

Chapter Five

Addressing Performance Problems

One of the stereotypes about government employees is that they generally do not work very hard and that people can get away with murder because they cannot be fired. It is true that firing a federal employee is not easy; there are extensive legal requirements designed to prevent dismissals based on political beliefs or personal characteristics (Shafritz, Riccucci, Rosenbloom, and Hyde, 1992). These protections are rooted in the underlying civil service value of "neutral competence," which aims to exclude considerations of politics, not just in hiring but also in firing. Nonetheless, it is far from impossible to fire a problem employee or to take other disciplinary action. Some managers shy away from such measures while others act aggressively, either using the formal system or finding more informal ways to deal with problem employees.

What factors explain these differences? Why do some supervisors take action while others do nothing, at least until a situation becomes intolerable? And how do supervisors decide what action to take along the range from very formal to quite informal?

Our discussion begins with a brief examination of the formal system. In the area of performance problems, two of the factors we have previously considered intersect. First, the phenomena of worker-managers and pseudo-supervisors have a bearing on the issue, as do the backgrounds and training of managers. Second, agency cultures and norms for dealing with problem employees influence how individual managers choose to act or not act. These norms are reinforced by the personnel staff known as the employee relations staff, who are responsible for advising line managers how

to deal with problem individuals. Both factors help to explain why many managers avoid taking action when faced with such problems, and why managers in different agencies are likely to adopt somewhat contrasting approaches.

Two preliminary points are in order. First, the goal, both for individual managers and for the system as a whole, is not to fire more people but to have a productive workforce. Therefore, judging the caliber of managers or the effectiveness of the system simply on the basis of the number of people fired is invalid (Ban, Goldenberg, and Marzotto, 1982b). Rather, we need to look at the nature of the problem and whether the actions of managers were appropriate to it.

The nature of the problem, in fact, varies dramatically, and that is the second point that must be stressed. In the individual interviews, I asked managers to describe a specific situation they had faced with a problem employee and to recount how they had dealt with it. Not all the responses were easily codable, but of the 128 that were, about 40 percent dealt with what were basically performance problems (that is, work that was clearly inadequate or marginal) and about 22 percent dealt mainly with conduct problems (for example, illegal behavior, sexual harassment, fighting, excessive absenteeism, and other rule infractions). Of course, some of these cases combined elements of both performance and conduct. More surprisingly, close to one-quarter (23 percent) of the problems were personality issues or full-scale mental illness; an additional 12 percent were drug and alcohol abuse cases; and 3 percent were severe personal problems, such as a major illness. Although substance abuse or personal problems may underlie some of the performance or conduct cases, this is still a surprisingly large number of physical, mental, and substance abuse problems.

It is very clear from managers' responses that the strategies chosen by managers for dealing with incompetent employees are different from those applied to cases of chronic illness or obvious personality disorder. We may presume that the formal system is of

more help in dealing with some kinds of problems than others. Let us look at how the formal system is supposed to work.

Using the Formal System: Doing It by the Book

By and large, managers do not much like the formal system. Many would agree with an FCS manager, who told me: "The civil service system has probably gone overboard in making it difficult to deal with an employee that doesn't belong. Just to downgrade someone takes a year or a year and a half of documentation and close work with the person. It probably takes a lifetime to fire someone. I can understand needing some constraints, but sometimes it can shackle a supervisor."

In fact, such criticisms of the system are not new. The perception that it was too hard to fire federal employees led to an attempt at reform in the Civil Service Reform Act of 1978, which President Carter sold to the public and to Congress in part by saying it would help to eliminate "deadwood" in government (Ban, Goldenberg, and Marzotto, 1982b). The reform created a two-track system, with different procedures for conduct and performance cases.

Conduct (more accurately, misconduct) cases are technically referred to as *adverse actions*. Offenses range from the minor (occasional absenteeism or lateness) to the very serious (breach of security, theft, or violence). Except for the most extreme cases, when immediate managerial response is possible, the usual procedure is for a manager to follow a process of progressive discipline, both documenting the offense and then moving through a series of sanctions, which are often spelled out in a formal agency table of penalties. These might start with formally counseling the employee. If the problem recurs, the supervisor might then send the employee a formal letter of warning, or a reprimand. A more severe or repeated offense might be grounds for a suspension or demotion. Only after repeated warnings and attempts to get the employee to change could the manager move toward removal.

The process is somewhat different if there is evidence of drug or alcohol abuse or other personal problems. Employees with alcohol or drug dependency may be considered handicapped, and the agency may have a legal obligation to accommodate them (Shaw and Bransford, 1992). In most agencies, supervisors encountering dependency problems are supposed to send the employee for counseling through the agency's employee assistance program (EAP) and to give him or her a reasonable period of time in which to recover (Bruce, 1990).

Most such cases stand up on appeal if there is sufficient documentation of the offense or offenses, if the manager followed the agency table of penalties, and if there is no evidence that the manager was singling out an employee for personal reasons. But documenting a case of excessive absenteeism or lateness, for example, and working through the process step by step can take months.

More problematic is the task of dealing with an employee whose work performance is marginal or unacceptable. The 1978 reforms developed a set of procedures, tied to a new system of performance appraisal, for cases referred to as *performance-based actions*. Under these procedures, agencies developed formal performance standards for the different elements of each employee's job, and some of these were termed "critical," meaning that they were "aspects of each position that are so essential to the job that unacceptable performance of that particular aspect would make it impossible for the employee to perform his [sic] job effectively" (Shaw and Bransford, 1992, p. 84, based on 5 C.F.R. §430.203). Inadequate performance on one or more critical elements is grounds for a performance-based action. In addition, the reforms lowered the standard of evidence for performance-based cases, from the "preponderance of the evidence" standard required for conduct cases to a "substantial evidence" standard, that is, "the degree of evidence which a reasonable person could accept when considering the record as a whole" (Shaw and Bransford, 1992, p. 82).

Did these reforms actually make it easier to deal with poor per-

formers? Some would say yes, because of the lower standard of evidence in these cases (Shaw and Bransford, 1992), but the people I interviewed were not so sure. Most managers still found the process daunting in its length and complexity. And at least some of the personnel staff working in this area felt that the reforms had actually made things worse because the process is now more legalistic. As one told me:

It was easier to take performance actions under the old system. People had duties under their job description, and if they didn't perform, they were sent a letter detailing what [they] didn't do and given a reasonable period in which to improve. Then you did it. You wrote out the specificity of the charge. It's changed in the sense that standards were not established [before]. Now we have a dozen cases on standards alone, so you have a barrier to get through before you can initiate action. Before, [the Department of Agriculture] had a numerical system for performance appraisal, and it worked out okay, without the complexity of today's justification and evidence. Now it's hamstrung by the regulatory and legalistic process.

Other personnelists I talked to were not quite so negative, but they tended to agree that the new system worked better only if the manager had a solid position description and good performance standards already in place.

As the comment just quoted makes clear, problems are caused not just by the length of the process but also by the need for actions to stand up on appeal. While many problems are resolved informally at various steps in the process, those that go all the way to removal are often challenged. One problem in the law is that it gives employees multiple routes for appeal. They can take their case to the Merit Systems Protection Board (MSPB). They can file a grievance if they are covered by a union contract. Or if they belong to a protected class (by sex, race, age, or handicap), they can file an EEO (equal employment opportunity) complaint. Some bring their

cases to the Office of the Special Council, claiming that they are being fired or otherwise harassed because they are whistle-blowers. Employees rarely take their cases as far as formal lawsuits, but all these routes require managers to face protracted and painful processes in which they are forced to defend their actions, and in which their motives are impugned. No manager enjoys facing an EEO complaint charging him or her with discrimination.

In the worst case scenario, an employee threatened with discipline may threaten back. One SES member, a man highly respected as a conscientious and caring manager, told me of the situation he faced.

I have only dealt with one case, and I wasn't successful whatever. The employee tried to preempt my action through threats. He said, "I can put you through a whistle-blower complaint and cause all kinds of hassles for you." And that happened to me. The person claimed I had taken a personal trip using government funds. And even if you are found innocent, it plants the seeds of doubt. People like this have often worked in several agencies, and they know the system better than the supervisors. They can play it to the maximum, and that has the ability to intimidate supervisors. I don't like that, and it shouldn't be allowed to happen.

There is no doubt that both the procedures for taking formal action and the need to defend that action on appeal are daunting and time-consuming. But it remains the case that some managers still make effective use of both formal and informal procedures to deal with their problem employees, and others do not. How can we explain the difference?

It goes without saying that dealing with problem employees is one of the more unpleasant aspects of life as a manager. Individual managers cope with these situations in a number of ways. Often, they make conscious decisions based on cost-benefit reasoning: "Is it worth my time to deal with this problem?" This calculation may

be affected by their perceptions of what is central to their job and what they will be rewarded for (or at least supported on) by their superiors. Both perceptions are powerfully influenced by the problems of worker-managers and pseudo-supervisors.

Worker-Managers and the Dilemma of Time

Most managers are working under time pressure and attempting to balance the many components of their job. As we saw, they are likely to give priority to the components they think are most important (or that they believe their boss thinks are most important). Setting priorities is never easy, but for worker-managers, who are officially supervisors (or even midlevel managers) but who still have significant responsibilities for doing technical work, it is a constant struggle. Often, it is the technical work that they see as most important and that they enjoy most. Management is sometimes seen as an add-on—something they have to put up with in order to get ahead. And the reward structures reinforce the view that time-consuming management responsibilities get in the way of the “real” job.

Managers in every agency, as well as several personnel specialists, saw this as a key obstacle in getting managers to deal with problem employees. As an FCS personnelist saw it: “The real problem is that in the government there isn’t the flexibility to be a full-time supervisor. If they could do that, they’d be more involved in what their employees are doing day-to-day. I think it’s that the supervisors are stretched so thin. That’s the problem, not the procedures.”

How do managers cope with the demands of a difficult job and still go through the time-consuming task of dealing with a problem employee, particularly when the formal process is used? According to an employee relations specialist, they give up their own time: “If supervisors weren’t so busy being employees as well as supervisors, they might have the time to do the documentation. But as it is, they have to take it home at night to do it.”

An EPA manager well aware of the time demands told me his

approach: "I pick one person at a time to focus on, because that's all you can handle." Other managers, including the one quoted at the beginning of the Introduction, have decided that dealing with a problem employee is just not worth the trouble and that ignoring the issue has fewer costs.

Pseudo-Supervisors and the Dilemma of Authority

The problems faced by the worker-manager are exacerbated for the pseudo-supervisor, the technical specialist promoted to a supervisory position, and therefore a larger salary, in order to reward a high level of technical skill. But the pseudo-supervisor actually remains a technical person, with only minimal supervisory responsibilities. The real authority rests at a more senior level. Except in some extreme cases, the line between the pseudo-supervisor and the worker-manager is not clear-cut. Many first-line supervisors feel that the real authority, particularly on a matter as controversial as discipline, lies above them—sometimes several levels above them. In a few cases, this sounds like passing the buck—a strategy for avoiding the hard parts of the job. But in others, there is a sense of frustration or confusion about who is really in charge. Although I coined the term pseudo-supervisor, I'm certainly not the first to identify this problem of unclear authority. When the MSPB studied managers, they found that less than one-third (32 percent) felt they had the authority to take disciplinary actions (U.S. Merit Systems Protection Board, 1993).

In many cases, it may be hard for an external observer to discern where the authority actually rests, since often the first-line supervisor and the midlevel manager work together in developing a strategy for dealing with a problem employee. But examination of a case where there was conflict between the first-line supervisor and his superior helps elucidate the problems caused by confusion over who has the authority to act.

In a small field office (in an agency that will remain nameless

to protect confidentiality), I interviewed three people: two first-line supervisors and a midlevel manager who was their boss and headed the office. Each of the three told me his version of the same story, which concerned a conflict over how to deal with a problem employee. What was clear from all three was that the employee in question was technically competent but occasionally quite rude and even abusive in dealing with the public. One first-line supervisor was frustrated because he felt his boss was dragging his feet and avoiding the problem, so when yet another incident occurred, he decided to take matters into his own hands. He took advantage of the fact that his boss was out of town and called the employee relations specialist at the regional office, who got the assistant regional director involved. The first result was that the employee in question received a formal letter of reprimand and was required to meet weekly with her supervisor, who reported a real change in behavior. But while on paper the first-line supervisor had the authority to take the action, doing so violated two unwritten organizational norms: that first-line supervisors need their superiors' approval to take disciplinary action and that they do not circumvent their superiors by going directly to the regional office (let alone make their bosses look bad to their superiors). Challenging both the boss's authority and his reputation had fairly predictable results: the boss, on his return, reprimanded the first-level supervisor (which brought the regional office back into the picture in the latter's defense), and enduring tension was created between the first-line supervisor and both his boss and the other first-line supervisor in the office. While the reprimanded supervisor is clearly something of a maverick, the severity of the reaction makes clear that where authority for taking disciplinary action lies on paper and where it rests in reality may be very different.

To summarize: Managers select their approaches to problems on the basis of their own definitions of their job and also on the basis of their views concerning the most important parts of that job. For worker-managers, it is the technical work that really counts. Or as

an FCS supervisor put it, dealing with problem employees "is one of the things that goes by the boards. We're more work-oriented than oriented toward good supervision. We don't seem to have the time to devote to doing that." For pseudo-supervisors, there may be a tendency to avoid dealing with problem employees because of ambiguity about where responsibility for such problems lies.

Managerial Competence and Conflict Avoidance

There may be other sources of avoidance, beyond unclear authority. As I said earlier, managers are rational people who often make decisions in cost-benefit terms. But they are human, and they may also make decisions on more emotional bases. One of the most common and easily understood is that they avoid situations that make them uncomfortable and actions that they do not feel skilled in performing. Both reactions are very common when managers talk about dealing or not dealing with problem employees.

Managers, like most people, tend to avoid conflict. When I asked them what they disliked about their jobs, by far the most common elements mentioned were giving people negative feedback on their performance and dealing with discipline cases. Interviewees often explicitly referred to being uncomfortable with conflict situations. A Navy manager explained that "first- and second-line supervisors, people like us, are unwilling to take hard lines. They don't want to do their job as supervisors, which is telling people negative things. . . . Nobody wants to be a bad guy. Everybody wants to be nice, everybody wants their subordinates to like them. They don't want conflict."

The level of conflict becomes most uncomfortable when the manager has moved past simply counseling the employee and has actually given the employee a poor performance appraisal. At this point, the relationship may shift in the direction of what Rivas (1991) terms "adversarial supervision." As he defines it: "Adversarial supervision occurs when the organization and supervisor

determine that an employee cannot maintain his or her performance at an acceptable level or that the organization cannot raise the level in a cost-effective fashion. At this point, the organization prepares for the dismissal of an employee by carefully documenting his or her poor performance. During this time, the relationship between the supervisor and employee may take on an adversarial quality" (p. 193).

Protracted conflict is not only rough on the supervisor; it can be difficult for the whole organization, particularly since the supervisor may be required to keep more careful records on all of his or her staff, to avoid the charge that he or she is out to "get" the problem employee. Small wonder, then, that some employee relations specialists say managers put off dealing with problems until they become unbearable and then want to take instant action, which, of course, is not possible if they have not been keeping records and counseling all along.

To some extent, this tendency to avoid dealing with people problems may reflect the career paths and selection criteria for managers. As we saw in Chapter Two, most managers started out as technical specialists and often were promoted to management positions on the basis of their technical capabilities. Seldom do selection criteria explicitly factor in interpersonal skills or ability to handle conflict. In fact, some managers expressed frustration with these parts of the job; one person asked to be removed from his first-line supervisory position precisely because he found it so difficult to deal with a problem employee.

But managers avoid dealing with problems not just because it is unpleasant. Many managers also feel unprepared. They do not know how to handle a direct interaction that may involve conflict, such as giving negative feedback. And they do not really understand, and thus are intimidated by, the formal process. They know the sequence of actions is complex, and they also know that if they make a technical mistake it can come back to haunt them. The conventional wisdom hurts here, because it reinforces the view that

the process is hard and risky, and that a minor goof will likely lead to years of appeals and litigation. In fact, this is much less true than it once was. The current standard says that an agency action will be overturned by the Merit Systems Protection Board on the grounds of procedural error only if the employee can prove that it was a "harmful" error—that is, that the outcome might have been different had the error not occurred (Shaw and Bransford, 1992, pp. 61–62). Nonetheless, the perception persists among managers that some small slip on their part will cause months or years of effort to be wasted and that they will be stuck with an employee who is still incompetent and now also embittered.

Why do managers feel unprepared? One question that came in for considerable debate was how much training managers received and what it contained or should have contained. As we saw in Chapter Two, many managers had no formal managerial training or had received only a brief course in supervision. In theory, all new supervisors are required to receive training. In practice, new supervisors who are in an acting capacity receive no training. One young woman at a group interview had been acting first-level supervisor for only a few months and was faced with taking a formal disciplinary action. As she put it: "I've never had time to sit down and read the *Federal Personnel Manual*. I don't know what's in the regulations. I don't know what my rights are. . . . There are a lot of things [on which] I don't know where I stand. Maybe there needs to be some sort of training for new supervisors."

Of course, there is training, but she will not receive it unless she is permanently appointed as a supervisor, and even then, she may need to wait a year or more before the training is available—much too long for most new supervisors' needs. Moreover, the training provided may be much too cursory to give managers the tools they need for dealing with problem employees. Indeed, some report that there was little or no coverage of performance appraisal and discipline in their training. As a result, it is not uncommon for managers to report that they do not understand the system. Many would agree

with the APHIS manager who told me: "My concerns are, first, do I know all the rules well enough to say, 'What you did is wrong, don't do it again,' versus 'What you did is wrong, you just bought yourself two weeks off'? I'm fortunate I haven't had to deal with that yet. I don't know what's going on enough to be sure what I can do, and it's not in my temperament to be a hard guy. I don't like that."

The flip side of this is that, even if the training is available, managers often do not take advantage of it. As an EPA personnel specialist put it: "Managers don't want to learn the system. The evaluation of their performance is based on their scientific accomplishment and program performance, so why should they want to learn about personnel? I don't think the management would want to devote much time to this effort. I don't think they want more in-depth training. In many cases, it is very involved and complicated, and you don't just pick it up."

Some managers recognize the truth in this and admit that if they were not facing a problem, they would probably say, "I don't need that." In other words, managers are not willing to spend the time gaining skills that they do not feel the need of (even though they might at some future time), particularly if they do not see the function as central to their job. One solution might be just-in-time training, making the information available—even self-taught via a written manual or a video—at the point when a manager recognizes the need for it. The danger, however, is that he or she might recognize this need too late in the process.

In point of fact, a major role of a good employee relations specialist is to provide individualized coaching to managers who are going through the process, particularly to those facing it for the first time. As with any challenging task, doing it well on a single occasion will reinforce a manager's belief that it is something he or she can handle.

In several agencies, personnelists told me that they thought managers were starting to do better at dealing with problem employees. Some attributed this to the changed financial situation

in their agency and to less tolerance of deadwood when resources were tight. Others saw younger managers as doing a better job.

To summarize: It is natural to avoid things that make us uncomfortable. While there is probably no way to get around the fact that dealing with problem employees is likely to cause conflict, it is possible to improve managers' skills in dealing with conflict and in working within the admittedly complex formal procedures—but only if managers think that developing these skills is important and useful. If they continue to view this task as an annoyance that gets in the way of the “real” work, then they certainly are not going to make the effort to learn how to do it better.

Group Norms for Dealing with Problem Employees

A manager with a problem employee faces two decisions: whether to do anything at all, and if action seems to be called for, what form it should take. Managers choose their strategy on the basis, first, of their diagnosis of the situation. They ask themselves: what is the nature of the problem, and what extenuating circumstances are there (Klaas and Wheeler, 1990)? The approach they take to someone whose skills are inadequate is likely to be different from the one they take to an employee suspected of substance abuse. But their choice of strategy is also affected by group norms, which may reflect values in the organization's culture. They ask their peers how they have dealt with similar problems, and they hear stories via the grapevine about what others have done and what the result was. They also talk to their superiors and to the employee relations staff in their organization. The latter play a role in imparting technical information about how to follow complex procedures, but at the same time, they convey more or less explicit messages about what range of strategies will be considered appropriate.

Some of the approaches available to the manager are quite formal; some are more informal. Of course, the popular notion is that you cannot fire a government employee. In fact, the biggest

surprise in talking to managers about these cases is how many did use the formal process and how many employees left government as a result. Of the cases described, about 15 percent ended with the dismissal of the employee, and in another 17 percent the person voluntarily resigned, usually after he or she had learned that a dismissal was likely. A further 6 percent were resolved by the person's retirement. In some of these cases, the person was already eligible to retire; in several others, where physical or mental illness was involved, a negotiated settlement provided for disability retirement. When these three categories are added together, we see that in over one-third of the cases, the employee was either formally pushed out of the organization or, more informally, strongly encouraged to leave. Many of the cases that were still pending were slowly wending their way to similar outcomes. A small number of other cases (under 10 percent) were handled by formal means less punitive than dismissal, including suspensions, downgrades, or letters of reprimand. In short, the formal system may be slow and unwieldy, but a determined manager can make it work if he or she is willing to invest the time required.

In a number of cases, the manager had taken positive steps short of initiating a formal disciplinary action. About 14 percent of cases were handled by giving the person a poor performance appraisal or by providing counseling, either directly or by referral to an employee assistance program. Some of these cases were resolved successfully at that point, with no need for further action.

Of course, some managers want to avoid the trouble of taking a formal action. Among more informal means of dealing with problems, by far the most popular was a transfer (17 percent of cases). Finally, in about 7 percent of cases, the manager was simply tolerating the situation—doing nothing or putting the person on the shelf (that is, reducing the person's workload or otherwise working around the problem).

Informal strategies are particularly difficult to study, both because there is a strong social desirability factor (that is, managers

know there is a "right" answer to questions about discipline) and because managers occasionally resort to tactics that are questionable or even illegal. Not surprisingly, managers in several agencies were much more likely to say others were guilty of shipping off their problems elsewhere or of ignoring problems than to admit that they had done such things themselves. In fact, they may have been more forthcoming to an outsider than they would have been in response to a more "official" inquiry, which may explain why I found somewhat higher levels of these informal approaches than did a GAO study, which reported that "eight percent [of supervisors surveyed] had poor performers that they did not assist. Rather than deal with these individuals, the supervisors indicated that they reduced the employee's workload, gave the employee easier work, hoped that the situation would work itself out, or reassigned the employee to another unit" (U.S. General Accounting Office, 1990c).

According to Gaertner and Gaertner (1984), one can interpret disciplinary action in two ways. It can be seen as instrumental action, designed to solve a problem. In that case, managers are likely to select actions that have been successful in the past. But one can also see disciplinary action as symbolic behavior expressing both individual values and organizational culture. As Gaertner and Gaertner explain, "even if a given action is shown to be generally effective, if it is not congruent with a supervisor's values, he/she will not do it" (p. 14). Looking at the different approaches managers took in the four agencies in this study gives strong support to the symbolic view of disciplinary action. Managers certainly wanted to resolve the problem, but their actions clearly reflected the need to be sensitive to organizational norms, and it was obvious that they relied on both their supervisors and the employee relations staff not only for technical support but for cues to the boundaries of acceptable behavior.

Some of the clearest norms about such limits were articulated by managers in FCS and in EPA Region Three. As we saw in Chapter One, these are both clan cultures—that is, cultures where strong

emphasis is placed on the human relations quadrant in the competing values model. A personnel specialist in Region Three explained the values of the organization to me as follows: "The people who are in charge here care about the people who work here, more than people even know. A question I'm always asked is the effect it would have on their personal lives. If I wanted to fire a single parent, it would be hard, because this place has too much of a heart. When I first came here, I thought they were giving away the store here, but that's the way they do business, and I've never seen it do more harm than good."

At FCS, discussions of discipline were explicitly linked to the image of the agency as a family. Managers felt that top leadership would support them if they took action, but only within limits. As one explained, "There's a lot of family attitude at FCS, and if you have a twenty-nine- or thirty-year employee [whom you want to discipline], I don't think you're going to get a manager that's going to back you." A related norm is that managers do not rush to push people out the door if they have personal problems but try to give them support. One of the most dramatic examples in this regard was a woman who had been injured on the job. Rather than force her to leave on disability, the organization kept her position open while she went through a lengthy recovery. Further, she received extraordinary personal support from the head of her office. As she told me, "They didn't have to keep my position for me after a year. They talked to me every week and kept me going."

EPA managers told similar stories of sticking with and supporting employees who had personal problems. Managers at EPA are much more likely than those at the other agencies to report employees with drug- and alcohol-related problems. Indeed, an employee relations specialist estimated that "probably about 60 percent of the cases that come to me have some element of alcoholism or drug abuse that I can document. My suspicion is it's really higher than that." These are often tough cases for managers to deal with. One of the more moving stories I heard was from an EPA manager.

I had a secretary who was drug- and alcohol-dependent. There was lots of absenteeism. We talked, and I referred her to the rehab people here. She went into a hospital for detox, and I lost her services for three months and had to advance her leave and find someone to replace her for a while. When she graduated from her AA course, she invited me to attend, and it was good. It caused me to think about not drinking, and I quit, which was a side benefit. She's back and very productive, and she's in school now. I'm still a cheerleader for her.

As this example makes clear, supporting an employee through hard times rather than taking a hard line can pay off. However, managers in several organizations griped that their superiors would not back them when—in the managers' opinion—firm action was called for. For example, a midlevel manager who had come to FCS fairly recently (and therefore had not grown up in that culture) was very aware of the differences between FCS and his previous agency: "At [my previous agency], I got rid of three people in two and a half years, using various methods. Here, I have had occasion to discipline one person, and it went up to my boss, who's an SES, who basically told me to use kid gloves, be nice to the person. 'You know you're right, but you can't do this.' This agency is different."

In fact, FCS may not be that different. Even at EPA and the Navy, managers complained that they were discouraged from giving poor performance appraisals. For example, one supervisor at the EPA regional office told me, "There is extreme resistance to giving people poor performance appraisals. It's against the culture. It's seen as too big a hammer for personality problems that should be worked out between adults."

Informal Strategies: Transfers, Turkey Farms, and Tolerance

As we can see, strategies vary along a continuum from informal to formal. In all four organizations in this study, managers tended to

rely first on informal approaches. But what they did next differed somewhat. In general, managers at the two Department of Agriculture sites were less likely to move to formal actions than managers at EPA or the Navy. Further, the meaning that managers at different agencies gave to their actions, particularly informal ones, reflected their differing values. The two most common informal actions managers took when a situation appeared unlikely to improve were transferring the employee or putting him or her on the shelf. Let us look at how each of these works in practice.

At all four agencies, there was considerable discussion of the practice of taking problem employees and sending them somewhere else. But what was most striking was the different meaning that managers gave to this action. At FCS, managers reconciled their behavior with the family culture by justifying the action as in the best interests of the employee. For example, one person told me, "I had a strangely shaped peg and didn't have a hole for him. He was a Vietnam vet with very good interpersonal skills, and we were able to find a perfect place in a field office."

Although moves may be designed to help the person with a problem, there is a strong norm that you do not pass the buck, handing off a problem employee without warning to an unsuspecting colleague. Several people told me that this was unacceptable behavior, and that you could not get away with it anyway, because FCS was such a small organization. As one person articulated the norms of appropriate behavior: "We do kind of want to look after each other. We don't do things like shift bad employees unless you let the person know that it is a bad employee. And it's like a favor, the way it's done. You look out for one another."

Navy managers, in contrast, reported a fair amount of transferring of problem employees, but there it sounded much more like buck-passing. Such transfers are not presented as being for the good of the employee. In fact, managers are fairly frank about their motives, even in front of their peers. For example, a first-line supervisor admitted in a group interview: "I have had an employee that

I would have liked to . . . take stern action against just on the work performance aspect. But again, knowing that I'm creating so much work for myself to do, I've shied away from it and given good references so that that person may move on to somebody else for a problem. You know, I shirked the responsibility off to somebody else and said, 'Hey, this is a great employee. Promote him. Take him.'

In the extreme, this approach leads to "promoting out" one's problems, particularly at the management level. A personnel specialist at EPA commented: "We have good managers, and some are rewarded, but we also have some terrible managers who [were] promoted because it was the only way to get rid of them. . . . People are promoted out or given an IPA [sent on an exchange program under the Intergovernmental Personnel Act] and that program is seen as a dumping ground for turkeys. One person I'm thinking of was promoted and put into another organization to work on a special project. Folks will say, 'I guess the way to be promoted is to screw up.'"

Turkeys, or poor performers, are not just sent out to IPA assignments. Sometimes, they are put on "turkey farms"—units engaged in low-priority work, where problem employees cannot do too much harm. Managers at several agencies talked about turkey farms. At EPA, a discussion among first-level supervisors brought out the conflict in values over this approach. One manager told the group, "You end up working your way through the management chain [asking your superiors for assistance in] trying to find a place where you can 'turkey-farm' the person." His approach was challenged by one of his peers, who questioned the ethics of passing judgment and "sentencing that person to the turkey farm," rather than trying to find a place where the person might be productive.

At APHIS, too, creating turkey farms is controversial. As we saw, the employee relations staff serves, to some extent, as the arbiter of cultural values, and one SES member was very distressed when someone in employee relations suggested that approach: "A number of years ago, a personnelist told me that one of the best

things that could be done in a given organization, was to create a—I can't remember the term he used for it—but it was something like a 'dead pool.' You know, this is where you put the problem cases, and just let them sit there and live together. That's terrible. That's absolutely terrible, when someone from within the system tells you this is the best way to deal with them."

A related concept is putting someone on the shelf—that is, putting the problem employee in a corner, giving him or her minimal work to do, and hoping that the person will get the picture and leave or retire. While the SES member quoted above was shocked by the idea of a "dead pool" (or turkey farm), his fellow managers at APHIS were the most likely to say that employees there were put "on the shelf." This was one case where the "social desirability" factor clearly affected responses. What was most striking about the interviews at APHIS was the gap between what people said they themselves did and what they described as typical in the organization. Only one person admitted to dealing with a problem by tolerating or ignoring it. But many people in both individual and group interviews told me that the norm at APHIS was to put people "on the shelf." This term was used consistently and frequently to describe current practice. One manager explained it this way: "The most famous way problem employees are dealt with is that they are shelved. You just try to make them think that they are busy. I see that all the time." Specific examples of "shelved" employees were individuals whose performance was inadequate, people who were doing personal business from their desks, and whistle-blowers whom managers were afraid to deal with.

Further, it was clear that first-line supervisors at APHIS felt they were getting signals from their superiors that ignoring or shelving problem employees was a culturally acceptable solution. The SES members in the group interview talked frankly about the fact that problem employees are either shelved or moved. They told me about the agency reorganization in 1989, and how it was used to put even high-level employees on the shelf: "We ended up

with some people that we didn't know where to put, so we created some positions for them, and we have some high-level people in positions right now that are not productive. We don't know where to put them."

At EPA, shelving people was much less common, and it had a different impetus. As we saw in Chapter One, EPA is a highly politicized organization that has gone through significant political upheavals. This is reflected in several stories about people who had been put on the shelf because they fell out of political favor. In a few cases, such people were later resurrected and rose to high positions, sometimes when a new administration came in. More frequently, it is clear that they were squeezed out.

The Time and Place for Formal Action

Many performance problems get solved positively through counseling or through use of the performance appraisal system. In some sense, taking a formal disciplinary action, particularly a dismissal, can be seen as a management failure—an inability to turn the situation around. In fact, Gaertner and Gaertner (1984) report that in their study (which included EPA as a site), it was the most outstanding managers who preferred informal means of dealing with problem employees.

Nonetheless, even the best of supervisors cannot succeed with all problem employees. What determines whether, as a second step, managers ship out or tolerate their problems or initiate formal action? A critical factor appears to be the level of technical support and encouragement they receive from the employee relations office. At the two agencies where managers were most likely to take formal action, EPA and the Navy, the managers also gave the employee relations staff unequivocal high marks. Most respondents saw employee relations as helpful, service-oriented, and knowledgeable; the specialists were described as being accessible and as willing to assist managers in such tasks as drafting formal letters to

employees. In almost all cases, the employee relations staff gave managers both the technical and the moral support to go through the process. They helped with informal solutions, such as arranging a transfer, but also (with only rare exceptions) did not try to dissuade managers from going through the formal process. One of their services was to share information about how similar cases had been handled in the past. This is important because if the handling of a case does not follow precedent, it is more vulnerable to reversal if the employee appeals or starts a grievance procedure (Redeker, 1989). Further, such precedents are expressions of organizational norms.

At FCS, and to a lesser extent at APHIS, managers were frustrated by the messages they got from the employee relations staff. At FCS, while several managers said they had received good support, a number felt the employee relations staff were overly cautious. One person saw them as being paralyzed by "the overwhelming fear of a lawsuit or grievance," but their caution may also reflect perceptions about the kinds of actions top-level management will support. In short, the employee relations staff at FCS appeared to be reinforcing and communicating cultural norms that said, "Take formal action rarely, and only as a last resort."

It is true that the fear of facing protracted litigation or having a case reversed on appeal is a significant deterrent for some managers and personnel staff. But how realistic is this fear? First, as we saw, in the majority of cases where formal action is initiated, the employee sees the handwriting on the wall and leaves voluntarily in order to avoid having a dismissal on his or her record. The number of cases that actually go to formal appeals or grievances is quite small, but there were, indeed, some horror stories. The only place where such stories were widespread was at the Portsmouth Naval Shipyard, which was also the only site with a significant number of blue-collar employees and with active unions. The nature of the shipyard workforce was reflected in the kinds of problems supervisors faced; the shipyard was the only site where I heard about

cases of fighting or theft of equipment. It was also the only site where significant numbers of managers told me about using formal disciplinary actions short of dismissal, such as letters of reprimand or suspensions. But the fear of losing a discipline case on a technicality came up frequently. For example, a Wage Grade (blue-collar) supervisor in a group interview reported that he "once went through great pains to remove an individual, and the individual was back on the shipyard not a month later with all back pay, over a technicality in this office." When I asked for more detail, the supervisor said, "Basically, [the employee] never showed up for work. Constantly undependable. And we just went to remove him. And it was just some paperwork screwup here. I don't remember what they did. He grieved it [filed a formal grievance], went to court in Boston, I guess it was, and he came back on the shipyard. You hear of it. Every code [every part of the organization] has got one of those stories."

He was quite right. Virtually everyone in the room chimed in with a similar story. When I raised this issue with the personnel officer in charge of such cases, I got a strong response: "Those technical nightmares they talk about were back in the beginning, back in the early eighties. There hasn't been a case overturned on a technicality in eight years. When I hear that, I bristle. That's a cop-out. You have to have documentation, but you don't need the mounds of documentation for performance-based actions that you used to. It's never been easier to remove someone for poor performance."

While he may be right that it is now unlikely for an action to be overturned on appeal, the reality of recent experience may be less powerful in affecting managers' behavior than the stories and myths that circulate around the agency. It takes only one or two really difficult situations, perhaps embellished as they travel through the grapevine, to convince managers that it is better to cut a deal or to avoid facing a problem than to become embroiled in a grievance or appeal.

To summarize: Most managers would prefer to deal with prob-

lem employees informally. But when they are faced with a problem that does not improve, they are likely to go through the lengthy and complex formal process only if they have strong support both from their superiors (sometimes several layers up) and from the employee relations staff. The last thing they want is to find themselves out on a limb, facing an angry employee or a long-drawn-out appeal, without both technical and moral support.

Conclusions

Analyzing how managers deal with problem employees is particularly complex because this is one area where all the different factors we have been considering come together—where we can look simultaneously at the effects of the formal civil service rules and regulations, of the organizational environment, of the budget, and of managers' own role perceptions and skill levels. What conclusions can we draw from this analysis?

Is Changing the Rules the Answer?

First, we can say that the formal rules count, but not that much. While managers often say it is the complexity and slowness of the formal system that keeps them from acting, a little probing leads to the conclusion that the rules are only one of a number of constraints on managers and not necessarily the biggest. Would changing the rules make things easier? Perhaps, but there are some big caveats. First, it is not just the rules themselves but managers' perceptions of the rules that really count. The procedural changes made as part of the 1978 Civil Service Reform Act (CSRA) were passed amid much verbiage about getting rid of the deadwood in government, but managers did not see them as making a significant improvement, and in fact, the new procedures for performance-based actions are not used very much.

Further, changing the formal rules will not have any effect if the

standards used to adjudicate appeals and grievances remain the same. In fact, one can go so far as to say that the real rules are not the ones written in the law or the Code of Federal Regulations but those that evolve through the equivalent of case law. For example, the Merit Systems Protection Board, in a landmark case, *Douglas v. Veterans Administration*, 5 M.S.P.R. 280 (1981) (cited in Shaw and Bransford, 1992), set forth the standards that agencies should apply in determining the penalties for specific offenses. These "Douglas factors" then became the standards that guide agency actions, and managers must be familiar with them. Training manuals or managerial guides probably devote as much or more space to standards deriving from such precedents as they do to the formal regulations (see Shaw and Bransford, 1992).

The importance of the appeals and grievance procedures in actually setting the standards is only reinforced by the role of the courts. Because the courts have set forth general standards of due process based on the view of a government job as "property" (Shafritz, Riccucci, Rosenbloom, and Hyde, 1992), any change in formal rules that jeopardizes the right to due process is likely to be overturned by the courts. In fact, the planners of the 1978 CSRA considered, in their earliest drafts, much more drastic changes in the rules for discipline but were told that their proposals would never hold up in the courts.

More recent proposals for change share the same flaw. The National Performance Review, headed by Vice President Al Gore, has talked about deregulating the government, including personnel policy. One of its goals is to "reduce by half the time required to terminate federal managers and employees for cause and improve the system for dealing with poor performers" (National Performance Review, 1993a, p. 25). Given all the complaints about how long the process takes, this sounds like an admirable idea, but let us look at the specifics. The proposal is in two parts, one a recommendation that "agencies . . . halve the length of time during which managers and employees with unsatisfactory performance ratings are

allowed to demonstrate improved performance" and the other a call for legislation to change the required time for notice of termination from thirty days to fifteen. The second proposal is fairly trivial; when managers complain about how long it takes to go through the disciplinary process, they probably are griping not about giving the employee an extra two weeks in which to prepare for a hearing but rather about the months of documentation and counseling that precede that point. However, changing the length of time employees are given to demonstrate improved performance is dangerous. The problem is that the reformers cannot control those with the real power in this area. If MSPB or those hearing grievances or the courts feel that the time given to show improvement is too short, they will overturn these actions. In fact, it is the complex, overlapping appeals/grievance/EEO processes that probably need fixing. The National Performance Review report *Reinventing Human Resource Management* (1993d) makes precisely this point. It states, "While an employee's right to due process must be protected, there is a need for streamlining the current processes" (p. 40). Among the solutions it recommends is adoption of alternative methods of dispute resolution.

In truth, managers are more ambivalent about the current rules than one might initially think. After they have vented their frustration with the system, at least some go on to say that it should not be too easy to fire an employee. And their views change somewhat with their perspective. When they think about what could happen if the tables were turned and someone were taking action against them, the protections in the present system do not look too bad.

It is also clear that changing the formal rules may have little effect on the organizational culture. Currently, working within the same formal rules, managers in different organizations tend to handle problem employees in different ways. These differences reflect the cultural values dominant in the organizations, the signals managers get from top leadership, and even the agencies' budgets. Budgetary effects can cut both ways. On the one hand, managers may

be less tolerant of poor performers when times are tight and there is little slack in the organization. On the other hand, as we will see in Chapter Seven, if the agency has imposed a hiring freeze or a reduction in force is threatened, managers may have a disincentive to act since they may not be able to replace the person they dismiss and may even lose the position and be unable to replace the person later when resources open up.

Depending on the organizational environment, managers may see informal responses to problem employees as appropriate. Managers are unlikely to take actions that their organizations or superiors will not back them on. In the ideal scenario—which is sometimes realized—they find win/win solutions, such as moving the employee to a job where he or she is happy and productive. But many managers will look for solutions that lower the costs to them personally, even if these solutions are not in the best interests of the organization as a whole. Shipping one's problems elsewhere is particularly attractive if it is condoned or even supported by the organization.

Managerial Avoidance

It should come as no surprise that managers avoid dealing with difficult employees. We all tend to avoid tasks that are unpleasant. But in this case, that natural tendency is exacerbated by two factors: managers' role definition and their know-how. Taking the time and energy to deal with problem employees is particularly difficult for managers whose sense of their "real" job is technical, not managerial. This is particularly true for the people I have termed worker-managers—people who, in some sense, are straddling the fence between the two roles of technical expert and supervisor of others. Which side of the fence they lean toward will depend on the incentive structures under which they work. The signals they get from their supervisors about how to set priorities and how to deal with specific problems are therefore very important. They are even more

important for a pseudo-supervisor, who has only minimal supervisory responsibilities. In that case, the real authority to take action falls to the person who is officially the second-level supervisor but who may or may not have any sense of what the problem employee is doing on a day-to-day basis. This unclear division of authority is always awkward and can be disastrous.

Finally, some managers are frank in admitting that they avoid dealing with problems because they just do not know how to handle them and do not understand the formal procedures. These are not "bad" managers but individuals who lack training. Often, there is no incentive to get this training until a problem arises—at which point, unfortunately, it may be too late.

The issue of discipline figures prominently in such stereotypes of government as the impossibility of firing a government worker and the contemptuous saying, "good enough for government work." Is the government getting a bum rap? It is hard to estimate the amount of deadwood in any organization. I would argue, first, that some parts of government are doing much better than others at dealing with their problems, whether informally or formally. Second, there is some evidence that private sector managers, too, are hesitant to take disciplinary action, both because of the desire to avoid conflict and because of the fear of lawsuits (Imundo, 1985). But however we assess the severity of the problem, what is clear from this analysis is that there are no quick fixes; simply changing the formal rules will not get at the equally important organizational constraints. Genuine improvements will only come through changes in the organizational culture, in the definition of managerial roles, and in the methods of selection and training of new managers. In fact, the National Performance Review report *Reinventing Human Resource Management* (1993d) recognized the importance of improving both organizational culture and management skills in this area. In addition to calling for streamlining the formal procedures, as discussed above, the report advocated the development of a "culture of performance that supports supervisors' efforts to deal

with poor performers" (p. 41), pointing out that lack of management support was seen by supervisors as an obstacle to action. Further, the report called for improving "supervisors' knowledge and skills in dealing with poor performers" (p. 41)—particularly interpersonal skills, but also skills in performance planning and performance management and knowledge of disciplinary policy and procedures. Taken as a whole, these recommendations fit well with the conclusions of the research described here: that managers' strategies for dealing with problem employees are shaped by more than the formal rules and procedures. The culture and values of their organization, their (and their organization's) definition of the supervisory role, and their background and training as supervisors are all determining elements in their choice of strategies.