

ISSUES OF MERIT

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Effective Hiring Processes Are More Important Than Ever

In today's environment, it is imperative that agency hiring processes result in high-quality hires.

These are not easy times for Federal hiring managers. Words such as hiring freeze, budget cuts, downsizing, and attrition have come to dominate any discussion of hiring within most Federal agencies. It may sound counterintuitive, but in such an environment, hiring practices become even more important. As it appears that agencies will be limited in the number of new employees they are allowed to hire, they can ill afford to make mistakes in their hiring processes.

The Merit Systems Protection Board (MSPB) has published several reports about hiring in the Federal Government, including *Reforming Federal Hiring: Beyond Faster and Cheaper* and *The Impact of Recruitment Strategy on Fair and Open Competition for Federal Jobs*. We encourage agency leadership, selecting officials, and Human Resources (HR) staff to review these reports as their recommendations are more relevant than ever, including the following:

Go beyond USAJOBS to recruit.

With all of the media coverage about Federal hiring freezes and cutbacks, many potential applicants may believe the Federal Government is not hiring at all or may be deterred from applying for positions.

Therefore, agencies that do have jobs to fill will need more active recruitment to let applicants know that they have positions and to communicate why they should want to work for the Federal Government. Better outreach, improved job opportunity announcements, more communication with applicants, and a timely, understandable application and assessment process will go a long way to attracting a high-quality applicant pool.

Employ rigorous assessment strategies that emphasize selection quality, not just cost and speed. Some things that can be done include the following:

- Conduct a thorough job analysis to identify the needed knowledge, skills, and abilities;
- Train HR or other staff on assessment instruments and techniques;
- Use valid assessment instruments that identify the highest-quality applicants instead of relying predominantly on less effective tools, such as occupational questionnaires and unstructured interviews; and

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Our Mission

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

Issues of Merit

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

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DIRECTOR'S PERSPECTIVE

Onward Engagement

Nine years ago, MSPB emerged as the pioneer in the discipline of Federal employee engagement. As newly-appointed leaders across the Executive branch consider potential reorganization plans and possible reductions in resources, they would do well to continue previous efforts aimed at fostering greater employee engagement.

In *The Power of Federal Employee Engagement* (2008), MSPB defined “employee engagement” as a heightened connection between Federal employees and their work, their organizations, and the people they work for or with. We also identified six drivers of engagement: pride in one’s work or workplace; strong organizational leadership; opportunity to perform well at work; appropriate recognition; prospects for growth; and a positive work environment with some focus on teamwork. Furthermore, we found that agencies with the most engaged employees achieved better program results and also fared better on metrics such as sick leave usage, rate of equal employment opportunity complaints, and rate of work-related illness or injury.

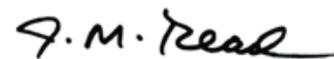
In a second report, *Managing for Engagement—Communication, Connection, and Courage* (2009), MSPB explored how well Federal leaders carry out performance management practices that fuel the six drivers of engagement.

In a third report, *Federal Employee Engagement: The Motivating Potential of Job Characteristics and Rewards* (2013), MSPB explored which aspects of their jobs Federal employees valued the most. Some of the highest-ranking job characteristics were doing interesting work, serving the public, being included in discussions and decisions, and having opportunities for advancement. Among

other things, MSPB recommended that agencies and managers assign employees a variety of tasks, structure tasks to maximize employees’ ownership of results, communicate timely feedback, and provide rewards fairly and objectively.

Other agencies have done work that offer additional findings and recommendations consistent with MSPB’s approach. The Office of Personnel Management (OPM) developed an employee engagement index that is tracked through the Federal Employee Viewpoint Survey. In 2015, the Government Accountability Office released the report *Federal Workforce: Additional Analysis and Sharing of Promising Practices Could Improve Employee Engagement and Performance*.

The new Administration has signaled an interest in reorganizing Executive agencies to increase efficiency and in reallocating sizeable amounts of resources. These changes could result in budgetary and workforce reductions in some agencies. One hopes that as the changes are implemented, agency leaders will continue efforts to measure and foster employee engagement. The ultimate objective, of course, is not greater employee engagement for its own sake, but rather optimal organizational performance consistent with prevailing policy priorities. Given the strong association between higher levels of employee engagement and better organizational outcomes, maintaining—if not improving—employee engagement should remain a focus for Federal leaders and managers going forward. ❖



Director, Policy and Evaluation



What Is the Gig Economy and Why Are People Talking About It?

“Gigs” aren’t just for musicians anymore.

The traditional structure of work has involved hiring full-time staff to perform predetermined sets of duties during set work schedules and under specific chains of command. As the workplace has transitioned from labor- and clerical-intensive jobs to knowledge-based work, we have seen important changes, including the expansion of alternative work schedules and the ability to do work from alternative work sites. The structure of the job-based workforce, however, has not changed significantly. A new trend is emerging that could alter that: it’s called the “gig economy.”

There is no official definition of the gig economy, but it is characterized by companies relying on short-term freelance workers to perform jobs on demand, providing services through single projects or tasks. In other words, people are hired to perform short-term work assignments, or “gigs.” This type of contingent workforce is not a new idea. The Government has long used contractors, as well as temporary and term employees. The new development is the ability of companies to connect directly to workers through digital platforms.

A gig-based work arrangement is particularly popular with companies that rely on technology to provide their services to customers, including online ride platforms, short-term room rental companies, and companies that outsource household errands. The trend has also given way to global freelancing platforms that connect companies with workers who have the skills they seek. They then enter a work relationship in which they can collaborate remotely. These types of services are geared toward knowledge-based workers—such as writers, information technology specialists, accounting experts, and consultants—but also include service industry workers.

The gig economy presents a number of advantages. Workers have more flexibility in choosing assignments, deciding where they work, and being able to set their schedule and workload. These flexibilities make it possible for people to find opportunities who may have had a more difficult time previously, including stay-at-home parents, people with disabilities, students, and retirees. Employers save resources in terms of benefits, office space, and training. In addition, they may be able

to obtain expertise for projects they would not be able to acquire or afford on a full-time basis.

Of course, those benefits highlight the disadvantages of a gig economy. Employees no longer have job security, a consistent income, employment benefits, or many established employee protections. For employers, a reliance on a contingent workforce can cause project delays as companies have to staff each new project. They could also face a higher need for rework if new workers are not able to deliver timely, high-quality work.

It is unclear how many gig workers there are in the United States. The Bureau of Labor Statistics does not currently capture this data. However, the Brookings Institution report, *Tracking the Gig Economy: New Numbers*, analyzed data from a Census Bureau dataset on “nonemployer firms” that suggests that the gig economy has grown significantly in the last decade.

While the rise of the gig economy could be partially explained by recent economic forces—the financial crisis, recession, and high unemployment—it is also likely fueled by a change in attitudes about work. For many, success is no longer defined by a career with one employer and a gold watch at retirement. Many workers are looking for new challenges, variety, and flexibility, so the gig work structure would be appealing. Workers with high-demand, specialized skills and an entrepreneurial spirit will benefit most from this new trend. Freelancers must be self-starters who are comfortable with career uncertainty and are skilled at marketing themselves and networking.

Employers—including the Federal Government—are also looking for variety and flexibility in the skill sets available to them. The gig economy could offer an alternative model to help meet these goals. At the 2016 Human Capital Management for Government training conference, NASA’s Director of Workforce Strategy discussed the importance of determining how NASA can leverage this type of contingent workforce to complement its current cadre of full-time staff and contractors. It is unclear whether the gig economy will truly change the way we structure work and how it will hold up against legal challenges, but it is a growing segment of the labor force on which we should keep an eye. ❖

Understanding the Effect of Emotional Exhaustion on Employees' Intent to Leave

Emotionally exhausted employees may be beyond supervisors' ability to retain.

A Winter 2015 *Issues of Merit* article discussed the importance of emotional labor (EL)—or the effort individuals must apply to suppress their private feelings to do their work—in the public sector. Ultimately, the amount of energy employees apply to regulating their emotions can lead to emotional exhaustion (EE), which can then reduce job performance. The article also made recommendations on how supervisors and managers can address EL in the workplace.

While in that article we stressed the importance of Federal employees' capacity to manage personal emotions, sense others' emotions, and respond appropriately, we could offer little evidence of how EL affects attitudes and behaviors on the job. The results of the 2016 Merit Principles Survey (MPS) give us a chance to explore these effects. We asked Federal employees about their emotional exhaustion, how supervisors treat them, and their intent to leave Federal service.

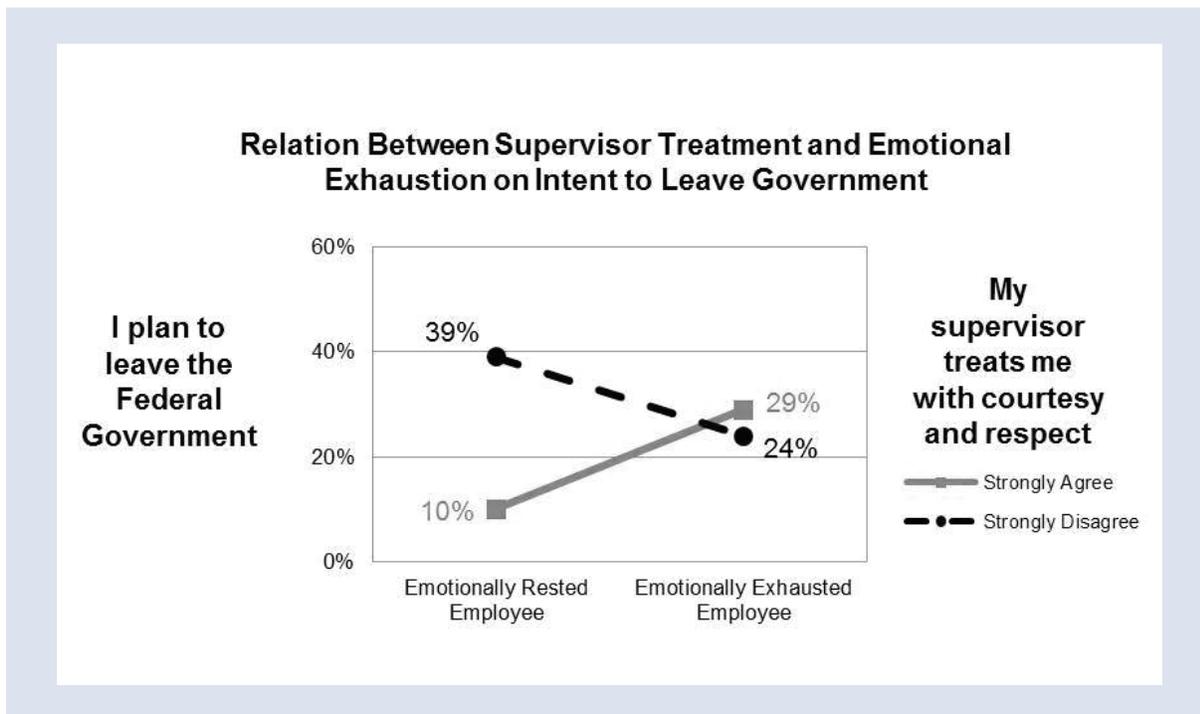
Not surprisingly, we found that employees who had favorable perceptions of their supervisors also reported lower levels of EE and were less likely to report wanting to leave Federal service than employees with unfavorable impressions of their supervisors.

However, our analysis uncovered something a little more unexpected. For employees who reported the highest levels of EE, supervisors' actions, whether positive or negative, made little difference in the employees' intention to leave the Federal Government. In other words, once an employee is emotionally exhausted, there is little a supervisor can do to influence that employee's desire to remain on the job, as illustrated in Chart 1.

The chart shows that among those employees who strongly agree that they are emotionally exhausted, the courtesy and respect with which a supervisor treats them has little or no effect on their intent to leave Government employment.

However, among employees who are emotionally rested (i.e., strongly disagree that they are emotionally exhausted), the supervisor's treatment substantially influences their desire to leave Government. Among the rested, courteous and respectful supervisors dramatically reduce employee intentions to leave. The effect is the same for other EE-related questions, such as for employees who report leaving work tired and run down

continued next page



Emotional Exhaustion

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and that report worrying that their job is hardening them emotionally.

Much research suggests that there is a relationship among EE, increased employee turnover intentions, and reduced organizational commitment, and that supportive supervisors reduce turnover intentions.

Our research confirms these conclusions but further shows that once an employee is emotionally exhausted, there is little a supervisor can do to influence retention.

Many Federal jobs involve emotionally demanding work, including emergency management, medical fields, and social services. Therefore, it is important for agencies to consider what they can do to reduce the emotional toll of this type of work on employees before they reach the point of exhaustion and are no longer retrievable. Some examples of proactive actions supervisors can take include the following:

- Show employees regular appreciation for their efforts, whether through official awards, nonmonetary awards, or simple expressions of gratitude—only 46 percent of MPS 2016 respondents agreed that they



are satisfied with the recognition and rewards they receive for their work.

- Encourage employees to display reactions to customers that are as natural as the situation allows. Although employees need to be courteous and responsive, they should not be expected to be warm and cheerful to customers who are being rude or offensive.
- When supervisors observe employees being subjected to abusive behavior from a customer, they should step in and provide both emotional and professional support to address the situation.
- Supervisors should check in with employees regularly to see how they are doing and if there are steps the supervisor can take to alleviate some of the EE employees experience in these difficult jobs.

Our data suggests that supervisors have only limited ability to persuade an emotionally exhausted employee to stay. That means supervisors may want to take some of the steps provided above to give support or relief to the emotionally weary before it's too late. ❖

Effective Hiring

(continued from page 1)

- Use a multiple hurdle approach that combines valid assessment procedures successively to manage the candidate pool and narrow the field of qualified candidates.

Evaluate internal hiring processes, procedures, and policies. The Federal hiring system may present barriers to efficient and effective hiring, but it does give agencies some discretion and flexibility. Often, agencies' own internal practices erect unnecessary barriers. Evaluating the agency's hiring process may help identify and eliminate internal obstacles.

Properly prepare HR staff and selecting officials for their responsibilities. Ensure HR staff have the training and expertise necessary to carry out their hiring responsibilities in a timely, high-quality manner, and hold them accountable for these responsibilities. In particular, agencies need to ensure that all managers, supervisors,

and HR staff are well trained and knowledgeable about the merit system principles and prohibited personnel practices.

Manage hiring as a critical business process, not an administrative function. Agencies should integrate decisions of hiring needs, methods, and outcomes into the strategic business planning process. The impact that the hiring process has on mission accomplishment must be acknowledged by agency leaders, and selecting officials should be held accountable for decisions pertaining to selecting a quality workforce.

While most agencies are probably focusing their efforts on determining how to cut resources from their programs, they still need to ensure that they have the staff necessary to carry out their important work. That is unlikely to happen if they forget the importance of good hiring practices. ❖

Federal Employee Perceptions About Sexual Orientation Discrimination

For the first time, we can look at perceptions of sexual orientation discrimination against lesbian, gay, and bisexual Federal employees.

MSPB’s 2014 report, *Sexual Orientation and the Federal Workplace—Policy and Perception*, presented data from the OPM’s 2012 Federal Employee Viewpoint Survey (FEVS), which was its first to ask employees to identify their sexual orientation. Even with the wealth of data that the FEVS has provided regarding lesbian, gay, bisexual, and transgender (LGBT) Federal employees, the FEVS does not specifically ask employees about their experiences with discrimination. As the MSPB report noted, this has left an important gap in our understanding of the work experiences of LGBT Federal employees, including their perceptions of whether they have been discriminated against and, if so, on what basis they believe that discrimination occurred.

MSPB’s 2016 Merit Principles Survey (MPS) gives us insight for the first time into the perceptions of sexual orientation discrimination against lesbian, gay, and bisexual (LGB) Federal employees.¹ Ten percent of the LGB respondents to the MPS 2016 said that, in the past 2 years, they had been denied a job, promotion, pay increase, or other job benefit because of unlawful discrimination based on their sexual orientation.

The MPS 2016 also asked respondents if they had been denied a job, promotion, pay increase, or other job benefit because of unlawful discrimination on a number of other bases in addition to sexual orientation. Fifteen percent of LGB respondents said they had been denied such benefits based on at least one of the bases specified by the MPS 2016. This was a comparable percentage to other MPS 2016 respondent demographic groups, as shown in Table 1.

With the 2016 MPS data, we can compare the perceptions of LGB Federal employees with various reports of the perceptions of their private sector counterparts. For example, a 2013 Pew Research Center national survey found that 26 percent of gay men, 23 percent of lesbians, and 15 percent of bisexuals believed they had been treated unfairly by an employer because they were or were perceived to be lesbian, gay, or bisexual. According to an analysis of the *2008 General*

¹OPM only publishes FEVS data for LGBT responses as a single population. MSPB’s research has been focused on sexual orientation, i.e. the experiences of LGB individuals in the workplace.

Social Survey, conducted by the Williams Institute at the University of California, Los Angeles (UCLA) School of Law, 16 percent of individuals who were open about being LGB in the workplace reported ever losing a job due to sexual orientation discrimination, while 7 percent reported losing a job during the 5 years preceding the survey. In addition, 10 percent of LGB respondents to a 2005 national survey, as reported by Gregory Herek of the University of California, indicated at least one instance of being fired from their job or being denied a promotion due to sexual orientation discrimination.

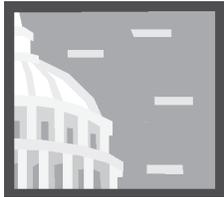
An indication of the progress being made by the Federal LGBT community is the similar percentages of LGBT FEVS respondents who say they are supervisors, managers, or executives compared to other respondents. FEVS results for 2012–2015 show that 21–22 percent of LGBT employees reported that they were supervisors, managers, or executives, while 19–21 percent of other employees reported that they held such positions.

In addition, the attitudes among LGB and heterosexual MPS 2016 respondents regarding knowledge of discrimination complaint channels and comfort with being themselves at work are similar. Only 4 percent

Table 1. In the past 2 years, have you been denied a job, promotion, pay increase, or other job benefit because of unlawful discrimination based on race, national origin, sex, age, disability, religion, marital status, political affiliation, sexual orientation, or status as a parent or caregiver?

Selected Group	% Yes
African American Females	18
Hispanics/Latinos	18
LGB Individuals	15
Females	13
White Females	12
African American Males	11
Heterosexual/Straight Individuals	11
Asians	9
White Males	9

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Agency Corner: NAVSEA Prepares Supervisors for Success in the Federal Merit Systems

The Fall 2016 *Issues of Merit* article, “*Everyone Knows the ABCs: What About the MSPs and PPPs?*” discussed the importance for employees at all levels to understand their role in supporting Federal merit systems. However, agencies are particularly obligated to educate their supervisors, since they are responsible on a daily basis for making decisions that require them to apply the merit system principles (MSPs) and to avoid committing prohibited personnel practices (PPPs).

During our research regarding the quality and quantity of training that agencies provide their employees on the MSPs and PPPs, we found a wide range of results. Naval Sea Systems Command (NAVSEA) was one of the Federal agencies that appears to be investing appropriate time and effort into educating its supervisors on the topic of the MSPs and PPPs. Agency representatives described several actions to be critical to the success of this initiative.

First of all, agency culture, including support of the Federal merit systems, starts at the top. NAVSEA’s leadership communicates their support through not only their words, but also their actions. For example, in addition to telling supervisors that they would be held accountable for supporting the MSPs and avoiding PPPs, they demonstrated their commitment by requiring all supervisors to receive adequate training and giving them the necessary time to do so. Strategic agency leaders understand that making sure supervisors comprehend how to apply the merit principles to their daily decisions provides an excellent return on investment as it enables supervisors to manage more effectively.

NAVSEA’s HR staff also invested substantial time and effort into developing and delivering a variety of

Sexual Orientation

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of MPS 2016 LGB respondents disagreed that they were familiar with the formal complaint channels that are available to people who have experienced discrimination—7 percent of heterosexual respondents similarly disagreed. Fifteen percent of MPS 2016 LGB respondents disagreed that they feel comfortable

training modules. These varied by content to ensure that decision makers were aware of the “Merit System Principles Basics,” as well as the potential risks should they commit a PPP. Further, the training was designed so it could be delivered through a variety of modes, including (1) computer-based training modules to be completed by first-time supervisors when hired or as refresher training for more experienced supervisors, (2) in-person presentations delivered by content experts who could lead discussions and answer questions in real time, and (3) a combination of these two approaches. Also, by engaging the participants in discussions of realistic scenarios, the trainers encourage supervisors to put themselves into the situation and consider several possible options before getting advice on the pros and cons of each.

Although the MSPs and PPPs may seem straightforward on paper, applying them to real life situations can be more challenging. We hope more agencies will follow NAVSEA’s lead and look for ways to educate their employees regarding the Federal merit systems. ❖

MSPB RESOURCE

Looking for a quick read that summarizes the MSPs and how to apply them?

See MSPB’s 14-page booklet, *The Merit System Principles: Keys to Managing the Federal Workforce*.

It is available on the MSPB Studies website at www.mspb.gov/studies/browsestudies.htm or contact us at studies@mspb.gov for printed copies.

being themselves at work, compared to 13 percent of heterosexual survey respondents.

Sexual Orientation and the Federal Workplace—Policy and Perception provides recommendations to further the inclusion of LGB employees in the Federal workplace. ❖



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