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WHAT'S INSIDE

Director's Perspective
*Employee Training: A
Necessary Investment*
Page 2

Cross Training
Page 4

Consequences
of Favoritism
Page 5

Exit Surveys
Page 6

MSPB's 2012
Adjudication
Activities
Page 7

Informal Recognition: A Little "Thanks!" Can Mean a Lot

One of the earliest lessons we learn as children is to say "Thank you." On the playground, in the classroom, at home, and then at work, we learn the value of expressing genuine gratitude. Just as showing appreciation is critical for good personal relationships, it is crucial for good work relationships. When asked in a recent MSPB survey which rewards were personally most important in seeking out and continuing employment with their organization, 84 percent of Federal employees chose "Being appreciated." This was selected more than "Opportunity for advancement" or "Awards and bonuses."¹

Although employee performance recognition is a key component of performance management², such recognition may not occur quickly enough, often enough, or in a way that is truly valued. For example, a once-a-year formal performance reward linked to the performance appraisal does little to convey immediate appreciation for good actions performed by employees on a daily or weekly basis. Federal managers might do more to recognize and say "Thank you" to employees.

1. MSPB, *Federal Employee Engagement: The Motivating Potential of Job Characteristics and Rewards*, December 2012.

2. MSPB, *Managing for Engagement—Communication, Connection, and Courage*, July 2009.

One way to express more timely gratitude for employees' efforts is to cultivate the habit of providing spontaneous, real-time, *informal* recognition. Informal recognition comprises the everyday words and gestures of gratitude toward other employees, or from supervisors toward employees, about their efforts and contributions. To be effective, informal recognition should be sincere and focused on demonstrating awareness of and appreciation for an individual's work efforts. The recognition should be tied to specific behaviors and delivered soon after such behaviors.

The involvement of employees in providing peer-to-peer recognition is also essential because employees—by virtue of their regular interactions, communications, and teamwork with one another—are in an ideal position to provide timely and specific informal recognition. Informal recognition can be a powerful way of saying that what someone has done matters, and few would argue with the value of saying, "Thanks." Further, informal recognition is cost neutral; it does not require a budget line, which is critical in this climate of appropriation cuts and severe resource constraints.

continued, page 3

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DIRECTOR'S PERSPECTIVE

Employee Training: A Necessary Investment

Employee training becomes more important in an age of austerity.

Recent months have seen the once-unlikely prospect of sequestration become a reality. They have also seen intense—and, regrettably, perfectly understandable—scrutiny of certain training and conferences attended by Federal employees. Together, these events have prompted many Federal agencies to become more vigilant when reviewing requests for training and less likely to approve those requests.

On the one hand, such caution is appropriate. Good stewardship requires that agencies avoid expenditures of funds and employees' time that do not serve a clear public purpose and provide a reasonable return on investment. Good stewardship also involves attention to appearances. The ability of Federal agencies and Federal employees to carry out public business depends not only on their statutory authority but also on their perceived competence and integrity.

On the other hand, efforts to prevent excesses may inadvertently increase the risk that agencies will invest too little in employee training and development. If that happens, Federal Government operations will become less efficient and effective. Previous MSPB research shows that the risk is real. As noted in our 2012 report *Managing Public Employees in the Public Interest*, the proportion of Federal employees agreeing with the statement, "I need more training to perform my job effectively" has increased substantially over time, from 32 percent in 1992 to 48 percent in 2005.

In the current environment, Federal agencies—and stakeholders—should be particularly watchful for two impediments to investment in employees. The first impediment is a shortage of resources. When budgets are tight, training is a common target for reduction or elimination. In the short term, limiting training may have little effect on mission accomplishment or efficiency. Existing skills and knowledge, accompanied by stopgap measures to keep employees abreast of new developments in their fields, may suffice. The immediate effects on employee retention may appear negligible. Yet, the long-term consequence of underinvestment in employees may well be an erosion of morale, workforce capability, mission accomplishment, and the ability to recruit and retain good employees.

The second impediment is a surplus of oversight. Reasonable controls and accountability are necessary. Yet agencies should scrutinize controls, and not just expenditures, to ensure that anticipated benefits outweigh expected costs. Too many justification and documentation requirements may be as harmful as too few, even if the harm is less visible or newsworthy. First, they may discourage organizations and employees from pursuing valuable or essential training. Second, they may divert the attention of management and staff in line organizations away from the mission. Third, they may divert staff in functions such as budget, acquisition, and human resources away from matters of greater financial and operational importance. Finally, they may unintentionally make employee training and development more costly.

continued, page 3

Director's Perspective

(continued from page 2)

For example, tuition and travel become more expensive when an organization cannot move quickly enough to take advantage of early registration discounts, advance purchase fares, and other savings.

The seventh merit principle states that, “Employees should be provided training in cases in which such training would result in better individual and organizational performance.” Those remain words for Federal agencies to live by, and they serve as a caution

against seeking short-term savings in training while forfeiting substantial long-term benefits. The challenge is not only to prevent excesses, but also to avoid false economies. ❖

James Tsugawa

Deputy Director, Policy and Evaluation

Informal Recognition...

(continued from page 1)

While there are many ways to express informal recognition—and we encourage each organization, department, and work group to identify what would work best for them—we wish to share a recognition initiative currently underway within MSPB. Results from the 2012 Employee Viewpoint Survey (EVS) indicated that there was opportunity for MSPB to better convey appreciation for employees’ everyday work. In an effort to address this finding, MSPB has launched a “Kudos” page on the agency intranet. This allows employees across the agency to publically recognize and express appreciation for other employees’ efforts in real time. Managers and supervisors may also use this tool to recognize employees for a job well done. MSPB expects the kudos page to foster a strong employee recognition culture.

Although informal recognition can be an effective way to reward employees, we emphasize that any efforts to use informal recognition must supplement (not replace) the formal rewards that are given to employees as part of the formal performance management and evaluation process. Indeed, while informal recognition can be an effective strategy for immediately conveying appreciation for an individual’s contributions, informal recognition is unlikely to be an equitable substitute for such rewards. Further, we caution agencies that some employees may not want to receive informal recognition or participate in an informal recognition system. Agencies should never force participation or give rewards that employees do not value. As discussed in MSPB’s report, “Federal Employee Engagement: The Motivating Potential of Job

Characteristics and Rewards,” rewards are not created equal; what matters—for motivation and performance—is that employees value the rewards that they receive and that they see connections between their effort, performance, and valued rewards.³ The same holds true for informal recognition. ❖

3. For more information, see MSPB, *Federal Employee Engagement: The Motivating Potential of Job Characteristics and Rewards*, December 2012.

Presidential Memorandum on Pay Equality

In a May 10, 2013 memorandum to Federal Agencies, President Obama focuses attention on current pay disparities between men and women and encourages the Federal Government to serve as a model employer. Agencies are directed to assess their own pay setting policies and practices to identify successes and potential areas for improvement. Subsequently, the Office of Personnel Management will develop a Government-wide strategy to address potential pay gap issues within the Federal workforce.

For additional information on pay equality from MSPB’s research, see the May 2011 report, *Women in the Federal Government: Ambitions and Achievement* at www.mspb.gov/studies. Report highlights are summarized in the article *Pay Equality for Men and Women in the Federal Government: Are We There Yet?* on the MSPB Studies Flash web page (www.mspb.gov/studies/latestnews.htm).

Cross Training for a Highly-Skilled Workforce

Federal jobs are becoming increasingly knowledge-based. Work often requires more than one person with more than one skill set and type of experience. Sometimes several people have to work together to finish a project, each contributing something different. There are many one-person tasks to do and they must often be distributed to different people to get them done.

Over time, employees typically get better at what they do. Over that same time, especially if the workload is heavy, employees in a work group tend to specialize to some degree. Because of the skills each brings to the job, the tasks each prefers to do, or the random chance of who is free when work is assigned, people acquire proficiency in different aspects of the work. Such differentiation in skills and expertise can be very valuable for a work group.

There can be a downside, though. The specialization that was a strength can become a constraint when the individuals who typically perform certain tasks are not available. Tasks cannot be completed unless they are present. Employees find it more difficult to take time away from work, not only for vacation, but also for professional development. This problem can worsen unless steps are taken to correct it.

One possible answer is **cross training**, teaching employees to perform parts of each other's jobs. It can be done incrementally, as workload permits, with the same people, equipment, and resources used to do the work. One MSPB study reports that observing learners on the job is more effective than most other methods of assessing their mastery of new skills.¹ This allows accurate assessment of how well cross training is working.

Following a few guidelines can make cross training more effective. First, begin with a current and complete list of the tasks each person performs. This requires the same type of job analysis needed to develop assessments to hire new employees. Second, focus initially on tasks that are critical to the group's mission; are performed frequently; and require skills most employees do not yet have. Employees who perform these tasks then train their colleagues with help and feedback from their supervisor. Finally, employees who are in training then perform the task with their more experienced coworkers for a time to fine-tune performance. The supervisor can decide when an employee is ready to work independently.

1 MSPB, *The Probationary Period: A Critical Assessment Opportunity*, January 2005.

Cross training can also support employees' career plans, including tasks they are most motivated to learn. Training and development opportunities and the chance to use new skills are important for employee motivation, a necessary ingredient for engagement and performance.² However, supervisors should consider each employee's relative strengths and weaknesses. Different aptitudes and experiences may mean that employees will learn the same tasks at different rates. Supervisors must manage this carefully to maximize learning and minimize frustration.³

Well-implemented cross training can yield several positive outcomes. Cross-trained employees generally work together more effectively. Those who understand their colleagues' jobs can be more helpful to them when doing their own jobs. Work group responsiveness increases because employees have back-ups who can do their jobs when they are unavailable. Greater scheduling flexibility becomes possible for everyone, increasing opportunities for training, vacation, alternative work schedules, and telework.⁴ Employees have an expanded skill set and are better prepared for stretch assignments, promotions, or new job opportunities. As employees enhance their skills their organization acquires a more effective workforce.

Effective supervision is indispensable to achieving these outcomes. Employees may worry that cross training is a prelude to downsizing, fosters unhealthy competition, or is not a good use of their time. The key to addressing these concerns is clear, honest, and open communication between supervisors and employees.⁵ Supervisors can emphasize real benefits to employees that include less stress, more scheduling flexibility, and more opportunities for career development. Cross training is a win-win strategy for employees and organizations. ❖

2. MSPB, *Federal Employee Engagement: The Motivating Potential of Job Characteristics and Rewards*, December 2012

3. MSPB, *Making the Right Connections: Targeting the Best Competencies for Training*, February 2010.

4. MSPB, *Telework: Weighing the information, Determining the Appropriate Approach*, October 2011.

5. MSPB, *A Call To Action: Improving First-Level Supervision of Federal Employees*, May 2010.

Beware of the Unintended Consequences of Favoritism

In response to MSPB's 2011 Merit Principles Survey, nearly half (48%) of Federal employees indicated that favoritism is a problem in their organizations. Even if the actions that employees perceive to be favoritism do not cross the threshold of being prohibited personnel practices, they can produce negative consequences for Federal agencies and their employees. As would be expected, employees who report witnessing favoritism are less likely to be satisfied with their supervisor and how they (and other employees) are treated at work. However, the potential damage may go beyond the employee's attitudes and into the realm of performance, teamwork, recruitment and retention, and EEO complaints.

Performance. The negative impact on the agency's performance may occur in a variety of ways. First of all, employees may express their displeasure with an unfair situation by not exerting their best efforts. Secondly, by definition, favoritism results in providing unlawful advantages to favored employees, such as by selecting a less qualified person for a promotion. By not selecting based on merit, the agency suffers from not having the most capable person performing the work. This effect is magnified when the selectee supervises other employees because having a less capable supervisor managing other employees can impair, not only performance, but also interpersonal relationships within the work unit.

Teamwork. The practice of favoritism can sabotage interpersonal dynamics within the organization. For example, when employees believe that a new coworker or supervisor was hired due to connections rather than competence, or that a supervisor has favorites in the work group, work cooperation is likely to suffer. Similarly, employees often report losing respect for a supervisor who practices favoritism, which likely impedes the supervisor's effectiveness.

Recruitment and Retention. Employees who believe that their organization engages in favoritism are less likely to recommend their agency as a place to work, which could jeopardize agency recruitment and retention initiatives. Even when employees are not formally acting as recruiters, their opinions can be quite influential.

Some of the same factors that influence an organization's ability to attract high quality applicants also influence employees' interest in staying. Employees who believe that favoritism is a problem in their organization are more likely to report intentions to leave the agency. Similarly, employees who suspect their supervisor of favoritism are most likely to seek a position change, whether to work in another work unit within the current agency or to transfer to another agency. Viewing other supervisors as demonstrating favoritism motivates a sizable percentage of employees to look for new opportunities, although the impact is somewhat less than from the direct experience with one's immediate supervisor.

Turnover is not always bad; an agency can realize benefits when a subpar, disengaged, or dissatisfied employee moves on. However, Federal agencies would face serious challenges brought on by systemic turnover, especially if they lost their highest performing employees.

Conflict. Perceptions of favoritism can be linked with conflict and cost as measured through utilization of the equal employment opportunity (EEO) process. Agencies with a greater percentage of employees who perceive favoritism to be a problem tended to have a higher proportion of employees who filed EEO complaints.

EEO complaint and other grievance and appeal processes serve a valuable purpose: they provide a means to reveal problems in the workplace, rectify wrongs, and hold agencies and managers accountable for their employment practices and decisions. However, complaints, grievances, and appeals can cost time and money and can have negative impacts on relationships.

Given the many negative consequences of actual or perceived favoritism, agencies would be well-served by ensuring all supervisors act in accord with the merit system principles and that all employees are confident in their intentions to do so. By achieving this, agencies can avoid the unintended, and sometimes exceedingly unpleasant, outcomes of favoritism for employees and the organization. ❖

Can Exit Surveys Help Your Agency?

Agencies can gather important data from employees who are leaving the workplace.

Departing employees can offer invaluable insights into an agency's strong points and deficiencies. However, agencies cannot benefit from these insights unless mechanisms are in place to formally capture them before employees leave. For example, in fiscal year 2012, approximately 144,000 employees left Federal service.¹ Did your agency gather information from any such separating employees on areas of agency success, or need-for-improvement, before employees walked out the door? If not, your agency may have missed out on an opportunity to identify positive—and negative—trends and patterns that could help shape the future retention ability of your agency.

One mechanism to capture such valuable information from departing employees is an Exit Survey. Exit survey responses can identify or confirm areas of strength. For example, departing employees may express positive opinions about their jobs, managers, working conditions, workplace culture, or agency policies or programs. Such affirmation would help agencies stay aware of what they are doing well and be in a better position to enact supportive practices in the future.

Analyses of exit surveys linked to data from the Central Personnel Data File (CPDF) can provide insight into *who* is leaving—and whether some groups of employees may be leaving in greater numbers. For example, exit surveys can help identify any patterns in the age, sex, race and national origin, length of service, and occupational groups of departing employees. Such information is important because any evidence that suggests a disproportionate number of employees from a particular group (e.g., sex, age) are leaving relative to other groups could indicate a more widespread problem that needs to be addressed.

Analyses of exit survey responses could also highlight trends in *why* employees are leaving. Although

some employees may be leaving for positive reasons, such as retirement or promotion, other employees may be leaving due to negative reasons that might require agency action. These reasons could include perceptions of unfairness, favoritism, nepotism, or discrimination; inappropriate supervisor or colleague conduct; lack of advancement, development, or career opportunities; problems with leadership or recognition practices; or a desire for better working conditions or workplace flexibilities. Awareness of such negative perceptions can open the door to agency improvements, so as to avoid more employees leaving for the same reasons.

Although exit surveys have the potential to provide agencies with valuable information, responses should be interpreted with care, keeping in mind that response rates might be low and departing employees may not always provide candid information. For example, some departing employees may be wary of honestly

reporting any negative information, for fear of retaliation. Other employees may intentionally (or unintentionally) exaggerate or misrepresent negative information resulting from their dissatisfaction with people or experiences in their previous jobs. While agencies should not use the potential risk of exaggerated or inaccurate information as a reason to refrain from using exit surveys, they should watch for any responses that are seemingly inconsistent with patterns in other responses. Indeed, the true value of exit surveys comes from identifying patterns of responses.

In summary, exit surveys can provide agencies with a wealth of information about particular jobs and work conditions; workplace culture, policies, procedures, and programs; and leadership, which can assist agency leaders and managers in better supporting employee motivation, engagement, and retention. Identified patterns can be used in developing strategies for improved work environments and maximum use of employee skill. Agencies should consider using employee exit surveys to help create a culture that makes Federal agencies rewarding places to work. ❖

Exit surveys can provide agencies with a wealth of information about particular jobs and work conditions; workplace culture, policies, procedures, and programs; and leadership.

1. OPM's FedScope data revealed 75,642 employees quit and 69,140 retired. See <http://www.fedscope.opm.gov/ibmcognos/cgi-bin/cognosisapi.dll>.

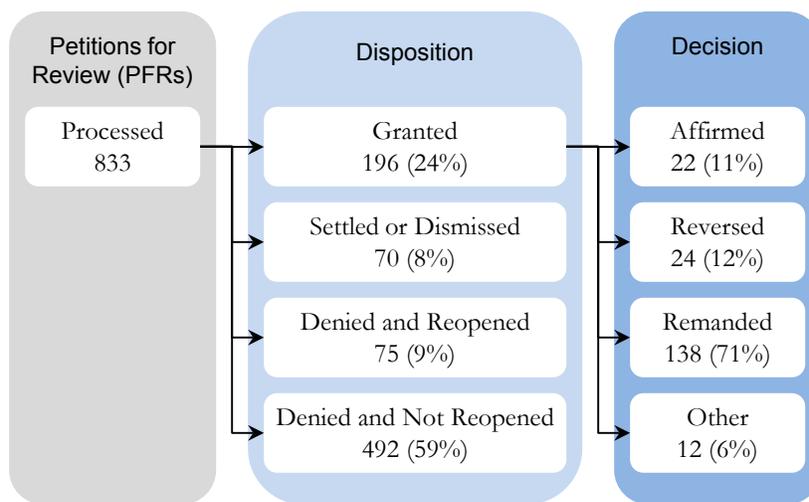
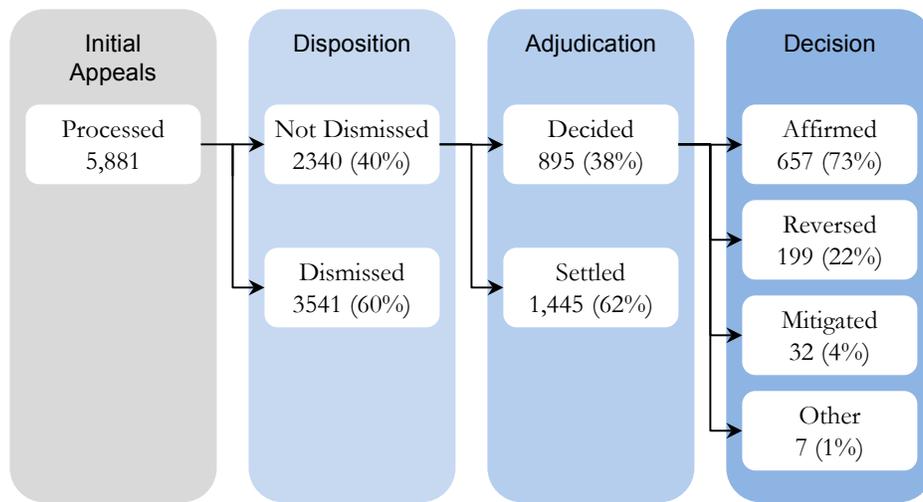
MSPB's 2012 Adjudication Activities

MSPB issued 7,585 decisions in FY 2012. Of the 5,881 initial appeals processed, 60 percent were dismissed for jurisdiction or timeliness. Of the remaining 2,340 cases not dismissed, 62 percent were settled through alternative dispute resolution procedures. Of the 895 decisions reached through adjudication on the merits, 73 percent affirmed the agency's decision, 22 percent were overturned, 4 percent were mitigated, and 1 percent were otherwise resolved. At headquarters, the Board issued 1,050 decisions. Of the 833 decisions issued on Petition for Review (PFR) of Initial Decisions, 59 percent were denied, 24 percent were granted, 9 percent were denied but reopened by the Board, and 8 percent were settled or dismissed. Of 196 cases granted review by the Board, 71 percent were remanded for a new decision, 11 percent were affirmed, 12 percent were reversed, and 6 percent had other outcomes.

MSPB continued to improve transparency of its adjudication processes. In December 2012, the Board heard oral arguments in *Latham et al v. United States Postal Service*, a set of cases involving the restoration rights of employees suffering work-related injuries. In addition, the Board continued to issue expanded explanations of its rationale in non-precedential orders (NPOs) on PFRs of certain initial decisions to promote understanding of the decisions by the parties. These NPOs are posted on the MSPB website. In FY 2012, MSPB posted monthly summaries of several Prohibited Personnel Practices (PPPs).

MSPB issued high quality decisions as evidenced by the fact that the U.S. Court of Appeals for the Federal Circuit concurred with over 94 percent of MSPB decisions. The average processing time was 93 days for

initial decisions and 245 days for PFRs. The longer case processing times were affected by our intentional focus on reaching a better balance of adjudication measures including decision quality, timeliness, and customer perception of the adjudication process. In addition, budget limits are affecting hiring of legal staff at headquarters and in our regional and field offices.



More information about MSPB's adjudication program initiatives and other MSPB programs is available in the [FY 2012 Annual Report](#) posted on the MSPB website. From MSPB's website, you can also follow MSPB on twitter (@USMSPB) and download the MSPB apps for the Android and iPhone. ❖



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Volume 18 Issue 2

IN THIS ISSUE * IN THIS ISSUE * IN THIS ISSUE

Informal Recognition. *A small gesture can mean a great deal to someone who has done a good job. (Page 1)*

Director's Perspective. *When resources are scarce and budgets are tight, it is still important to invest in employee development. (Page 2)*



Cross Training. *Share the knowledge and reap the benefits of a better-trained workforce. (Page 4)*



Unintended Consequences. *Favoritism in the workplace, whether actual or perceived, can cause a number of problems. (Page 5)*

Exit Surveys. *Find out what you did well—and not so well—as employees walk out the door. (Page 6)*

Adjudication Activities. *MSPB summarizes the cases of 2012 and how they were resolved. (Page 7)*

