong relationship between employee engagement and sick leave use but this relationship does not necessarily mean that one of these variables causes the other. What is important for our analysis of employee engagement is that since this correlation is statistically significant, we can expect that, in the future, if an agency's engagement level was to increase, then the number of sick leave days used by employees would decrease, and vice versa.

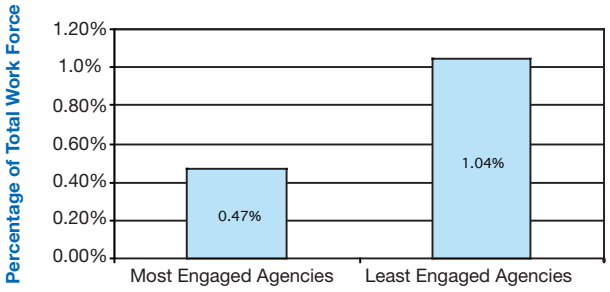
Equal Employment Opportunity Complainants

Another variable that we expected to find related to employee engagement was the percentage of agency employees who file equal employment opportunity (EEO) discrimination complaints. Our hypothesis was that in agencies where there are more employees filing complaints, there may not be the same level of employee engagement as is fostered in agencies where fewer employees file complaints.[42]

We found a statistically significant negative correlation between the number of employees who file EEO complaints in an agency and the agency's average level of employee engagement.[43] This means that the higher an agency's average employee engagement score, the fewer number of employees file EEO complaints.

For example, an average of .47 percent of the total work force of the agencies with the four highest average engagement scores filed EEO complaints, while an average of 1.04 percent of the total work force of the agencies with the four lowest average engagement scores filed EEO complaints (see **Figure 19**).[44]

Figure 19: Average Number of EEO Complainants, Fiscal Year 2005



[41] Sick leave use data source: Office of Personnel Management.

[42] Visit the U.S. Equal Employment Opportunity Commission website for more information on EEO complaints at www.eeoc.gov.

[43] r=-.487, p=.016.

[44] EEO complainant data source: *Annual Report on the Federal Work Force Fiscal Year 2005*, U.S. Equal Employment Opportunity Commission, Table B-1, downloaded from http://www.eeoc.gov/federal/fsp2005/fsp2005.pdf on July 18, 2008.

Again, a correlation between these two variables doesn't necessarily mean that one variable causes the other. Whether employees file fewer complaints because they are engaged, or people are more engaged because there are fewer complaints filed, is not clear from the correlation data alone.

It is surprising that given the comparatively low numbers of complainants with respect to the overall work force, that we were able to detect a relationship between the number of complainants and employee engagement. For instance, in even the lowest engaged agency work force, less than 1 percent, at most, of employees filed EEO complaints in fiscal year 2005.

Of course, it certainly is reasonable to assume that this type of incident would, in fact, be a cause of disengagement among those who experience it. However, the mere existence of a complaint may also negatively affect the engagement level of others in the work place. In addition, an organization culture that allows discriminatory practices, or even one that fosters employee perceptions that discriminatory practices could occur, may not be one that is likely to foster the highest level of employee engagement in the first place.

Lost Time Case Rate

The lost time case rate that is reported annually by the Occupational Safety and Health Administration is the number of instances (per 100 employees) during the year when employees lost time at work due to work related injury or illness.[45] Similar to sick leave use and the level of EEO complaint activity, we hypothesized that an agency's lost time case rate would have a negative correlation to the agency's level of engagement. That is, we expected agencies with high levels of engagement to have a lower rate of cases where employees missed work due to work related injury or illness.

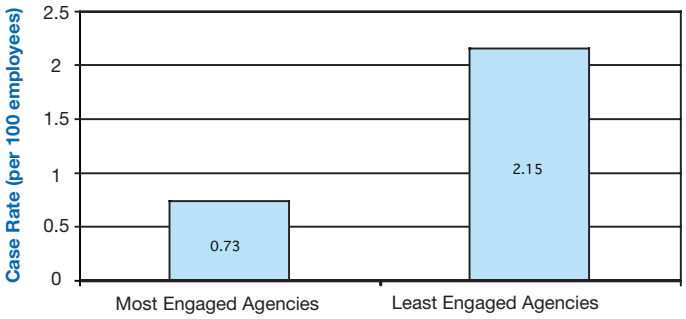
In fact, we found a statistically significant negative correlation between an agency's average level of employee engagement and the agency's lost time case rate.[46] This means in real terms that for every 100 employees in the agencies with the four highest average engagement scores there were 0.73 lost time cases, while there were almost three times as many (2.15) lost time cases in the agencies with the four lowest average engagement scores (see **Figure 20**).[47] This correlation is significant even though we would expect the most highly engaged employees in certain occupations (those that are more physically demanding or dangerous) to have a higher lost time case rate.

[45] 29 CFR 1960.2.(l)(4).

[46] r=-.498, p=.013.

[47] Lost time case rate source: *Federal Injury and Illness Statistics for Fiscal Year 2005* downloaded from www.osha.gov/dep/fap/statistics/fedprgms_stats05_final.html on July 18, 2008.

Figure 20: OSHA Average Lost Time Case Rate, Fiscal Year 2005



From the correlation alone we are unable to ascertain whether the mere fact that an organization has higher engaged employees causes less work place injuries and illnesses, or if more injuries and illnesses cause employees to be less engaged. Perhaps the same organization culture that fosters fewer injuries and illnesses also fosters higher engagement. What we do know, is that given the correlation, there is a relationship between engagement and the average lost time case rate, and if an organization's level of engagement were to improve we would expect that the rate of work place injuries and illnesses would decrease.

Measures Not Correlated to Engagement

It is important to note that we tested a number of other measures for which we could not establish a significant correlation to an agency's average level of employee engagement. Among these were:

- Three other portions of the Program Assessment Rating Tool (PART): Purpose and design, strategic planning, and program management.
- The percentage of agency goals met in fiscal year 2005 as reported in agency Performance and Accountability Reports.
- Award spending at the agency level.
- Amount or rate of Senior Executive Service pay adjustments or awards.
- The composition of the agency work force based on racial groups, gender, or age groupings.
- The percentage change in average agency salary for the years 2001–2005.
- The percentage change in total agency employment for the years 2001–2005.

As stated earlier, the aggregate agency measures of employee engagement and outcomes may have precluded us from establishing that a relationship exists between these outcomes and employee engagement. However, further study of both engagement and of outcomes in discreet organizations may establish such a relationship, and provide further, important insight into the value and significance of employee engagement in the Federal Government.

Conclusions and Recommendations

Conclusions

Employee engagement is important for the Federal work force because higher engagement levels are related to better Federal agency outcomes and to employees who have a greater intention of staying with their current Federal agency.

The components of Federal employee engagement include:

- Pride in one's work or work place,
- Satisfaction with leadership,
- Opportunity to perform well at work,
- Satisfaction with the recognition received,
- Prospect for future personal and professional growth, and
- A positive work environment with some focus on teamwork.

By our definition of engagement, about one-third of Federal employees are engaged (35.3 percent), just under half (47.2 percent) are somewhat engaged, and 17.5 percent are not engaged.

First-level supervisors are an important influence on their subordinates' level of engagement in at least two ways. First, supervisors have a direct effect on the substance of many of the questions in our scale that measure employee engagement. For instance, supervisors who are successful in communicating job expectations, making good use of their employees' skills and abilities, appropriately rewarding and recognizing employees, and treating employees with respect while valuing their opinions will lead a work force that is more highly engaged.

Second, employees who perceive that their supervisors possess good management skills are more engaged than those who do not. Of those employees who are engaged, 87 percent agreed or strongly agreed that their supervisors had good management skills. Conversely, of the employees who are not engaged, only 13.7 percent agreed or strongly agreed that their supervisors had good management skills. Also, the perception that supervisors possess good management skills appears to

be more important for fostering engagement than the perception that supervisors possess good technical skills.

There are differences in the level of employee engagement in the Federal work force based on the following factors:

- Level of organizational responsibility: Members of the SES are more engaged than supervisors, who, in turn, are more engaged than nonsupervisors (by our definition of engagement, 69.8 percent of SES members are engaged, 43.7 percent of supervisors are engaged, and 31.5 percent of nonsupervisors are engaged).
- Salary: Differences in employee engagement based on salary are not as pronounced as those based on organizational responsibility level. About 43 percent of employees who earn more than $120,000 are engaged, while about 32 percent who earn less than $30,000 are engaged.
- Level of education: The more education employees have, the higher their engagement level. For example, just over one-third of employees who have earned a high school diploma, have attended some college, or have earned a bachelor's degree are engaged, while 43.3 percent of employees who have earned a doctorate are engaged.
- Race/Ethnicity: The engagement level of different racial/ethnic groups ranged from 43.2 percent of respondents of Asian origin being engaged to 26.7 percent of Native Americans being engaged. While differing education levels and average salaries of our respondent populations may account for some of this variation, it is important to note that differences among the groups remain after accounting for these variables.
- Agency: There are marked differences in engagement by agency. At the high end of the spectrum, about half of agency employees are engaged while only around one-quarter of employees at other agencies are engaged.

No sizeable variation was found in employee engagement levels across the Federal work force based on other variables, including gender, age, length of tenure with the civil service, length of tenure with an agency, whether the employee works in a headquarters or field location, or whether the employee is rated under a pass/fail or a more traditional five-tiered performance management system.

The differences in the average level of employee engagement across agencies is important to note because we found a significant relationship between it and the following outcomes:

- Agency program results as measured by the Office of Management and Budget's Program Assessment Rating Tool (PART): Higher levels of employee engagement correlated to higher scores on the results/accountability portion of the PART.

- An agency's average sick leave use: Higher levels of employee engagement correlated to fewer average days of sick leave used. These results suggest that we should not be surprised if employees who have a heightened connection to their work, or to those they work for or with, miss less work days due to sickness than those who have not developed this connection.
- Level of EEO complaint activity: Higher levels of employee engagement correlated to fewer EEO complainants (as a percentage of the total agency work force).
- The rate at which agency employees miss work time because of work related injury or illness: Higher levels of employee engagement correlated to fewer lost time cases.
- An employee's intent to leave the agency: Almost 44 percent of employees not eligible to retire who said they are very *unlikely* to leave their agency were engaged, while only 17 percent who said they are very *likely* to leave their agency were engaged.

  Over half of the retirement-eligible employees who said it was very unlikely they will leave their agency reported being engaged—a timely finding as the Federal Government is facing the baby boomer retirement wave.

  A majority (59.1 percent) of employees who were very likely to leave their agency and were not engaged received the highest rating ("Outstanding" or equivalent) on their most recent rating of record. Federal agencies may be at risk of losing these high performing, but unengaged, employees to more engaging opportunities in other agencies or in other sectors of the economy.

Recommendations

In any organization, a clear focus on good daily management practices may become lost among ever-shifting priorities and increasing pressures for improved results. The danger of this happening may be more acute in the Federal work place, where reliable measures of an organization's outcomes may be more elusive than in the private sector. In organizations where outcomes are easily measured and where managers can see the effect of their efforts on those outcomes, a focus on good daily management practice may be easier to maintain.

By establishing a link between employee engagement and Federal agency outcomes, we hope to refocus attention and energy on management practices that can increase the level of employee engagement. It is important to remember that different approaches will increase the level of engagement of different employees, and that not every recommendation may be a good fit with every organizational culture. Managers and human resources professionals should determine how to tailor the following recommendations to best fit their organization and the individuals within those organizations.

Ensure a good person-job fit. One of the major themes we identified as important for fostering employee engagement was the employee's opportunity to perform well at work. Such an opportunity begins with ensuring that a good fit exists between the requirements of a job and the person selected to fill that job. Agency human resources staffs and hiring managers should keep a clear focus on person-job fit throughout the hiring process—not only by carefully matching a job candidate's skills and abilities to the job requirements, but also by clearly communicating what will be expected of the employee once on the job. Methods to improve person-job fit should include the following:

Vacancy announcements. MSPB has previously offered recommendations on how to improve the quality of Federal vacancy announcements.[48] The vacancy announcement is very often the first place an applicant gets a glimpse of the open position and possibly of the agency itself. Agencies should seize this opportunity to entice those job candidates to apply who would not only perform well in the job but who would also fit in well with the organization's culture. The announcement should sell the position and the agency. Providing this information in the announcement can help to attract those candidates who may have the potential to become more engaged within the existing organization culture.

Recruiting. One way to recruit for engagement is to encourage current employees to network within their job field by participating in interagency meetings, conferences, or associations to identify candidates who may be cultivated for current or future job openings. Using this proactive approach to augment other methods of recruiting can identify those job candidates who can be a good fit with the duties of the position as well as with the organization's culture.[49] Federal agencies should foster this word of mouth recruiting because it is an important way that many applicants receive information about job openings.[50] In addition, previous research suggests that recruiting practitioners rated employee referrals as the top source of applicants both in terms of quantity and quality.[51]

Job preview. One way to present a clear, realistic preview of the job is to have current employees take part in structured interviews of job candidates where they can explain what it is like to work in the organization, or have them made available informally to answer questions from job applicants. Either way, the organization's current employees would begin to develop a rapport with the candidates which would help both parties to determine whether there is an appropriate fit.

[48] For more information, see: U.S. Merit Systems Protection Board, *Help Wanted: A Review of Federal Vacancy Announcements*, Washington, DC, April 2003.

[49] U.S. Merit Systems Protection Board, "Tools of the Trade," *Issues of Merit*, September 2007, p. 7.

[50] For instance, see (a) U.S. Merit Systems Protection Board, *Competing for Federal Jobs: Job Search Experiences of New Hires*, Washington, DC, February 2000, p. 7; (b) U.S. Merit Systems Protection Board, *Attracting the Next Generation: A Look at Federal Entry-Level New Hires*, Washington, DC, January 2008, p. 44; and (c) U.S. Merit Systems Protection Board, *In Search of Highly Skilled Workers: A Study on the Hiring of Upper Level Employees from Outside the Federal Government*, Washington, DC, February 2008, p. 27.

[51] Booz Allen Hamilton, 2006 *DirectEmployers Association Recruiting Trends Survey*, February 2006, pp. 6, 8, downloaded from http://www.jobcentral.com/desurvey.pdf on July 18, 2008.

Another tool that can be used to assess technical competence as well as person-job fit is the work sample test. There is no better way to give applicants insight into the job for which they are applying than to have them complete a sample work product. The hiring organization also receives the benefit of the sample work product that can be assessed along with those of other candidates.

Rotational assignments. Managers may find that using rotational assignments, where practical, may help in effectively matching employees with jobs. Rotating employees to different teams or organizations can be an effective way not only to assess which job best fits an employee's skill set, but also to develop employees to improve the chances of a good fit.

Rotating employees to other parts of the organization has other benefits as well. For instance, employees will be exposed to other parts of the organization which may increase their understanding of the larger organization. Employees may view this as an opportunity to learn new things and work with different people, and managers will signal that they have an interest in the careers of their employees as they help them to gain a better understanding of the organization and acquire new competencies.

Manage performance. Communicating with employees about their performance is woven through several of the themes we identified as important for fostering employee engagement. This communication process should begin as soon as an employee enters on duty and continue throughout the performance management cycle thereafter. Methods to improve this communication with employees include the following:

Show employees they are valued from their first day on the job. Setting the stage for future engagement by showing that a new employee is valued from the outset is important. If seemingly "little things" are done correctly during the start of an employee's tenure the employee will most likely be easier to engage, for example:

- Is there someone at the office to greet the new employee and show him or her the ropes for the first several days?
- Does the new employee have an appropriately equipped work space?
- Does the new employee have meaningful work to do on the first day of work?
- Is the new employee introduced to coworkers and other officials higher up in the chain of command?

Stimulate employee commitment. Federal agencies will not achieve high levels of employee engagement unless their employees are emotionally committed to their work. Supervisors should strive to engender this emotional commitment by:

- Continually highlighting the importance of their employees' work. Supervisors should sell employees on how their work is important, not merely tell them what to do.

- Facilitating the accomplishment of their employees' work. Supervisors should take an active interest in developing their employees and breaking down organization barriers that may keep them from being successful.
- Empowering their employees. Supervisors should encourage employees to take ownership of their work by trusting them with appropriate decision-making authority and holding them accountable for the results, whether good and bad.

Use effective performance management techniques. To engage employees, agencies must have robust systems in place to plan work and set expectations, monitor employee performance, determine what training and development employees require, assess employee performance, and reward outstanding performance. Agencies should ensure that managers are properly trained to provide the appropriate guidance and feedback to employees during these different performance management phases.

An organization's performance management program can be an effective communication tool that is also important for engagement to flourish. In fact, each step in the performance management cycle is communicating something very important to employees:

- Planning work and setting expectations communicates exactly what is expected of employees during the rating period;
- Monitoring performance communicates that employees will be held accountable, that the employee's work is important, and that the manager is interested in the employee succeeding;
- Determining what training the employee needs and providing for that training again communicates the importance of the employee in meeting organization goals, as well as management interest in furthering the employee's career;
- Appropriately rating performance communicates how well employees are meeting expectations as well as what additional steps they should take to improve their performance; and
- Rewarding performance communicates what types of actions or behaviors an organization values that should be emulated by others in the organization.

Managers should carefully consider what messages they are sending to employees as they administer each of these performance management phases, and whether these messages will help engage or disengage employees.

Establish a clear line of employee-to-agency sight. Managers should use their agency's performance management processes to establish a clear line of sight from the employee and his or her role and performance to the larger organization and its mission and success. As we have seen, employees will be more engaged if they find more meaning in their work. One way this may occur is if employees are clearly shown how they personally contribute to the larger agency mission. In addition, showing employees how they and their coworkers contribute to the larger

organization may enforce a spirit of cooperation and teamwork in the work unit that we also found is necessary for engagement to flourish.

Mentor employees. Mentoring can be an effective way to create opportunities for open communication between senior members of an organization and more junior employees as well as for assimilating newcomers into an organization's culture. Mentors can serve as coaches who can foster positive visibility for their protégés and sponsor them for advancement.[52] Among other benefits, mentored employees are able to discover their role in the organization more clearly and "to find congruence between self-evaluation and organizational evaluation of their work performance more accurately."[53]

Recruit and select supervisors to supervise. Employee satisfaction with their first-level supervisor, as well as positive employee perception of the management skills of their supervisors, are important for the engagement of employees.

Agencies should recruit and select supervisors based on their supervisory-related abilities or potential—part of which should be the ability to engage subordinates. As has been noted in previous research,[54] agencies too often fill supervisory positions with the best technical specialists available regardless of that person's supervisory capability. For most supervisory positions, it is necessary to have a certain level of proficiency over the technical aspects of the work supervised, but these positions should be staffed by employees who have also shown the proficiency or potential to effectively manage subordinates.

Use a competency-based approach to managing employees. Organizations should embrace a competency-based approach to managing employees. Not all employees can progress to the top of their respective pay scale. One way managers can help employees advance in their careers is to offer them opportunities to further develop their existing skills and master new ones that will enhance their job performance.

Part of this approach focuses on determining which competencies are needed to perform well in a position and then matching these competencies to those of job applicants. As we have seen, placing employees in jobs that make good use of their skills and abilities is necessary to engage employees.

We also found that giving employees the opportunity to improve their skills is important in fostering high levels of employee engagement. As a result of acquiring new competencies, new, and more engaging challenges may be provided for employees. Such challenges include the opportunity to lead teams, participate

[52] Golnaz Sadri and Hoa Tran, "Managing Your Diverse Work Force Through Improved Communication," *The Journal of Management Development*, 21(3), 2002, pp. 231-232.

[53] Sadri and Tran, 2002, pp. 232-233.

[54] For instance, see National Academy of Public Administration, *First-Line Supervisors in the Federal Service: Their Selection, Development, and Management*, February 2003, p. 20; and U.S. Merit Systems Protection Board, *Designing an Effective Pay for Performance Compensation System*, Washington, DC, January 2006, p. 29.

on special projects, or (as discussed above) rotate for short periods to other organizations. In addition to employees actually receiving opportunities for professional development, this approach can increase employee engagement by demonstrating that the organization cares about its employees and their professional growth.

Communicate vision and commitment. To fully engage the work force, senior leaders should communicate a clear vision of how the agency will accomplish its mission and show that they are committed to their employees. As we have found, employee perception that the agency is accomplishing its mission and satisfaction with senior leaders will foster higher levels of employee engagement.

Measure engagement. Agencies should periodically measure employee engagement and work to increase the level of engagement of their work force. Given the nature of the work of many Federal organizations, developing concrete measures that accurately track their effectiveness can be challenging. Although nothing takes the place of tracking results over time, measuring employee engagement can be an effective addition to existing organizational performance measures. As we have shown, increasing employee engagement should have beneficial results in a number of areas important to most organizations.

Appendix A – Study Method

Engagement Scale Development

Factor analysis. The method we used to develop a scale to measure employee engagement involved both a factor analysis of the MPS 2005 survey data and a review of the professional literature regarding employee engagement. Factor analysis is commonly used to determine how many latent variables underlie a set of questions such as the responses to the MPS 2005. It is also used to explain the variation among many original variables (all of the items in the MPS 2005, for example) using fewer newly created variables (the factors). In this way, the factor analysis process condenses large numbers of questions into a smaller, more manageable set of factors. Factor analysis is also used to define the substantive content or meaning of each of the factors or latent variables. This is done by identifying groups of items that are related to one another that appear to define the latent variables.[55]

Correlations. Typically, scales are developed to measure a single phenomenon, in our case employee engagement. Measurement theory suggests that the relationships between scale items are logically connected to the relationships of the items to the phenomenon being measured. For example, if the items in our scale did in fact have a strong relationship to employee engagement, then they would also have a strong relationship to one another. A scale is deemed internally consistent to the extent that its questions are highly intercorrelated, and this high intercorrelation suggests that the items are all measuring the same thing.[56]

One way that researchers measure the relation between two variables is by using correlation statistics. Our factor analysis process measured the strength of the relationship between the various questions on the MPS 2005 and, based on these relationships, revealed that there was a group of factors that sufficiently explained the pattern of responses that we received. (For a further discussion of correlations, see the external correlation discussion later in this appendix.)

A review of the employee engagement literature including previously developed measures convinced us that one of these factors could best be labeled as an employee engagement factor. We then isolated different groups of questions within the

[55] Robert F. DeVellis, *Scale Development Theory and Applications* (2nd ed.), Sage Publications, Thousand Oaks, CA, 2003, pp. 103-104.

[56] DeVellis, 2003, pp. 27-28.

employee engagement factor (informed by our literature review) and measured their resulting reliability and validity to determine which group of questions could best be used to measure the level of employee engagement of the MPS 2005 respondents.

Reliability. A widely used measure of reliability is Cronbach's coefficient alpha (α). All of the variability in our employee engagement scale scores can be due to one of two things: Either the actual variation across respondents (this is the true variation in our latent variable employee engagement), or error. Computing Cronbach's α partitions the total variance among the scale into true variation (the degree to which the question actually reflects what we intend to measure) and error (score differences caused by everything but true variation). The proportion of the total variation that is true variation is α. Another way to describe α is that it equals 1 – error variance.[57] For our employee engagement scale Cronbach's α = .926, which means that we can interpret our scale as being over 92 percent reliable. An acceptable reliability of instruments that are used in basic research is generally considered to be .70 or better.[58]

Validity. Determining that our scale was reliable does not guarantee that the items actually measure employee engagement—this is an issue of validity. Conventionally, the validity of a scale is "inferred from the manner in which a scale was constructed, its ability to predict specific events, or its relationship to measures of other constructs."[59] Our literature review helped us determine whether the items contained in our employee engagement factor were in fact appropriate to include in a scale designed to measure that phenomenon. It also gave us the information to choose the items within that factor that were the *most* appropriate to the measurement of employee engagement. By constructing the scale in this manner we hoped to achieve an acceptable level of content validity (that is, that the items we have included in the scale are appropriate to the measure of employee engagement).

Construct validity is the extent to which a measure behaves in the way we would expect it to with regard to other established measures.[60] To ensure an acceptable level of construct validity, we tested the direction and degree of the relationships between our scale and other questions on the MPS 2005. In a positive correlation, scores on two different variables increase and decrease together (e.g., there is a positive correlation between grade point averages in high school and the first year of college). In a negative correlation as scores for one variable decrease, they increase for the other variable (e.g., there is a negative correlation between the number of classes a student misses and the student's performance in that class).[61]

To test the construct validity of our engagement scale, we tested the direction of the relationship between the scale and other questions on the MPS 2005. As we expected, our engagement scale variable was:

[57] DeVellis, 2003, pp. 28-29.

[58] J.C. Nunnally, *Psychometric Theory* (2nd ed.), McGraw Hill, New York, 1978, p. 245.

[59] DeVellis, 2003, p. 49.

[60] DeVellis, 2003, p. 53.

[61] McGraw-Hill Higher Education website *Statistical Primer for Psychology Students* downloaded from http://www.mhhe.com/socscience/intro/cafe/common/stat/correlate.htm on July 18, 2008.

- Positively correlated to respondents believing they were appropriately paid and rewarded (MPS 2005 question 20a),
- Negatively correlated to respondents who believed they needed more training to perform their job effectively (MPS 2005 question 2f), and
- Not correlated to whether respondents provide guidance to or oversee the work of contractors (MPS 2005 question 3).

To further test the construct validity of our scale, we tested the direction of the relationship between our scale with certain external markers. As discussed in this report, our engagement scale variable was:

- Positively correlated to Federal agency results as measured by the Office of Management and Budget's Program Assessment Rating Tool,
- Negatively correlated to an agency's average employee sick leave use,
- Negatively correlated to the level of an agency's EEO complaint activity, and
- Negatively correlated to the rate which agency employees miss work time due to work related injury or illness.

Scale questions. The MSPB employee engagement scale consists of 16 questions from the Merit Principles Survey 2005. The following table lists these 16 questions—their numbering refers to their MPS 2005 question number. The entire MPS 2005 instrument can be found in Appendix B.

MSPB Employee Engagement Scale Questions

1e.	I am given a real opportunity to improve my skills in my organization.
1i.	My agency is successful at accomplishing its mission.
1j.	I would recommend my agency as a place to work.
2a.	I am treated with respect at work.
2c.	My opinions count at work.
2d.	I know what is expected of me on the job.
2g.	My job makes good use of my skills and abilities.
2j.	I have the resources to do my job well.
2k.	The work I do is meaningful to me.
5c.	A spirit of cooperation and teamwork exists in my work unit.
5f.	My work unit produces high quality products and services.
5h.	Recognition and rewards are based on performance in my work unit.
12e.	I have sufficient opportunities (such as challenging assignments or projects) to earn a high performance rating.
20c.	I am satisfied with the recognition and rewards I receive for my work.
35n.	Overall, I am satisfied with my supervisor.
35o.	Overall, I am satisfied with managers above my immediate supervisor.

Each of the 16 scale questions contained a five-level response scale: Strongly Disagree, Disagree, Neither Agree nor Disagree, Agree, and Strongly Agree. We assigned a point value ranging from 1 to 5 to each of these possible responses with Strongly Disagree equating to a value of 1, and Strongly Agree equating to a value of 5. This means that our employee engagement scale ranged from 16 to 80.

This study only included results from MPS 2005 respondents who actually provided an answer for each of our 16 engagement scale questions.

Agency Engagement Scores

The engagement levels of the agencies who participated in the Merit Principles Survey 2005 are given below in more detail than was possible in Figure 14.

Engagement by Agency

Agency	Percent Engaged	Percent Somewhat Engaged	Percent Not Engaged	Average Score
Department of Agriculture	29.9	54.2	15.9	58.06
Department of Commerce	38.9	45.1	16.0	59.16
Department of Defense – Total	38.9	46.7	14.4	59.53
Air Force	41.0	43.4	15.6	59.92
Army	40.5	46.8	12.8	59.95
Navy	36.7	49.1	14.2	59.04
DoD – Other	35.8	47.3	16.9	58.79
Department of Education	27.7	49.5	22.8	55.45
Department of Energy	29.2	51.2	19.7	57.19
Environmental Protection Agency	39.6	43.3	17.1	58.98
Federal Deposit Insurance Corporation	25.4	54.9	19.7	56.96
General Services Administration	36.9	43.6	19.5	58.34
Department of Health and Human Services	36.6	45.7	17.7	58.24
Department of Homeland Security	20.2	47.2	32.6	52.79
Department of Housing and Urban Development	30.9	44.4	24.7	56.24
Department of the Interior	32.1	49.3	18.6	57.52
Department of Justice	38.1	43.2	18.7	58.81
Department of Labor	36.3	46.2	17.5	58.28
National Aeronautics and Space Administration	49.3	40.6	10.1	61.78
Office of Personnel Management	30.1	48.2	21.7	56.82
Social Security Administration	33.1	51.3	15.6	58.21
Department of State	44.7	39.5	15.9	59.75
Department of Transportation	26.0	51.9	22.1	55.95
Department of the Treasury	32.9	48.6	18.5	58.18
Department of Veterans Affairs	38.0	45.7	16.3	59.07

Percentages may not equal 100 due to rounding.

External Correlations

One way that researchers measure the relation between two variables is by using correlation statistics. Correlation statistics yield a number called the coefficient of correlation which may vary from -1.00 to 1.00. As discussed in the main text of this report, in a positive correlation, scores on two different variables increase and decrease together. For example, there is a positive correlation between grade point averages in high school and the first year of college. In a negative correlation as scores for one variable decrease, they increase for the other variable. For example, there is a negative correlation between the number of classes a student misses and the student's performance in that class.[62]

The strength of a correlation depends on its absolute size, not whether it is positive or negative. A correlation of -.72 is stronger than a correlation of +.53. So correlation statistics not only allow us to determine the direction of the relationship between variables (either positive or negative), they also allow us to determine the strength of the relationship and to predict one score from the other. If the correlation between two variables were a perfect 1.00, we could predict one score from the other with complete accuracy. However, since correlations are usually less than perfect, we can predict one score from another only with a certain probability of being correct: The higher the correlation, the higher the probability that the prediction is correct.[63]

The statistical significance, or p-value, is the probability that the relationship we observe (the correlation) in a sample occurred by pure chance; that there is, in fact, no relationship between the variables. The higher the p-value the less we can believe the relationship we have observed between the variables is a reliable indicator of the relation between those variables in the population.[64]

Specifically, the p-value represents the probability of error that is involved if we accept our observed relationship as valid. For example, a p-value of .05 indicates that there is a 5% probability that the relationship we found between the variables in our population is due to random chance. In many areas of research, a p-value of .05 is customarily treated as a determination that it is likely that the result observed is real and not the product of chance. A p-value of less than or equal to .01 is customarily treated as highly statistically significant.

[62] McGraw-Hill Higher Education website *Statistical Primer for Psychology Students*.

[63] McGraw-Hill Higher Education website *Statistical Primer for Psychology Students*.

[64] StatSoft *Electronic Statistics Textbook*, downloaded from http://www.statsoft.com/textbook/esc.html on July 18, 2008.

The correlations we found based on our engagement scale and discussed in this report are:

		MSPB Engagement Scale
PART Results/ Accountability Score	Pearson Correlation (r) p-value	.519** .007
Average Sick Leave Days Used	Pearson Correlation (r) p-value	-.609** .002
EEO Complainants as % of Total Work Force	Pearson Correlation (r) p-value	-.487* .016
Lost Time Case Rate	Pearson Correlation (r) p-value	-.498* .013

*** Correlation is significant at the 0.01 level*
** Correlation is significant at the 0.05 level*

Appendix B – The Merit Principles Survey 2005

U.S. MERIT SYSTEMS PROTECTION BOARD
Merit Principles Survey 2005

Merit Principles Survey 2005

The Merit Principles Survey 2005 is divided into different sections that contain a short series of questions about your work and work environment. Please provide an answer for each question.

The entire survey should take approximately 30 minutes to complete. The U.S. Merit Systems Protection Board (MSPB) appreciates your participation in this Governmentwide survey.

Confidentiality: The data provided to MSPB are confidential. Only MSPB staff and our survey support contractor staff will have access to individually completed surveys, and no data will be disclosed to anyone that could be used to identify individual participants.

MARKING INSTRUCTIONS

- **Use a No. 2 pencil or blue or black ink pen.**
- **Fill in the circle completely.**
- **Do not make any stray marks on this form.**

CORRECT MARK

INCORRECT MARKS

- **Some questions may ask you for a numeric response, please follow the example below when marking your responses.**

Use leading zeros. For example, if your answer is three, you would enter '003' in the boxes and fill in the corresponding circles below.

DO NOT WRITE IN THIS AREA

- 1 -

AGENCY

Your agency is the governmental component where you work. If you work for an "independent agency," such as the Office of Personnel Management or the Environmental Protection Agency, this organization is your agency. If you work in one of the large cabinet-level departments, such as the Department of the Treasury, Department of Justice, or the Department of Defense, then "your agency" will be a major component of that department.

1. Please indicate your level of agreement or disagreement with each of the following statements about your agency:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. I understand my agency's mission	1	2	3	4	5
b. My agency's mission is important to me	1	2	3	4	5
c. I understand how I contribute to my agency's mission	1	2	3	4	5
d. The workforce has the job-relevant knowledge and skills necessary to accomplish organizational goals	1	2	3	4	5
e. I am given a real opportunity to improve my skills in my organization	1	2	3	4	5
f. My agency produces high quality products and services	1	2	3	4	5
g. During the last two years, my agency's organizational structure has been stable	1	2	3	4	5
h. My agency responds constructively to workplace conflicts	1	2	3	4	5
i. My agency is successful in accomplishing its mission	1	2	3	4	5
j. I would recommend my agency as a place to work	1	2	3	4	5
k. I would recommend the Government as a place to work	1	2	3	4	5

JOB

2. Please indicate your level of agreement or disagreement with each of the following statements about your job and work setting:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. I am treated with respect at work	1	2	3	4	5
b. I am able to openly express concerns at work	1	2	3	4	5
c. My opinions count at work	1	2	3	4	5
d. I know what is expected of me on the job	1	2	3	4	5
e. I receive the training I need to perform my job	1	2	3	4	5
f. I need more training to perform my job effectively	1	2	3	4	5
g. My job makes good use of my skills and abilities	1	2	3	4	5
h. Creativity and innovation are rewarded	1	2	3	4	5
i. There are private sector jobs which require the same skills and abilities as my job	1	2	3	4	5
j. I have the resources to do my job well	1	2	3	4	5
k. The work I do is meaningful to me	1	2	3	4	5
l. My job is secure	1	2	3	4	5
m. In general, I am satisfied with my job	1	2	3	4	5

3. Do you provide technical guidance to or oversee the technical work of contractors?

- ◯ Yes
- ◯ No ⟶ *(Skip to question 5)*

4. Were you formally delegated by the contracting officer to perform this role with contractors?

- ◯ Yes
- ◯ No

WORK UNIT

Your work unit is the group of people you work with on a regular basis and with whom you most identify. This will usually be a group of employees working for the same immediate supervisor. A work unit is often larger than a "team" and may include one or more "teams" lead by "team leaders." If you are a supervisor, please consider your work unit to be the group of people that you directly supervise.

5. Please indicate your level of agreement or disagreement with each of the following statements about your work unit:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. My work unit is able to recruit people with the right skills	1	2	3	4	5
b. Information is shared freely in my work unit	1	2	3	4	5
c. A spirit of cooperation and teamwork exists in my work unit	1	2	3	4	5
d. A spirit of cooperation and teamwork exists between my work unit and other work units	1	2	3	4	5
e. My work unit responds flexibly to changing conditions	1	2	3	4	5
f. My work unit produces high quality products and services	1	2	3	4	5
g. In my work unit, performance ratings accurately reflect job performance	1	2	3	4	5
h. Recognition and rewards are based on performance in my work unit	1	2	3	4	5

6. How many employees are in your immediate work unit, including the supervisor and team leaders?
(Your immediate supervisor is usually the first person to sign your performance appraisal rating.)

(Use leading zeros. For example, if there were three employees in your work unit, you would enter '003' in the boxes and fill in the corresponding circles below.)

0	0	0
1	1	1
2	2	2
3	3	3
4	4	4
5	5	5
6	6	6
7	7	7
8	8	8
9	9	9

7. How many employees were hired into your immediate work unit in the past year?

0	0	0
1	1	1
2	2	2
3	3	3
4	4	4
5	5	5
6	6	6
7	7	7
8	8	8
9	9	9

8. How many employees left your work unit in the past year?

0	0	0
1	1	1
2	2	2
3	3	3
4	4	4
5	5	5
6	6	6
7	7	7
8	8	8
9	9	9

9. In your opinion, how many employees in your immediate work unit, if any, are performing below what is reasonably expected from them on the job?

0	0	0
1	1	1
2	2	2
3	3	3
4	4	4
5	5	5
6	6	6
7	7	7
8	8	8
9	9	9

10. How many employees in your immediate work unit, if any, are performing so poorly that they deserve to be fired?

0	0	0
1	1	1
2	2	2
3	3	3
4	4	4
5	5	5
6	6	6
7	7	7
8	8	8
9	9	9

11. How would you rate your own performance in comparison to those in your immediate work unit?

- ◯ Above average
- ◯ Average
- ◯ Below average

JOB PERFORMANCE

12. Please indicate your level of agreement or disagreement with each of the following statements about job performance:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. I understand the basis for my most recent performance rating	1	2	3	4	5
b. The standards used to appraise my performance are appropriate	1	2	3	4	5
c. I participate in setting standards and goals used to evaluate my job performance	1	2	3	4	5
d. I understand what I must do to receive a high performance rating	1	2	3	4	5
e. I have sufficient opportunities (such as challenging assignments or projects) to earn a high performance rating	1	2	3	4	5
f. I know how my performance rating compares to others in my organization who have similar jobs	1	2	3	4	5
g. I am satisfied with my organization's performance appraisal system	1	2	3	4	5

13. Objective measures are used to evaluate my performance.

- ◯ Strongly Agree
- ◯ Agree
- ◯ Neither Agree nor Disagree
- ◯ Disagree
- ◯ Strongly Disagree

◯ Don't Know/Can't Judge

14. How many rating levels are in your performance appraisal system?

- ◯ 2
- ◯ 3
- ◯ 4
- ◯ 5
- ◯ 6 or more

◯ Don't know

15. If your team performs well how likely is it that you will receive a cash award or pay increase?

- ◯ Very Likely
- ◯ Likely
- ◯ Neither Likely nor Unlikely
- ◯ Unlikely
- ◯ Very Unlikely

◯ Don't Know/Can't Judge

PAY AND REWARDS

16. How important are each of the following in motivating you to do a good job?

	Very Unimportant	Unimportant	Neither Important nor Unimportant	Important	Very Important
a. A cash award of $100	1	2	3	4	5
b. A cash award of $1,000	1	2	3	4	5
c. Desire not to let my supervisor down	1	2	3	4	5
d. Desire not to let my coworkers down	1	2	3	4	5
e. Recognition from my coworkers	1	2	3	4	5
f. Desire for a good performance rating	1	2	3	4	5
g. My duty as a public employee	1	2	3	4	5
h. Increased chances for promotion	1	2	3	4	5
i. Desire to help my work unit meet its goals	1	2	3	4	5
j. Personal pride or satisfaction in my work	1	2	3	4	5
k. A time off reward of 8 hours	1	2	3	4	5
l. Non-cash recognition (e.g., letter of appreciation, plaque)	1	2	3	4	5

PAY AND REWARDS *(continued)*

17. How important should each of the following be in determining cash awards and pay increases?

	Very Unimportant	Unimportant	Neither Important nor Unimportant	Important	Very Important
a. Job-related skills and training	1	2	3	4	5
b. Job-related work experience	1	2	3	4	5
c. Length of service in the Federal Government	1	2	3	4	5
d. Your job performance	1	2	3	4	5
e. Overall performance of your work unit	1	2	3	4	5
f. Overall performance of your agency	1	2	3	4	5
g. Salary levels in your geographical area	1	2	3	4	5
h. Salary levels in your field of work	1	2	3	4	5

18. In my opinion, basing pay on performance:

	Don't Know/Can't Judge	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. Motivates employees to work harder	1	2	3	4	5	6
b. Would increase my pay	1	2	3	4	5	6
c. Would help my agency retain high performers	1	2	3	4	5	6
d. Encourages teamwork	1	2	3	4	5	6
e. Results in unfair treatment of employees	1	2	3	4	5	6
f. Increases employee morale	1	2	3	4	5	6
g. Makes employees more vulnerable to political coercion	1	2	3	4	5	6

19. I understand how my pay relates to my job performance.

- ◯ Strongly Agree
- ◯ Agree
- ◯ Neither Agree nor Disagree
- ◯ Disagree
- ◯ Strongly Disagree

20. Please indicate your level of agreement or disagreement with each of the following statements about your pay and awards:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. My organization takes steps to ensure that employees are appropriately paid and rewarded	1	2	3	4	5
b. If I perform well, it is likely I will receive a cash award or pay increase	1	2	3	4	5
c. I am satisfied with the recognition and awards I receive for my work	1	2	3	4	5
d. Overall, I am satisfied with my pay	1	2	3	4	5

21. If you are not satisfied with the recognition and awards you receive for your work, to what extent do the following factors contribute to your lack of satisfaction with recognition and awards?

	Don't Know/Can't Judge	No Extent	Minimal Extent	Moderate Extent	Great Extent
a. The award or recognition was too small	1	2	3	4	5
b. The award or recognition was not timely	1	2	3	4	5
c. The award or recognition was not given effectively	1	2	3	4	5
d. Other employees received undeserved awards or recognition	1	2	3	4	5
e. Other employees in my organization did not receive the awards or recognition they deserved	1	2	3	4	5
f. I did not receive an award	1	2	3	4	5

FAIRNESS

22. In the past 2 years, to what extent do you believe you have been treated fairly regarding the following?

	No Extent	Little Extent	Some Extent	Considerable Extent	Very Great Extent
a. Career advancement	①	②	③	④	⑤
b. Awards	①	②	③	④	⑤
c. Training	①	②	③	④	⑤
d. Performance appraisals	①	②	③	④	⑤
e. Job assignments	①	②	③	④	⑤
f. Discipline	①	②	③	④	⑤
g. Pay	①	②	③	④	⑤

23. *In the past 2 years,* have you made any formal disclosure of fraud, waste, abuse, or unlawful behavior at work?

○ Yes ○ No

24. *In the past 2 years,* have you exercised any formal appeal, complaint, or grievance right?

○ Yes ○ No

25. In the past 2 years, do you feel you have been denied a job, promotion, pay or other job benefit because of unlawful discrimination based upon:

	Yes	No	Don't Know/Can't Judge
a. Race/national origin	①	②	③
b. Sex	①	②	③
c. Age	①	②	③
d. Disability	①	②	③
e. Religion	①	②	③
f. Marital status	①	②	③
g. Political affiliation	①	②	③
h. Sexual orientation	①	②	③

26. In the past 2 years, do you feel you have been:

	Yes	No	Don't Know/Can't Judge
a. Discouraged from competing for a job or promotion by an agency official	①	②	③
b. Influenced by an agency official to withdraw from competition for a Federal job or promotion in order to help another person's chances of getting that job or promotion	①	②	③
c. Denied a job or promotion because one of the selecting or recommending officials gave an unfair advantage to another recipient	①	②	③
d. Denied a job or promotion because it was given to a relative of a selecting or recommending official	①	②	③
e. Denied an award based on favoritism by the nominating or approving officials	①	②	③

27. In the past 2 years, do you feel you have been retaliated against or threatened with retaliation for:

	Yes	No	Don't Know/Can't Judge
a. Disclosing health and safety dangers, unlawful behavior, and/or fraud, waste, and abuse	①	②	③
b. Exercising any appeal, complaint, or grievance right	①	②	③
c. Testifying for or otherwise assisting any individual in the exercise of whistleblowing, equal opportunity, or appeal rights	①	②	③
d. Refusing to obey an unlawful order	①	②	③
e. Reporting unwanted sexual attention or sexual harassment	①	②	③
f. Disagreeing with management decisions	①	②	③

FAIRNESS *(continued)*

A serious conflict is one that you felt if not addressed would result in negative workforce consequences such as low morale, low organizational productivity or performance, perceived unfairness, absenteeism, attrition, or even fear.

28. In the past 2 years, have you experienced a serious conflict in your work unit?

◯ Yes
◯ No

29. In the past 2 years, have you experienced any repeated unwanted sexual attention or harassment on the job?

◯ Yes
◯ No

30. In the past 2 years, have you experienced any repeated unwanted non-sexual attention, humiliation, harassment, bullying, or other malicious or offensive behavior on the job?

◯ Yes
◯ No

31. Please indicate your level of agreement or disagreement with each of the following statements:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. I trust third party investigative or adjudicatory agencies (such as the OSC, EEOC, FLRA, MSPB) to respond appropriately to complaints	1	2	3	4	5
b. I believe that the current employment grievance system, if I had occasion to use it, would be fair	1	2	3	4	5
c. I believe that the current employment appeals system, if I had occasion to use it, would be fair	1	2	3	4	5
d. I believe my agency treats me fairly in matters related to my employment	1	2	3	4	5

YOUR SUPERVISOR

Please answer the following questions about your supervisor and agency leadership.

32. To what extent do you think your supervisor will exercise each of the following authorities in a fair and effective manner?

	Don't Know/Can't Judge	No Extent	Minimal Extent	Moderate Extent	Great Extent
a. Rating the qualifications of applicants for jobs	1	2	3	4	5
b. Selecting people for vacancies or promotions based on their qualifications	1	2	3	4	5
c. Determining pay increases and awards	1	2	3	4	5
d. Setting individual employees' pay within broad pay bands	1	2	3	4	5
e. Taking adverse actions such as suspensions and removals	1	2	3	4	5

Please continue on the next page.

YOUR SUPERVISOR *(continued)*

33. I trust my supervisor to:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. Fairly assess my performance and contributions	1	2	3	4	5
b. Support me in pay and award discussions with upper management	1	2	3	4	5
c. Listen fairly to my concerns	1	2	3	4	5
d. Apply discipline fairly and only when justified	1	2	3	4	5
e. Clearly communicate conduct expectations	1	2	3	4	5
f. Act with integrity	1	2	3	4	5
g. Refrain from favoritism	1	2	3	4	5
h. Keep me informed	1	2	3	4	5

34. I trust managers above my immediate supervisor to:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. Clearly communicate organizational performance expectations	1	2	3	4	5
b. Fairly assess my performance and contributions	1	2	3	4	5
c. Listen fairly to my concerns	1	2	3	4	5
d. Apply discipline fairly and only when justified	1	2	3	4	5
e. Act with integrity	1	2	3	4	5
f. Refrain from favoritism	1	2	3	4	5
g. Keep the organization informed	1	2	3	4	5

35. Please indicate your level of agreement or disagreement with each of the following statements about your supervisor and agency leadership:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. Discussions with my supervisor about my performance are worthwhile	1	2	3	4	5
b. My supervisor keeps me informed about how well I am doing	1	2	3	4	5
c. My supervisor provides constructive feedback on my job performance	1	2	3	4	5
d. My supervisor provides timely feedback on my job performance	1	2	3	4	5
e. My supervisor provides coaching, training opportunities, or other assistance to help me improve my skills and performance	1	2	3	4	5
f. I understand how my supervisor will evaluate my performance	1	2	3	4	5
g. My supervisor rates my performance fairly and accurately	1	2	3	4	5
h. My supervisor is held accountable for rating employee performance fairly and accurately	1	2	3	4	5
i. My supervisor deals effectively with poor performers	1	2	3	4	5
j. I am comfortable discussing workplace conflicts with my supervisor	1	2	3	4	5
k. My supervisor responds constructively to workplace conflicts	1	2	3	4	5
l. My supervisor has good technical skills	1	2	3	4	5
m. My supervisor has good management skills	1	2	3	4	5
n. Overall, I am satisfied with my supervisor	1	2	3	4	5
o. Overall, I am satisfied with managers above my immediate supervisor	1	2	3	4	5

TRAINING

Please answer the following question about your training needs.

36. Briefly describe, in one or two sentences, the most important skill or ability you could learn to improve your performance in your current job. Please describe this skill or ability well enough that a training specialist who does not know your job could understand what you need to learn.

_____

_____

_____

_____

_____

_____

_____

_____

_____

37. Please indicate your level of agreement or disagreement with each of the following statements about developing this skill or ability:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. I would be overcoming a deficiency or closing a gap in my skill set	1	2	3	4	5
b. I would be extending or fine-tuning my skills in an area of personal strength	1	2	3	4	5
c. I would be acquiring a new skill I have not attempted to learn before	1	2	3	4	5
d. I would be "trying again" to learn something I was not fully successful in learning in the past	1	2	3	4	5
e. I would be updating my proficiency in an area that has changed since I learned it last	1	2	3	4	5
f. This skill or ability is described on my formal career development plan	1	2	3	4	5

38. How effective do you think each of the following strategies would be for developing the particular skill or ability you have targeted?

	Very Ineffective	Somewhat Ineffective	Somewhat Effective	Very Effective
a. Developmental assignments or other on-the-job training	1	2	3	4
b. Face-to-face classroom training classes or educational coursework	1	2	3	4
c. Mentoring or coaching from a more experienced co-worker	1	2	3	4
d. Online classroom learning with an instructor and other class members	1	2	3	4
e. Self-directed study using books, web sites, CDs, DVDs, videos, etc.	1	2	3	4

39. Please indicate your level of agreement or disagreement with each of the following statements about improving this skill or ability:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. My agency should support this improvement by paying for training or education	1	2	3	4	5
b. My agency should support this improvement through special assignments, mentoring, or other on-the-job experiences	1	2	3	4	5
c. I should personally support this improvement by paying for training or education	1	2	3	4	5
d. I should personally support this improvement by finding appropriate opportunities or experiences outside of the workplace	1	2	3	4	5
e. My job should be redesigned using automation, reference materials, or other aids so that this ability is less necessary	1	2	3	4	5

CAREER PLANS

Please answer the following questions about your career plans.

40. How likely is it that you will leave your agency in the next 12 months?

- ◯ Very Likely
- ◯ Somewhat Likely
- ◯ Neither Likely nor Unlikely
- ◯ Somewhat Unlikely
- ◯ Very Unlikely

- ◯ Don't Know/Can't Judge

41. If you plan to leave your present job, would you be:

- ◯ Retiring from Federal service?
- ◯ Resigning from Federal service?
- ◯ Moving to another job within the Federal Government?

- ◯ Not sure.

42. Are you or will you become eligible to retire within the next 12 months?

◯ Yes ◯ No

43. If you left your agency in the near future, how important would each of the following have been in your decision?

	Very Unimportant	Unimportant	Neither Important nor Unimportant	Important	Very Important
a. Desire to make more of a difference	1	2	3	4	5
b. Problems with supervisor	1	2	3	4	5
c. Problems with coworkers	1	2	3	4	5
d. Unfair treatment or harassment	1	2	3	4	5
e. Opportunity to make better use of your skills and abilities	1	2	3	4	5
f. Increased opportunities for advancement	1	2	3	4	5
g. Opportunity to earn more money	1	2	3	4	5
h. Improved opportunities for training	1	2	3	4	5
i. Opportunity for recognition for performance	1	2	3	4	5
j. Opportunity to change to a different type of work	1	2	3	4	5
k. Opportunity for greater organizational stability	1	2	3	4	5
l. Increased job security	1	2	3	4	5
m. Opportunity to move to another geographical location	1	2	3	4	5

SUPERVISORY STATUS

44. What is your supervisory status?

- ◯ **Non-Supervisor** (You do not supervise other employees) ⟶ *(Skip to question 55)*
- ◯ **Team Leader** (You do not have official supervisory responsbilities or conduct performance appraisals, but you do provide employees with day-to-day guidance in work projects) → *(Skip to question 55)*
- ◯ **Supervisor** (You are responsible for employee performance appraisals and approval of their leave, but you do not supervise other supervisors)
- ◯ **Manager** (You are in a management position and supervise one or more supervisors)
- ◯ **Executive** (SES or equivalent)

If you selected supervisor, manager, or executive, please continue with question 45.

MANAGEMENT PERSPECTIVE

Please answer the following questions about your experiences as a supervisor, manager, or executive. If you are a non-supervisor or a team leader, please skip to question 55.

45. How many years have you been a supervisor?

0	0
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9

46. About how many hires total have you personally made in the past 2 years?

0	0	0	0	0
1	1	1	1	1
2	2	2	2	2
3	3	3	3	3
4	4	4	4	4
5	5	5	5	5
6	6	6	6	6
7	7	7	7	7
8	8	8	8	8
9	9	9	9	9

MANAGEMENT PERSPECTIVE *(continued)*

47. Please indicate your level of agreement or disagreement with each of the following statements:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a. My organization has sufficient funds to appropriately reward high performance *(Your organization refers to the next higher level unit to which your work unit belongs. This is usually the level between your work unit and your agency.)*	1	2	3	4	5
b. I have enough authority to reward high performance through pay increases or awards	1	2	3	4	5

48. During the past year, did you rate any employee higher or lower than you believe the employee deserved?

- ◯ Yes → *(Go on to the next question)*
- ◯ No → *(Skip to question 50)*

49. Why did the employee(s) receive that rating? *(Mark all that apply.)*

- ◯ Flawed performance standards or measures
- ◯ Lack of information about an employee's performance
- ◯ Lack of time
- ◯ Lack of training on rating employee performance
- ◯ Lack of authority
- ◯ Lack of support from higher-level management
- ◯ A history of inflated performance ratings
- ◯ A forced distribution or quota for performance ratings
- ◯ Documentation requirements
- ◯ The possibility of a grievance or complaint
- ◯ The employee(s) filed a grievance or complaint

Please answer this set of questions about your experiences dealing with workplace conflicts.

50. My employees are comfortable discussing workplace conflicts with me.

- ◯ Strongly Agree
- ◯ Agree
- ◯ Neither Agree nor Disagree
- ◯ Disagree
- ◯ Strongly Disagree

51. In the past two years as a supervisor, have you encountered serious conflicts in your work unit?

- ◯ Yes → *(Go on to the next question)*
- ◯ No → *(Skip to question 55)*

52. The conflicts concerned: *(Mark all that apply.)*

- ◯ Work assignment
- ◯ Opportunities for training or development
- ◯ Opportunities for promotion
- ◯ Performance appraisal
- ◯ Awards
- ◯ Salary/pay
- ◯ Employee conduct
- ◯ Employee performance
- ◯ Relationship between employees
- ◯ Relationship between manager(s) and employee(s)
- ◯ Other

53. For the most memorable conflict within the past two years, what attempts did you make internally to resolve the conflict? *(Mark all that apply.)*

- ◯ Gave the conflict time to resolve itself
- ◯ Informal discussion
- ◯ General meeting (e.g., staff meeting or "all hands" meeting)
- ◯ Provided information to employees
- ◯ Formal meeting(s) with employee(s) or employee representative(s)
- ◯ Officially documented the source of the conflict and/or took (or attempted to take) formal disciplinary actions
- ◯ Internal process using a neutral third party moderator (such as alternative dispute resolution, mediation, or conciliation)
- ◯ Formal agency process (EEO complaint, grievance, etc.)

54. What best describes the outcome of the above conflict?

- ◯ Conflict resolved itself without intervention
- ◯ Conflict was resolved internally to the satisfaction of many or most involved
- ◯ Conflict was resolved internally to the satisfaction of a minority of those involved
- ◯ Conflict was referred to an external third party adjudicator for resolution (such as EEOC, MSPB, FLRA, OSC)
- ◯ Conflict was not resolved but only few or minor negative consequences have occurred
- ◯ Conflict was not resolved and negative consequences have occurred affecting the overall performance of the unit

EMPLOYMENT FACTS

ALL EMPLOYEES:

Please tell us a few facts about yourself. (This information will only be used to create statistical summaries.)

55. Where do you work?

- ◯ Agriculture - Food Safety and Inspection Service
- ◯ Agriculture - Forest Service
- ◯ Agriculture - Natural Resources Conservation Service
- ◯ Agriculture - Other

- ◯ Air Force

- ◯ Army - US Army Corps of Engineers
- ◯ Army - Other

- ◯ Commerce - Census
- ◯ Commerce - National Institute of Standards and Technology
- ◯ Commerce - National Oceanic and Atmospheric Administration
- ◯ Commerce - Patent and Trademark Office
- ◯ Commerce - Other

- ◯ Defense - Defense Contract Management Agency
- ◯ Defense - Defense Finance and Accounting Service
- ◯ Defense - Defense Logistics Agency
- ◯ Defense - Other

- ◯ Education

- ◯ Energy

- ◯ Environmental Protection Agency

- ◯ Federal Deposit Insurance Corporation

- ◯ General Services Administration - Public Buildings Service
- ◯ General Services Administration - Other

- ◯ Health and Human Services - Centers for Disease Control and Prevention
- ◯ Health and Human Services - Indian Health Service
- ◯ Health and Human Services - National Institutes of Health
- ◯ Health and Human Services - Other

55. (continued)

- ◯ Homeland Security - Bureau of Customs and Border Protection
- ◯ Homeland Security - Bureau of Immigration and Customs Enforcement
- ◯ Homeland Security - Federal Emergency Management Agency
- ◯ Homeland Security - Transportation Security Administration
- ◯ Homeland Security - U.S. Coast Guard
- ◯ Homeland Security - U.S. Secret Service
- ◯ Homeland Security - Other

- ◯ Housing and Urban Development

- ◯ Interior - Bureau of Land Management
- ◯ Interior - Indian Affairs
- ◯ Interior - National Park Service
- ◯ Interior - Other

- ◯ Justice - Alcohol, Tobacco, Firearms & Explosives
- ◯ Justice - Bureau of Prisons/Federal Prison System
- ◯ Justice - Drug Enforcement Administration
- ◯ Justice - Executive Office of the U.S. Attorney
- ◯ Justice - Federal Bureau of Investigation
- ◯ Justice - Other

- ◯ Labor

- ◯ National Aeronautics and Space Administration

- ◯ Navy - U.S. Marine Corps
- ◯ Navy - Other

- ◯ Office of Personnel Management

- ◯ Social Security Administration

- ◯ State Department

- ◯ Transportation - Federal Aviation Administration
- ◯ Transportation - Other

- ◯ Treasury - Internal Revenue Service
- ◯ Treasury - Office of the Comptroller of Currency
- ◯ Treasury - Other

- ◯ Veterans Affairs - Veterans Benefits Administration
- ◯ Veterans Affairs - Veterans Health Administration
- ◯ Veterans Affairs - Other

56. Do you work at your agency's headquarters office (typically in Washington, DC) or in a field location?

- ◯ Headquarters
- ◯ Field

EMPLOYMENT FACTS *(continued)*

57. How many years have you been a Federal civil service employee? *(Please round to the nearest year.)*

58. How many years have you been with your current Federal agency? *(Please round to the nearest year.)*

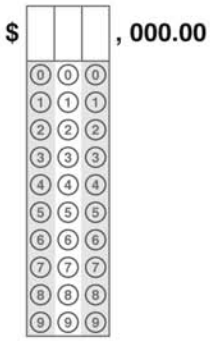
59. How many years of work experience did you have before working for the Federal Government? *(Please round to the nearest year.)*

DEMOGRAPHICS

60. What is your pay plan?

- ◯ Federal Wage System (e.g., WG, WS, WL)
- ◯ GS - General Schedule
- ◯ ES - Senior Executive Service
- ◯ AD - Administratively Determined
- ◯ AT - Air Traffic Controller
- ◯ FG - FAA Similar to General Schedule
- ◯ FV - FAA Core Compensation Plan
- ◯ GG - Grades Similar to General Schedule
- ◯ ND - Navy Demonstration Scientific & Engineering
- ◯ NH - DoD Acquisition Demonstration Professional
- ◯ SV - Transportation Security Administration
- ◯ VM - Veterans Medical & Dental
- ◯ Veterans Affairs Nursing

61. What is your approximate annual salary? *(Please round to the nearest $1,000.)*



62. Are you a dues-paying member of a union?

- ◯ Yes
- ◯ No, but my position is covered by a bargaining agreement
- ◯ No. I am not sure if my position is covered by a bargaining agreement
- ◯ No. My position is either not covered by a bargaining agreement or I am otherwise not eligible to be a member of a union
- ◯ Don't Know/Can't Judge

DEMOGRAPHICS *(continued)*

63. Are you:

- ◯ Male
- ◯ Female

64. What is your age?

	0
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9

65. What is your current education level?

- ◯ High school, GED, or equivalent
- ◯ Associate's degree
- ◯ Bachelor's degree
- ◯ Master's degree
- ◯ Doctorate or equivalent
- ◯ None of the above

66. What race or ethnic category do you consider yourself to be? *(Mark all that apply.)*

- ◯ American Indian/Alaskan Native
- ◯ Asian
- ◯ Black/African American
- ◯ Native Hawaiian/Pacific Islander
- ◯ White
- ◯ Hispanic or Latino

OPEN-ENDED QUESTIONS

67. Please describe the most important change your agency could make to more effectively accomplish its mission.

68. Please describe one improvement or change to your work situation your agency or supervisor could make that would improve your personal job performance.

69. If you are a supervisor, what is the primary obstacle you face in hiring employees?

For help or other questions, please contact meritsurvey2005@caliber.com

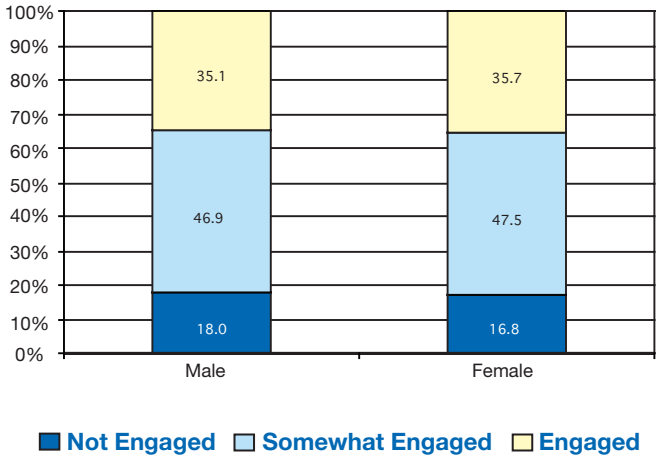
THANK YOU FOR YOUR PARTICIPATION IN THIS SURVEY.

Appendix C – Other Work Force Characteristics and Engagement

We found no noteworthy difference in the engagement level of employees based on the following variables:

Gender

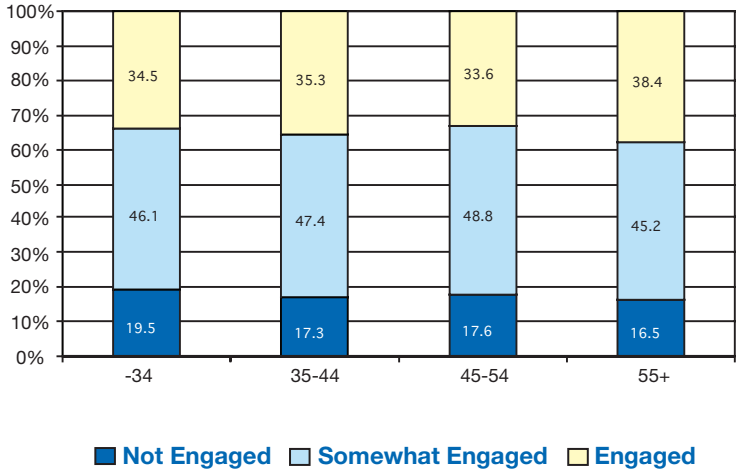
Figure 21: Engagement by Gender



Source: MPS 2005 question 63.

Figure 22: Engagement by Age

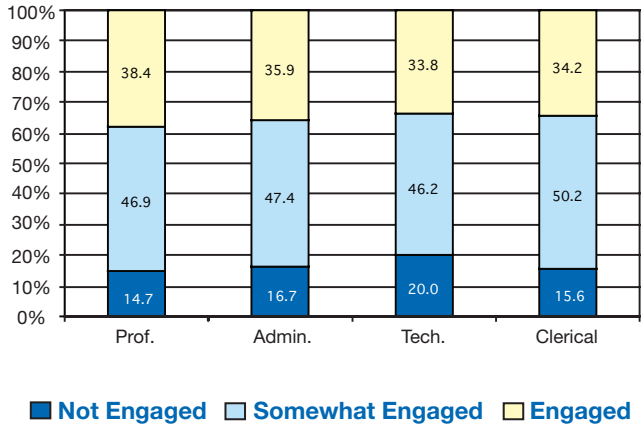
Age



Source: MPS 2005 question 64.
Percentages may not equal 100 due to rounding.

Figure 23: Engagement by White-Collar Occupational Category

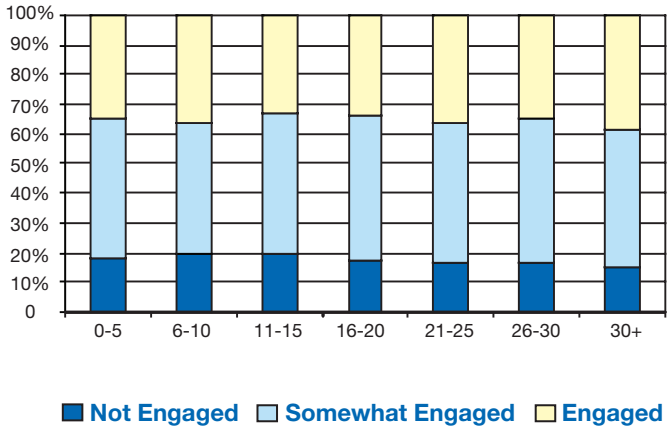
White-collar occupational category



Federal jobs are classified into six broad occupational categories, five of which are in white-collar occupations professional, administrative, technical, clerical, and other white-collar positions. The sixth category captures all blue-collar occupations. Additional source: OPM Central Personnel Data File.

Figure 24: Engagement by Civil Service Tenure

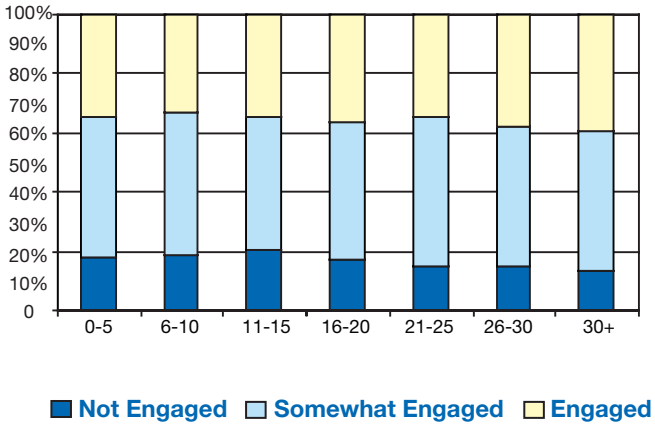
Length of tenure with the civil service



The percentage of employees who reported they were engaged based on tenure with the civil service ranged from 32.8 percent for those employees with 11 to 15 years of service, to 38.8 percent for employees with over 30 years of service. Source: MPS 2005 question 57.

Figure 25: Engagement by Tenure with Agency

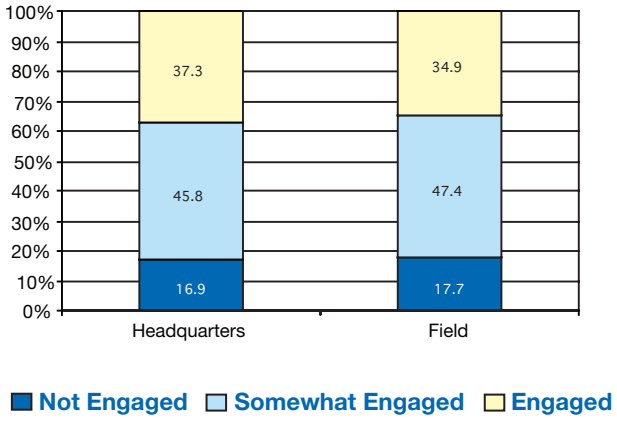
Length of tenure with an agency



The percentage of employees who reported they were engaged based on tenure with their current agency ranged from 32.8 percent for those employees with 6 to 10 years of service, to 39.6 percent for employees with over 30 years of service. Source: MPS 2005 question 58.

Work location

Figure 26: Engagement by Work Location



Source: MPS 2005 question 56.

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