U.S. Office of Personnel Management
Office of Merit Systems Oversight and Effectiveness

Report of a Special Study

SUPERVISORS IN THE FEDERAL GOVERNMENT: A WAKE-UP CALL

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SUPERVISORS IN THE FEDERAL GOVERNMENT: A WAKE-UP CALL

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I. EXECUTIVE SUMMARY

First-level supervisors are critical to the success of the Federal Government because they are on the front lines. They have a difficult job that is becoming more challenging. They are supervising greater numbers of employees, using broader delegations of authority, helping more employees balance work and family demands, responding to increasing demands for customer service, and handling more instances of violence in the workplace. Past studies have shown that supervisors often bring technical knowledge to the job, but not necessarily the broad array of interpersonal and management skills that are needed to lead people. Unprepared or untrained leaders can damage employee morale and lower productivity. At the same time, the Government faces the potential loss of large numbers of experienced supervisors who will soon be eligible to retire, which makes it more critical than ever to focus on developing new supervisors.

Due to these concerns, the Office of Personnel Management (OPM) conducted a study during FY 1999 to assess the status of current efforts in Federal agencies to identify, select, develop, and evaluate first-level supervisors. Following is a summary of our key findings and conclusions.

- Agencies need to do a better job of selecting and developing first-level supervisors. OPM has identified the competencies successful supervisors need. Agencies should tailor their efforts around these competencies, especially in the selection process.

- Most agencies still do not identify employees with supervisory potential and develop them for future leadership positions. As a result, supervisory selections primarily emphasize technical expertise without adequate attention to leadership competencies.

- Supervisors believe that leadership development is given a low priority. They need more and better development in people skills, such as communicating, coaching, dealing with poor performers, and resolving conflicts. They would also like development to be tailored to their individual needs, rather than a "one size fits all" approach.

- Supervisors take issue with the way their performance is evaluated. They feel that the ability to get work done through people should be given more weight. In addition, they would like to see the probationary period used to identify new supervisors who have not demonstrated they have the competencies for successful performance. The general perception is that poor performing supervisors are ignored and receive little feedback on how to improve, while effective supervisors are not adequately recognized and rewarded.

This study should serve as a wake-up call for agencies to take immediate action to address a serious problem that has the potential to worsen. Agencies must make the selection and development of first-level supervisors a top human resource management priority.

II. INTRODUCTION

First-level supervisors are critical to the success of the Federal Government. They do not have an easy job and it is only becoming more difficult. Supervisors are responding to broader delegations of authority, greater spans of control, increasing demands for customer service, more instances of violence in the workplace, changing generational values, and employees trying to balance work and more family needs.

Past studies have shown that supervisors may not be prepared to meet these demands because they are often selected solely on their technical knowledge with little attention paid to their ability to lead people. For example, the June 1989 Merit Systems Protection Board report, *First-level Supervisory Selection in the Federal Government*, found that most agencies use the same general approach for selecting supervisors as non-supervisors, even though the skills required are quite different. Similarly, the Board's March 1992 report, *Federal First-Line Supervisors: How Good Are They?*, encouraged agencies to focus on leadership qualities as well as technical skills when making supervisory selections. More recently, the Board's July 1999 report, *Federal Supervisors and Poor Performers*, urged agencies to do a better job of selecting people for supervisory positions who have the competencies for the human relations aspects of supervisory work. When people do not perform well as supervisors, it can cause serious problems for mission accomplishment and workforce morale.

We may also be losing our experienced supervisors. From September 1993 to March 1999, the number of supervisors and managers declined from 268,498 to 195,900. Their average age increased from 47.6 to 48.7, and their average length of service rose from 12.6 years to 14.7 years. Many will soon be eligible to retire, as reflected in the chart below.

Retirement Eligibility of Federal Supervisors	
GS/GM Grade Level	**Percent of Total Supervisors**
11	37.14
12	40.25
13	43.70
14	48.39
15	53.44

Source: OPM's Central Personnel Data File of 06/99

If agencies do not pay more attention to this important issue, their ability to carry out their mission could be threatened. The purpose of this study is to assess the status of current efforts in Federal agencies to identify, select, develop, and evaluate first-level supervisors, and to determine what level of attention is being devoted to this important management challenge.

This study defines first-level supervisor under the criteria for position coverage prescribed for labor bargaining unit employees in section 7103(a)(10) of title 5, United States Code (U.S.C.) This definition covers "an individual employed by an agency having authority in the interest of the agency to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, to adjust their grievances, or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature but requires the consistent exercise of independent judgement. . ."

The policy framework that governs the identification, selection, development, and performance evaluation of first-level supervisors provides agencies significant flexibility to design systems tailored to their organizational needs. The regulations that define the policy framework for these areas are described briefly below.

- The basic employment practices and general employment information for all employees in title 5, Code of Federal Regulations (CFR) Part 300, applies to identification and selection of first-level supervisors. When first-level supervisors are to be recruited and selected through competitive examination, 5 CFR Part 332 provides agencies with guidance on the procedures to be used. When first-level supervisors are to be recruited and selected through promotion and internal placement, 5 CFR Part 335 provides agencies with guidance. If competitive examination and promotion and/or internal placement are to be used, agencies use the guidance in Parts 332 and 335.

- Supervisory development is described in 5 CFR Part 412. This part requires that agencies have written policies that provide for the initial and continuing development of individuals in executive, managerial, and supervisory positions, and candidates for those positions. The policy does not require pre-supervisory development or development.

- Performance standards, evaluations, and awards for supervisors are covered by the same statutory and regulatory requirements as all other employees. However, new supervisors must serve a one-year probationary period, in accordance with 5 U.S.C., section 3321(a)(2). A less than fully successful probationary period results in placement back into a position at the same grade level from which the probationer came.

METHODOLOGY

We looked at programs and practices in a balanced sample of large, medium, and small agencies with a variety of missions. Our information came from several sources. We asked the personnel staff of 20 agency headquarters to complete a survey we developed. We visited 30 Federal offices throughout the country to interview 467 first-level supervisors and second-level managers. We also asked students in the U.S. Department of Agriculture (USDA) Graduate School's *"Introduction to Supervision"* course to give us their perceptions via a written survey. In 15 sessions of the course conducted from April through June of 1999, we received responses from 200 new supervisors. Finally, we looked at studies done over the past several years by the Corporate Leadership Council, including a survey of three major private sector firms and two state governments done specifically for this study, to compare non-Federal practices with those in the Federal environment. The Corporate Leadership Council provides best practices research on human resource issues to member organizations.

III. FINDINGS

IDENTIFICATION AND SELECTION OF SUPERVISORS

We wanted to see if agencies are doing a better job than in the past of selecting employees for supervisory positions who are technically competent and who also have strong leadership competencies. Selecting someone with both technical and leadership competencies is critical because without both kinds of competencies a person is unlikely to be a good supervisor.

How do agencies identify potential supervisory talent?

When we asked participants in the USDA Graduate School's *"Introduction to Supervision"* course how they were identified as someone with supervisory potential, we received the following responses, many of which are not necessarily the best way for agencies to identify their pool of candidates (respondents were instructed to check all the answers that applied):

- Fifty percent said "by applying for a supervisory position." (This may not lead to the best pool of candidates, as sometimes employees believe they have the competencies to be a good supervisor, but that may not be the case.)

- Almost half (49 percent) said they were selected for supervisory work "by being the recognized technical expert." Technical experts, however, do not always have the "people skills" to become successful supervisors. Some technical experts may not be interested in supervision at all, but it is the only way for them to get a promotion.

- Another 40 percent said they led teams. While team leadership is a good developmental opportunity, it may not provide the full experience of being a supervisor.

- Roughly one fourth (27 percent) said they had either been detailed or temporarily promoted to a supervisory position. This experience is valuable because it allows employees to experience supervision first hand. Through this short term experience, some may decide to pursue supervision as a permanent career move and others may realize it is not for them.

- Only 11 percent said they participated in leadership development programs and only 5 percent had attended some form of development that dealt with leadership or supervisory topics. Leadership courses open to team leaders and non-supervisors are low cost, readily available, and offer employees a sense of what is needed to be a successful supervisor. Still, they are rarely used for this purpose.

As the responses indicate, most supervisors were selected based on their technical expertise and were only considered as having supervisory potential after they applied for a vacancy. Few indicated that they were identified early on in their careers through formal internal assessment programs and given structured assignments to hone their leadership talents, as is commonly done in large private sector companies. Personnel officials, supervisors, and managers echoed the sentiments of the Graduate School's participants that agencies do little to invest in identifying potential supervisors.

What leadership development programs do agencies offer for non-supervisors?

Only 4 of the 20 agencies surveyed have formal internal leadership development programs that prepare employees to become first-level supervisors. For example, the Financial Management Service of the Treasury Department offers a 6-month Leadership Enhancement Program and a 2 year mid-level Management Preparatory Program. Both are aimed at non-supervisory staff.

While agencies also send non-supervisory employees to external leadership programs offered by the USDA Graduate School (e.g., the Executive Potential Program and the Executive Leadership Program for Mid-Level Employees), Industrial College of the Armed Forces, or universities, these programs are limited in the number of participants that can be accommodated. Furthermore, field employees say they are unable to participate in these programs to the same extent as those in Washington, DC, due to travel limitations and lack of information about available programs.

Second-level managers have a vested interest in identifying and developing talented employees to become supervisors, since good supervisors make managers' jobs easier. We found that most managers look for the same qualities in potential supervisors. They want employees who are technically competent in their profession, are flexible, complete projects on time, have good interpersonal skills, demonstrate initiative by taking on greater responsibility, communicate effectively both orally and in writing, and possess good negotiation skills. These qualities are similar to those found in OPM's Leadership Competency Model, formerly known as the Leadership Effectiveness Framework, which identifies the competencies necessary for high performance leaders. We did not find the model or a similar tool being used to identify potential supervisors or to develop talented non-supervisory employees for future leadership positions.

Should agencies be doing more to identify and develop potential supervisors?

Most supervisors we interviewed say "yes." One person told us, "We select people for supervisory jobs and then send them to development. This is backwards. They should be prepared beforehand." Although nothing can fully prepare a person for the challenges of leadership beforehand, tools are available that agencies can use to identify and develop individuals with leadership skills. OPM's Leadership Competency Model is one. Other options include assignments to high profile projects, presentations to top management, serving as executive officer or staff assistant, and short-term rotations to other program areas or agencies. (For more ideas, see the National Academy of Public Administration report, *Managing Succession and Developing Leadership: Growing the Next Generation of Public Service Leaders*, August 1997.) Simply allowing non-supervisors greater access to supervisory development courses could also help develop the pool of potential supervisory talent.

However, a significant number of managers and some personnel officials said they were afraid of being accused of pre-selection. As one manager told us, "Assisting an individual to develop supervisory skills outside the formal system would contradict the concept of fair and open competition, be unequal treatment, and would expose managers to lawsuits." This is a misconception that needs to be dispelled. Merit System Principles do not preclude identifying and developing potential supervisors. In fact, agencies can use competitive methods to select candidates for developmental assignments based on their possession of or potential for developing leadership competencies. The key in offering pre-supervisory development programs is to make sure that open and fair competition is followed in selecting high potential employees for these opportunities.

How do agencies select supervisors and how effective are their methods?

The agencies we surveyed select supervisors principally by promoting from within. Personnel specialists rate applicants' experience, education, development, and performance against a job crediting plan. Managers may also conduct interviews and do reference checks. Personnel officials told us that these methods have produced successful supervisors, but their perception was based mostly upon lack of complaints rather than any formal analysis.

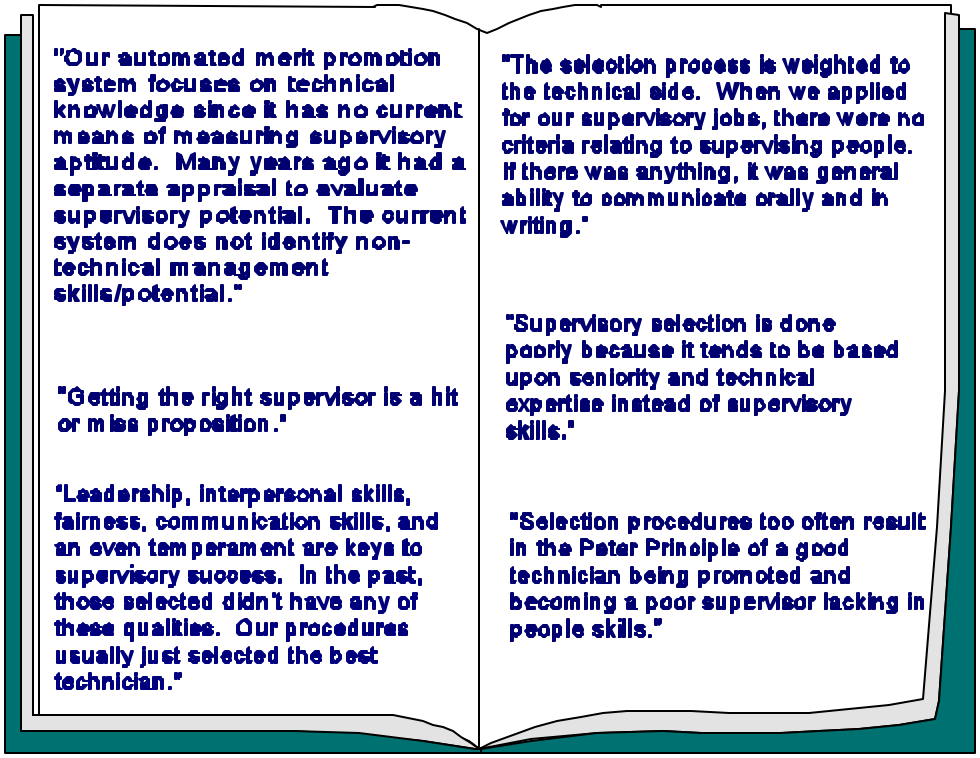
Many of the supervisors and managers we interviewed find fault with the traditional methods because technical knowledge normally comprises the majority of the rating factors. Supervisory competencies are only addressed through a generic rating factor like the "ability to supervise." As a result, people skills are often neglected in the rating process. Since technical skills are often given the most weight, technical experts are usually ranked highest. A good supervisor, however, possesses a dual knowledge base; he or she has both technical credibility and leadership

competencies. In addition to understanding the work being supervised, the supervisor should also have the ability to manage human and financial resources efficiently.

For example, the component processes of performance management include setting employee performance measures, monitoring performance, developing employees, rating performance and rewarding good work. The people skills required to carry out these functions are not used as a basis for selecting first-level supervisors. This is also the case with recruiting and hiring employees, where first-level supervisors must have the competencies to encourage the best and brightest prospects to seek Federal employment. Thinking about what makes an exceptional employee is a critical step for the supervisor in getting the right person for the job. Most likely, the employee would possess a mix of both technical and general competencies. To aid agencies in making this assessment, OPM is developing a "whole person" approach to assessment—a way to not only look at what technical competencies candidates have, but to also identify their general qualities such as communication, flexibility, teamwork, and other key competencies. This approach, and the associated selection tools, should aid in the competitiveness of the Federal Government's recruitment efforts.

Supervisors are also concerned that their agencies do not have selection standards, which can lead to inconsistency in the skills sought for these jobs. One selecting official may concentrate on candidates' interpersonal skills while another may decide that specialized knowledge is most important. The lack of consistency means that supervisory competencies and performance management skills may not be evaluated as thoroughly as needed in the selection process.

Supervisors and managers feel that agencies should pay greater attention to selecting employees who have supervisory competencies, as reflected in the following quotes:



USDA Graduate School development participants agreed that leadership skills need to be given greater emphasis. When asked "What makes an individual a successful supervisor?" they ranked leadership competencies ahead of technical experience and years of service.

Are there any success stories out there?

Three organizations in our survey reported that they use or are planning to integrate leadership competencies into their merit promotion processes.

- The Navy's policy is: "Possession of leadership competencies will be considered in the selection for supervisory and managerial positions." Selecting officials may determine the best way to assess the competencies.

- The Bureau of Prisons' Job/Task Analysis process defines the competencies required for various positions and applies these competencies in evaluating applicants.

- The Bureau of Land Management is beginning to use the competencies outlined in OPM's Leadership Competency Model to select candidates with supervisory competencies. The

Bureau also uses OPM's Human Resource Manager, an automated rating system containing competencies, for various occupations and for supervisory and managerial positions.

Three agencies in our sample have gone even further in using competencies to make supervisory selections:

- In the Immigration and Naturalization Service, candidates complete four assessments that measure critical competencies—thinking skills, administrative skills, writing skills, and job skills. Assessments include a decision-making situational assessment, in-basket job simulation, a managerial writing skills exercise, and a job experience test.

- The Drug Enforcement Administration uses a supervisory aptitude test to fill operational first-level supervisory positions. Ratings are given on seven abilities needed for successful performance as a supervisor: oral communication, interacting with others, gathering information and making judgments/decisions, planning and coordinating, monitoring and guiding, acting as a model, and written communication. The selection process also includes an assessment center involving 9 hours of exercises such as writing, in-basket simulation, and role playing.

- Candidates for first-level supervisory positions in the U.S. Marshals Service complete an "open season" application. Factors such as job knowledge, experience, education, and development are rated by peers. Candidates apply for specific positions during the year and best qualified lists are developed from the open season scores. The best qualified candidates are sent to a structured interview to be rated on the following competencies: organizing and planning, leadership, interpersonal skills, adaptability, problem solving, decision-making, and oral communication. A career board evaluates the results and passes its recommendation on to the agency director for final selection.

These approaches are promising and reflect progress in integrating leadership competencies into the selection process. Still, compared to what private companies and state governments report in research conducted by the Corporate Leadership Council, the Federal Government is not as far along in using selection assessment tools that determine whether individuals possess competencies critical to supervisory success. Innovative companies use tools such as behavioral interviews, which involve using a consistent set of questions to obtain information about how candidates have addressed previous situations, and situational interviews, in which candidates explain how they would react in scenarios they are likely to encounter on the job as a supervisor. Also, some companies use assessment center exercises to measure behavioral competencies. Based on this study most Federal agencies have not progressed to this point in selecting first-level supervisors.

DEVELOPMENT OF FIRST-LEVEL SUPERVISORS

We wanted to see if first-level supervisors are getting the development they need on time and in sufficient quantity and quality. Adequate development is critical because many supervisors do not come to the job with leadership competencies.

What are agencies' development policies and practices?

Most agencies surveyed meet the requirement of 5 CFR Part 412 that they have a supervisory development policy. Agency policies range from broad guidance to specific requirements covering the number of course hours and time frames for completion. For example, Air Force requires development for new supervisors within 6 months of the appointment. One agency did not have a written policy on supervisory development.

Communication of these policies is another matter. Most supervisors we interviewed were not familiar with their agency's policy. Not surprisingly, field supervisors were even less familiar than their headquarters counterparts.

The range of policies is reflected in the many different ways agencies provide initial development to their first-level supervisors. Graduate School respondents cited the following methods:

- USDA Graduate School's "Introduction to Supervision" course;
- Individual Development Plans (IDPs);
- 80 hours of supervisory development within the first 2 years;
- Rotations to other offices;
- 40 hours of development in the first year;
- 20 hours of development within the first 6 months;
- 80 hours of development within the first 2 years, plus 40 hours each year after;
- 40 hours within the first 3 months, plus 40 hours after 9 months;
- Supervisory course plus labor-management relations courses;
- Courses in employee relations/labor-management relations, recruitment, classification, and interviewing;

- 40 hours during the first year, plus 40 additional hours within 2 years, and 8 hours annually thereafter;
- Learning on own time by taking leadership development classes.

Most agencies surveyed build their formal supervisory development courses around the leadership competencies or are planning to do so. The formal course development is normally standardized, with all supervisors receiving the same development regardless of their competency level. Only a few agencies are assessing competencies and developing IDPs that tailor development to specific individual needs. However, most supervisors we interviewed prefer tailored development and IDPs that reflect a management commitment to accomplish what was planned.

Among agencies that use competency-based development for supervisors, the following stand out:

- The Navy's Civilian Leadership Development framework builds on OPM's Leadership Competency Model. Development needs are determined through a 360 assessment instrument. The employee prepares an IDP that identifies needed competencies and development methods.

- First-level supervisors in the Immigration and Naturalization Service complete a competency-based supervisory program consisting of a "Leadership through Supervision" correspondence course, a 40-hour residential program on contemporary management issues, and a Learning Application Plan. The Service uses 360 feedback to assess how effectively the skills learned in development are being utilized in the workplace.

- The U.S. Customs Service uses a Leadership Competency Model to train first-level supervisors. In addition to receiving 360 feedback, the agency's Leadership Center offers mentoring, active learning workshops designed to address current work issues, and a supervisor's desk reference guide.

- New supervisors in the Financial Management Service complete a management core curriculum within the first 2 years of appointment. Development is targeted to the competencies identified in OPM's Leadership Competency Model. A Management and Leadership Development Committee oversees development activity and mentors are available through a Mentoring Skills Development Program.

Corporate Leadership Council studies indicate that non-Federal development practices are, for the most part, similar to Federal agencies. The major difference is the tendency outside the Federal

Government to focus more on individual needs and to formalize development plans through the use of IDPs.

How do first-level supervisors assess the quality of their development?

Some supervisors were satisfied with the development they received, but most expressed concerns about irrelevant topics, too much theory, and not enough practical "nuts and bolts" information. They suggested using the actual experiences of supervisors as case studies, and having successful supervisors instruct. Learning from someone who's "been there" enhances credibility. USDA Graduate School respondents offered these recommendations to improve the quality of development for first-level supervisors:

- Start sooner (within first 6 months or less);
- Make development mandatory;
- Require refresher development;
- Gear development to specific agency;
- Teach how to deal with poor performers;
- Take development prior to becoming a supervisor;
- Teach interpersonal skills;
- Teach stress management;
- Include more situational exercises and problem solving;
- Teach communication skills;
- Teach coaching skills;
- Teach conflict resolution;
- Focus on individual leadership competencies.

This list points out that current development does not always address the complete needs of supervisors, particularly in the areas of communicating, coaching, interpersonal relations, stress management, dealing with poor performers, and conflict resolution.

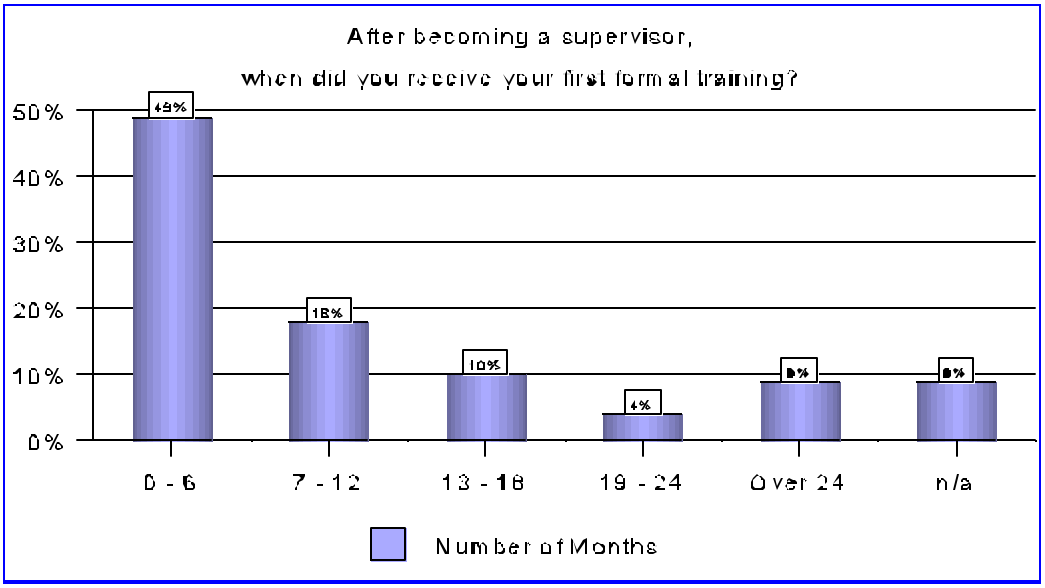
Governmentwide responses to OPM's Merit System Principles Questionnaire also reflect concerns about development quality. While a key Merit System Principle states: "Employees should be provided effective education and development in cases in which such education and development would result in better organizational and individual performance," only 42.5 percent of the supervisors responding in FY 1999 had favorable opinions about the quality of supervisory development.

Is development a priority?

Supervisors involved in this study told us that when budgets become tight, development is the first item to be cut. Moreover, they say that "soft skills" development, such as leadership development, is the first to be eliminated. Even where local management supports leadership development, availability of funds, especially for travel, may prevent the development from occurring in a timely manner. Most agencies do not have a specific budget for supervisory development, which means it may not be emphasized. Concerns about funding were so high among those we interviewed that many suggested reinstating a minimum Governmentwide development requirement.

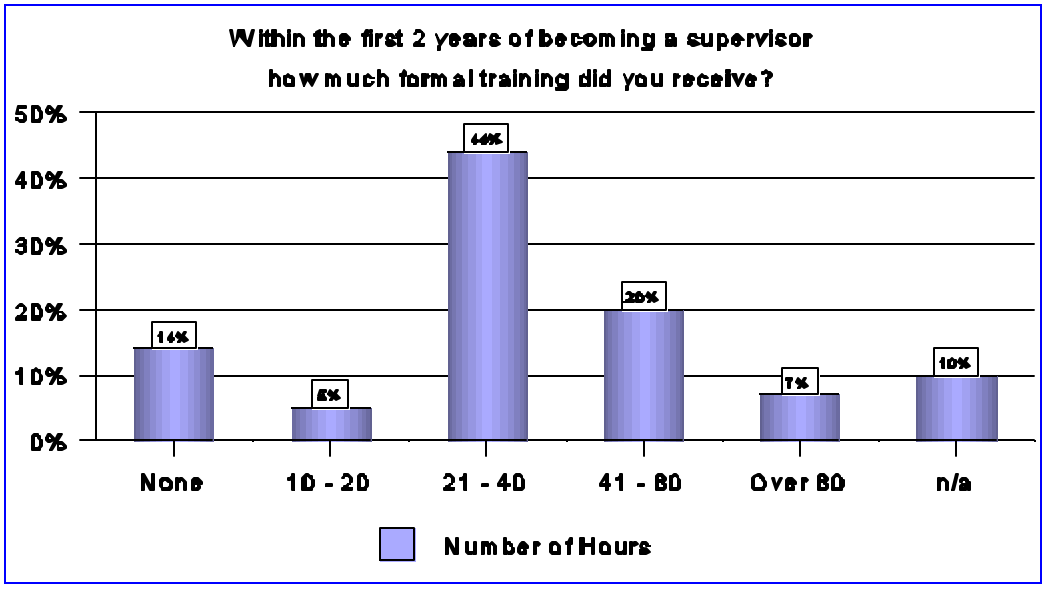
Only a few agencies are successfully utilizing distance learning technology and computer-based development to address budget limitations. For example, Air Force uses CD ROM development systems. Using technology as a development device offers tremendous potential for cost-savings and reaching a much broader development audience. Recognizing this fact, OPM recently led the President's Task Force on Federal Training Technology. The task force was charged with developing policy to make effective use of technology to improve development opportunities for Federal employees, and for developing options and recommendations for establishing a Federal Individual Development Account for Federal workers. The recommendations from the Task Force have been approved by the President. OPM has taken the next step by collaborating with 12 Federal agencies to implement pilot programs based on the recommendations.

It's important to point out that most supervisors receive some formal development within the first year. In fact, almost half of the USDA Graduate School respondents received their initial supervisory development within 6 months of becoming a supervisor. However, as the following chart shows, nearly a quarter of them waited a year or more for their introductory development. Even though this delay was largely due to budget reasons, new supervisors have too many challenges to deal with to make them wait this long.



Timeliness of initial supervisory development

In addition to development timeliness concerns, the amount of development that supervisors receive is an issue. Few receive the 80 hours of development within 2 years of becoming a supervisor that used to be required by the Federal Personnel Manual years ago. In fact, as shown in the following USDA Graduate School survey, 63 percent received 40 hours or less during their first 2 years. They come to the job without leadership development and they get very little after assuming their new responsibilities.



Amount of initial supervisory development

Update development for experienced supervisors was termed "catch as catch can," compared to development for new supervisors, which is mandatory under 5 CFR Part 412. Only a few agencies require refresher development. Most often, this development is left to the initiative of the first-level supervisor and the personal interest or support of the second-level manager. Most supervisors said that regularly scheduled development to address leadership issues would be valuable. Some said it should be mandatory.

EVALUATING FIRST-LEVEL SUPERVISORS' PERFORMANCE

We looked at the ways in which supervisory performance is assessed, recognized, and rewarded to get a sense of agency practices concerning this important segment of the Federal workforce.

How do agencies assess the performance of first-level supervisors?

Most agencies rate the performance of first-level supervisors in much the same way as they do non-supervisors. Leadership responsibilities are not assessed extensively. Most agencies simply add a generic element covering supervisory responsibilities to the technical work elements. While technical competence is critical at the first-line level, the ability to get work done through others is vital as well.

While agencies may tailor performance appraisal systems to meet organizational needs, we found few innovations in evaluating supervisory performance. Some use 360 feedback processes, which have produced good results in terms of assessing the leadership qualities of supervisors from the employees' point of view. A couple of agencies are in the early stages of implementing pass/fail systems, but have not done formal assessments of their effectiveness. The flexibility exists under current regulations for agencies to do more experimentation with systems that reinforce desired supervisory behaviors.

What do supervisors think of the process used to rate their performance?

While we did not evaluate the effectiveness of specific performance appraisal approaches, we did gather some interesting perspectives. Supervisors reported that their performance evaluations focus on the technical aspects of their work or on employee complaints, rather than on their positive achievements as leaders. The following are representative opinions of the supervisors we interviewed:

- (Our) pass/fail system relies on continuous face-to-face contact, which we are not getting, and the de facto appraisal is based on the number and types of complaints received by our managers."

- We are evaluated based on the morale of our subordinates and the lack of problems. If there are no problems, management feels there is no need for an appraisal."

- There isn't much feedback; supervisory duties are less important than our non-supervisory work, which takes up most of the performance evaluation."

- Management's concern is that nothing go wrong, not that a job is particularly well done."

These concerns about performance appraisal and feedback reveal significant weaknesses in agency practices. Adequate feedback is fundamental to successful performance management. New supervisors need continuous feedback to make sure they are on the right track. Most agencies, however, require formal feedback only twice a year. According to the supervisors we interviewed, feedback at other times is rare, and mostly addresses the technical work. Leadership skills are often evaluated in a negative way, if there are complaints or grievances. Feedback was even an issue under pass/fail systems, which were supposed to encourage open and regular communication and remove the "threat" of labeling performance.

How is the supervisory probationary period being used?

While personnel staff report that the probationary period is used to assess new supervisors' leadership capabilities and that those who are lacking are moved to non-supervisory positions, the Central Personnel Data File shows that only two supervisors in all of Government were removed during their probationary period in FY 1998. Supervisors and managers told us that the usual scenario is to shuffle poor supervisors to where they can do the least harm. The probationary period does not appear to weed out those supervisors who are not performing well.

Interestingly, the non-Federal sector faces similar challenges. According to the Corporate Leadership Council, surveyed organizations report that there is no easy or particularly effective way of dealing with unsuccessful new supervisors. Most organizations have a higher tolerance for internal hires who are experiencing problems as supervisors, granting them either more time to improve performance or transitioning them into another role. External hires are more likely to be terminated if all attempts to improve performance fail.

What about performance problems after the probationary period?

Again, personnel staff responded differently than the supervisors and managers we inter- viewed. Personnel staff said that supervisors who have problems after the probationary period are placed on performance improvement plans, reassigned to non-supervisory positions at the same grade level or returned to their previous positions. On the other hand, the managers and supervisors we interviewed believe that performance problems are often ignored. They told us that some supervisors "fade away" or "check out" and are no longer held accountable for doing their work. The statistics are inconclusive. While only 32 performance-based actions (resignations in lieu of involuntary action, terminations, and changes to lower grades) were taken by Federal agencies in FY 1998, many other unsuccessful supervisors may have improved their performance after less formal interventions such as coaching and development.

How are first-level supervisors recognized and rewarded?

In most agencies, supervisors receive performance awards, special act awards, and quality step increases just like non-supervisory employees. However, a few agencies have created special awards to recognize supervisors. For example, the U.S. Customs Service created Leader of the Year and Manager of the Year awards that are given by the Commissioner; the U.S. Marshals Service has a Distinguished Service Supervisory Personnel award; and National Aeronautics and Space Administration centers have local initiatives such as Creative Management and Supervisor of the Year awards. In general, supervisors feel that far greater weight is given to technical work over supervisory responsibilities in terms of what agencies recognize and reward. During our interviews, many supervisors voiced frustration about being underpaid and unappreciated for doing a tough job. They feel like a forgotten group; they are no longer employees, but they are not viewed by executives as part of the management team. Following is what selected supervisors had to say about their agencies' recognition and rewards programs:

- "What rewards? Supervisors are not singled out for anything special. We are not seen as a group that you develop and mentor. We just have more work."

- "Supervisors are not appreciated enough by management and are not rewarded for their efforts, the unpaid hours they work, or the results they achieve. Supervisors only receive awards for doing non-supervisory, hands-on work."

The USDA Graduate School survey reflected similar perceptions: 43 percent of the development participants do not believe that good supervision is recognized and rewarded; and 48 percent indicate that they are rewarded more for their technical skills then their supervisory competencies. These perceptions adversely impact the morale of this important workforce.

Supervisors told us they also valued non-monetary recognition. For example, many voiced the opinion that greater independence and latitude to make decisions was an appropriate reward for doing a good job.

IV. CONCLUSIONS

First-level supervisors are key to overall mission accomplishment in the Federal Government since they are on the front line. Despite their importance, supervisors are not being given the support they need nor are they being equipped with the tools they need to carry out their critical jobs. Our findings should serve as a wake-up call that more needs to be done. In summary, our study showed that:

Things have not changed

This study provides new data on an old problem. Agencies are still not doing a good job of identifying, selecting, developing, and evaluating supervisors. While most agencies have policies that meet regulatory requirements, these requirements are minimal. The tools agencies need to do a better job are out there and agencies have the flexibility to design policies and programs suited to their particular needs. In the words of a popular ad slogan, all that remains is to "Just Do It."

There is reason for concern

The fact that so many supervisors are eligible for voluntary retirement and so little attention is being paid to succession planning in the Federal sector should be a matter of serious concern. Agencies must do a better job of selecting and developing first-level supervisors, which takes time and commitment. Unless this problem is addressed soon, there is potential for a long-term leadership crisis in Government. First-level supervisors are a significant feeder group for higher-level management and executive positions, making this issue even more critical.

Leadership competencies must be emphasized

The study consistently found agencies placing a higher value on technical competence over leadership competencies. While technical skills are important, agencies must put the technical and people skills into a better balance so that the first-level supervisor has the blend of competencies necessary to manage the workforce. Leadership development must also be adequately funded. Ideally, high potential employees should be identified and given the opportunity to build needed skills; selections should consider leadership potential as well as technical competency; development should focus on filling gaps in leadership behaviors; and rewards should go to those who are the most successful leaders. In each of these categories, most agencies are falling short.

Supervisors are dissatisfied

Consistently, the first-level supervisors in our study are dissatisfied with their agencies' efforts to address their needs. Many feel that they are a forgotten group, caught between the demands of top management and subordinate employees. Left unaddressed, the problem has the potential to demoralize the very people we expect to motivate others to perform highly.

APPENDIX A
AGENCIES AND LOCATIONS INCLUDED IN STUDY

The following is a list of organizations for which OPM received a written survey response from the headquarters personnel staff and conducted group interviews of first-level supervisors and second-level or higher managers.

Department of the Air Force

1. Altus Air Force Base, California
2. Langley Air Force Base, Virginia
3. Robins Air Force Base, Oklahoma
4. Travis Air Force Base, Georgia

Department of Energy

5. Albuquerque Operations Office, New Mexico
6. Bonneville Power Administration, Portland, Oregon

Federal Communications Commission

7. Washington, D.C. Headquarters

Department of the Interior

8. Bureau of Land Management, Boise, Idaho State Office
9. Bureau of Reclamation, Denver Headquarters and Service Center, Colorado
10. National Park Service, Delaware Water Gap National Recreation Area, Bushkill, Pennsylvania
11. National Park Service, Valley Forge National Historic Park, Pennsylvania

Department of Justice

12. Drug Enforcement Administration, Chicago, Illinois
13. Federal Bureau of Prisons, Management and Specialty Development Center, Denver, Colorado
14. Immigration and Naturalization Service/Border Patrol, El Paso, Texas
15. Offices of United States Attorney, Cleveland, Ohio
16. United States Marshals Service, group phone interview of representatives from Houston, Texas; Miami, Florida; Alexandria, Virginia; Omaha, Nebraska; and Boston, Massachusetts

National Aeronautics and Space Administration

17. Goddard Space Flight Center, Beltsville, Maryland
18. Langley Research Center, Hampton, Virginia

National Labor Relations Board

19. Washington, D.C. Headquarters

Department of the Navy

20. Naval Inventory Control Point, Mechanicsburg, Pennsylvania
21. Naval Research Laboratory, Washington, D.C.
22. Naval Surface Warfare Center, Carderock Division, Philadelphia, Pennsylvania
23. Portsmouth Naval Shipyard, New Hampshire

Department of Transportation

24. Group interview in San Francisco, California of representatives from various operating administrations, including the Federal Transit Administration, the Office of the Inspector General, the Federal Highway Administration, and the National Highway Traffic Safety Administration
25. U.S. Coast Guard Personnel Command, Washington, D.C.
26. National Highway Traffic Safety Administration, Washington, D.C. Headquarters

Department of the Treasury

27. U.S. Customs Service, Chicago, Illinois
28. U.S. Customs Service, New York, New York
29. Financial Management Service, Philadelphia, Pennsylvania
30. United States Secret Service, Dallas, Texas

APPENDIX B
ABBREVIATIONS

Abbreviations	Explanation
CFR	Code of Federal Regulations
FY	Fiscal Year
IDP	Individual Development Plan
OPM	Office of Personnel Management
U.S.C.	United States Code
USDA	United States Department of Agriculture