



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548
RELEASED

20460
119159

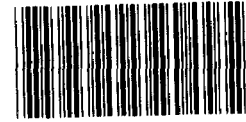
FEDERAL PERSONNEL AND
COMPENSATION DIVISION

... of the Department of the Interior ...
... also ... of the Department of the Interior ... approval
... of the Office of Personnel and Compensation ...

B-208025

JULY 12, 1982

The Honorable Geraldine A. Ferraro
Chairwoman, Subcommittee on
Human Resources
Committee on Post Office and
Civil Service
House of Representatives



119159

Dear Madam Chairwoman:

Subject: Part-Time Employment in the Federal Government
(GAO/FPCD-82-54)

This report responds to your September 22, 1981, request that we examine the status of part-time employment in the Federal Government and agencies' implementation of the Federal Employee Part-Time Career Employment Act of 1978 (Public Law 95-437). This act was passed to increase career part-time employment opportunities throughout the Federal Government.

The number of permanent part-time employees in the Government, (excluding the Postal Service), increased by almost 14,000 from January 1979 to January 1981 when part-time employment reached its highest level of 60,610. However, since that time, overall part-time employment has been declining. From January to December 1981, the number of part-time employees declined from 60,610 to 56,325, a reduction of 4,285 employees. Part-time employment rose slightly from 56,325 in December 1981 to 57,452 in January 1982. However, the number of part-time employees in January 1982 was still 3,158 less than a year earlier. As of March 1982, part-time employment declined to 56,496. In view of the Reagan Administration's projected reductions of 150,000 positions in the Federal civilian work force by the end of fiscal year 1987, the number Federal part-time employees may continue to decline.

We found that part-time employees were separated during reductions-in-force (RIFs) in fiscal year 1981 at a slightly higher rate than full-time employees. However, only 126 part-time employees were separated in RIFs during the year.

We also found that most agencies we reviewed violated certain requirements of the act and that the Office of Personnel Management's (OPM's) involvement in the program has been limited. Furthermore, OPM's completion of a special research program on part-time employment as required by the act is in

(966059)

522702

jeopardy because of staffing and budget reductions at the participating agencies.

OBJECTIVES, SCOPE, AND METHODOLOGY

As agreed with your office, the objectives of this review were to analyze trends in part-time employment since January 1979; determine the extent to which permanent part-time employees were affected by RIFs in fiscal year 1981; and determine whether OPM and other Federal agencies were complying with specific requirements of the act.

We conducted our work from September 25, 1981, to May 7, 1982, at OPM and seven other Federal department and agency headquarters in Washington, D.C.--the Veterans Administration, the General Services Administration, and the Departments of Agriculture, Commerce, Health and Human Services, Interior, and Treasury. We selected these departments and agencies because they employ most of the permanent part-time employees in the Government and also accounted for most of the part-time employee reductions during 1981. We interviewed officials at these agencies to discuss their part-time employment programs and to determine the reasons for fluctuations in part-time employment levels.

We analyzed work force statistics compiled by OPM to identify trends in the level of part-time employment in the Federal Government. In addition, we interviewed OPM officials to determine how OPM is carrying out its responsibilities under the act.

Using information in OPM's Central Personnel Data File (CPDF) and data obtained at the above agencies, we compared the separation rate in RIFs of part-time and full-time employees Government-wide. We also used data from the CPDF to determine the sex and age composition of the part-time permanent work force and what percentage was handicapped.

We reviewed each agency's part-time employment regulations and discussed the programs with agency officials to assess whether the agencies were complying with specific provisions of the act. We also reviewed the semiannual part-time employment reports prepared by each agency to determine the extent to which agencies were able to maintain part-time employment programs.

The review was performed in accordance with our current "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions."

BACKGROUND

The Federal Employee Part-Time Career Employment Act of 1978 (Public Law 95-437, dated October 10, 1978) was enacted to increase

career part-time employment opportunities throughout the Federal Government. The act did not apply to the Postal Service and certain other Government organizations. The Congress mandated that more part-time jobs be offered, recognizing that part-time employment not only suits the needs of many productive individuals who cannot meet the requirements of a standard workweek, but also

- allows older individuals to make a gradual transition into retirement;
- provides employment opportunities to handicapped individuals or others who require a reduced workweek;
- allows parents to balance family responsibilities with the need for additional income;
- benefits students who must finance their own education or vocational training;
- benefits the Government, as an employer, by increasing productivity and job satisfaction while lowering turnover rates and absenteeism, offering management more flexibility in meeting work requirements, and filling shortages in various occupations; and
- benefits society by offering an alternative for those who require or prefer shorter hours (despite the reduced income), thus increasing jobs available to reduce unemployment while retaining the skills of individuals who have training and experience.

According to statistics compiled by OPM in July 1981--the latest information available at the time of our review--women comprised about 69 percent of the Government's part-time work force compared to 39 percent of the full-time work force; 10 percent of the part-time employees were over age 55 compared to about 15 percent of the full-time work force; 7.5 percent were under age 23, compared to 6.7 percent of the full-time work force; and 5 percent were handicapped compared to 7 percent of the full-time work force.

To promote the expansion of part-time employment in the Federal Government, the act requires

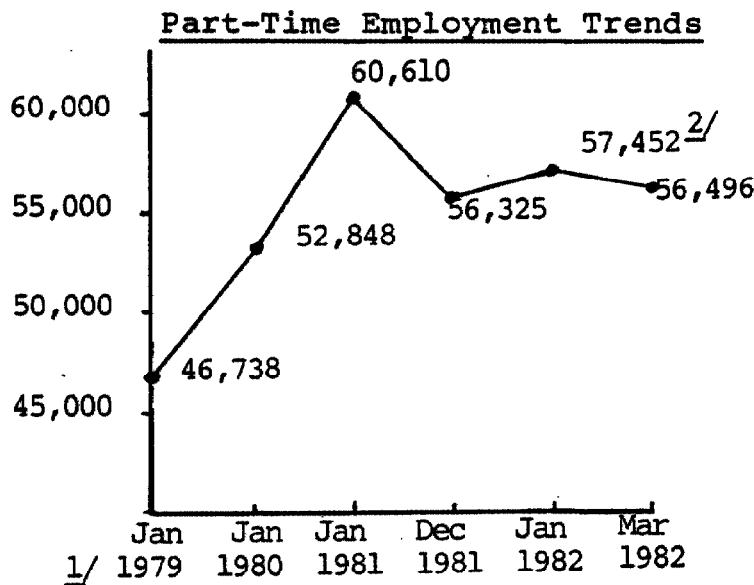
- agencies to establish, by regulation, programs to expand career part-time employment opportunities and set annual goals and timetables for establishing part-time positions;
- agencies to report twice each year to OPM on their progress in meeting part-time employment goals;
- OPM to advise and assist agencies in the establishment and maintenance of their programs;

- OPM to conduct a research and demonstration program on part-time career employment in the Federal Government; and
- agencies to count part-time employees for personnel ceiling purposes on the basis of the fractional part of the 40-hour week actually worked.

The act allowed departments and agencies a very broad degree of administrative discretion in determining which jobs could be performed on a part-time basis. It did not mandate any part-time quotas, but required agencies to establish part-time employment goals and timetables for achieving the goals. The act did not give part-time employees any special protections in a RIF. Decisions on which positions to abolish in a RIF are entirely within the discretion of agency management. However, OPM RIF regulations require that separate competitive levels be established for full-time and part-time employees so that employees do not compete with one another for available positions. The procedures for separating part-time and full-time employees are identical, and part-time employees are given the same rights and protections as full-time employees when competing with other part-time employees.

PART-TIME EMPLOYMENT GREW UNTIL JANUARY 1981 BUT HAS SINCE DECLINED

As shown in the following chart, part-time employment increased from 46,738 in January 1979 to 60,610 in January 1981, and declined to 56,496 by March 1982. (Full-time permanent employment in the Government declined by about 12,000 employees from January 1979 to March 1982.)



^{1/}According to an OPM official, the earliest statistics on part-time employment under the act were as of January 1979.

^{2/}This increase from the December 1981 level was primarily due to the return to duty of Internal Revenue Service seasonal part-time employees.

A major reason for the increase in part-time employment from January 1979 to January 1981 was that the Carter Administration raised agencies' personnel ceilings for other than full-time permanent positions at the same time that ceilings for full-time permanent positions were reduced. Moreover, as noted in an earlier GAO report, ^{1/} hiring freezes on full-time employees imposed by the Carter Administration during this period caused some agencies to hire more part-time employees.

DECLINE IN PART-TIME EMPLOYMENT DURING 1981

From January through December 1981, permanent part-time employment decreased by 4,285 employees. OPM and agency officials attributed the overall decline to the following: (1) Some part-time Internal Revenue Service (IRS) employees who are employed only during the tax season were in a leave-without-pay status in December. (2) Some part-time employees converted to full-time positions. (3) Some agencies did not fill vacant part-time positions because of budget and staffing uncertainties. (4) To a lesser extent, some part-time employees were separated during RIFs. Although total part-time employment declined in 1981, some agencies experienced increases in part-time employment. For example, the Department of Defense, which was hiring staff, had 734 more part-time employees in December 1981 than in December 1980.

IRS seasonal employment

IRS employs approximately 2,000 permanent part-time employees during the tax season, usually from January to September each year. They are included in OPM's part-time employment statistics when in a pay status, but when they are on leave-without-pay they are not included. Thus, these employees are included in the January statistics, but not the December statistics.

Conversions to full-time positions

OPM and agency officials told us that many employees take part-time appointments and later convert to full-time positions when available. OPM officials could not provide us with exact figures, but estimated that as many as 2,000 part-time employees, or about half of the 1981 part-time employment reduction, converted to full-time status during this period. According to agency officials, some employees may have converted because they believed their chances of retaining a job under a RIF would be better if they were in a full-time position.

^{1/}"Recent Government-wide Hiring Freezes Prove Ineffective in Managing Federal Employment" (FPCD-82-21, March 10, 1982).

OPM and agency officials also stated that some employees may have taken part-time appointments during the Carter Administration's hiring freezes on full-time positions with the intention of converting to full-time at the first opportunity. Although the Reagan Administration imposed a freeze on hiring for all permanent positions (both full-time and part-time) from January to mid-March 1981, part-time employees were not prohibited from converting to full-time during the freeze.

Budget and staffing uncertainties

Agency officials stated that because of the budget and staffing uncertainties associated with the Reagan Administration's plans to significantly reduce the size of the Federal civilian work force, their agencies were reluctant to fill part-time positions that were vacated. Also, because of budgetary constraints, some agencies imposed hiring freezes which prevented them from filling vacant part-time positions. For example, the National Bureau of Standards, Department of Commerce, reported to OPM that for the period April 1, 1981, to September 30, 1981, it could not fill any vacant part-time positions because of a hiring freeze imposed by the Bureau during the period. The Bureau also noted that the trend was likely to continue because of budget cuts and lower personnel ceilings. The General Services Administration (GSA) also reported to OPM that the Reagan Administration's personnel reductions had a decided effect on the part-time program because these reductions prevented new hiring to fill vacant part-time positions. GSA said it expected the part-time program to mirror the general reduction in personnel.

According to agency reports to OPM on their part-time programs, the expansion of career part-time employment opportunities has been impeded by factors other than the ones mentioned above. Many agencies stated that there has been limited turnover in full-time positions which were identified for part-time participation. Also, there has been a low level of employee interest in converting from full-time to part-time positions.

The agencies' ability to fill vacant part-time positions or establish new positions could be significantly limited in the future if the Reagan Administration proceeds with its plans to cut permanent Federal employment by 150,000 positions by fiscal year 1987. We contacted the Association of Part-time Professionals, Inc., to obtain their views on the outlook for part-time employment in the Federal work force. The Association's president stated that an increase in part-time employment is not expected because of the actual and projected cutbacks in total Federal employment. The president also said that because of the budget reductions, agencies may be more inclined to hire full-time rather than part-time employees.

Reductions-in-force

According to statistics compiled by OPM on RIFs in fiscal year 1981, 126 permanent part-time employees were separated from Federal service. The rate of part-time separations was slightly higher than that of full-time employees. However, in both instances, the rate of separations was less than 1 percent of the part-time and full-time work forces. The rate of separation for part-time employees was .23 percent as compared to .16 percent for full-time employees.

MOST AGENCIES ARE NOT FULLY
COMPLYING WITH THE ACT

The Part-Time Career Employment Act of 1978 requires agencies to establish, by regulation, a part-time career employment program. The act also requires agencies to take specific actions in maintaining their part-time programs. The agencies we contacted had established part-time programs and procedures for notifying the public of vacant part-time positions, but most of them have not carried out certain specific requirements of the act. The act requires that agencies:

- Review vacant positions to determine the feasibility of filling such vacancies on a part-time basis and establish procedures and criteria for converting positions. Only two of the seven agencies we reviewed were complying with this provision of the act. Although the act requires that agencies provide for communication and coordination of activities relating to the part-time career employment program, the part-time coordinators at five of the agencies reviewed did not know whether their subordinate organizations were routinely reviewing vacant positions or whether they had established procedures and criteria for converting positions.
- Establish annual goals and timetables for converting positions. Four of the seven agencies reviewed have not established annual goals and timetables for part-time employment. One agency official explained, for example, that goals were not set because of hiring freezes and the uncertainty associated with probable budget, program, and personnel cuts.
- Continuously review and evaluate the part-time programs. Five of the agencies reviewed do not have any review or evaluation process to monitor their part-time programs; nor do they include the part-time program as an item for review during the agencies' personnel management evaluations.

It is not apparent whether the agencies' violation of specific requirements of the act had any direct effect on agencies' part-time programs. For example, the Department of Agriculture did not set a firm part-time goal for fiscal year 1980, but it

established 1,725 new permanent part-time positions that year. Also, the Department of Health and Human Services did not establish goals or timetables for fiscal years 1980 and 1981, but was the only one of the seven departments and agencies we reviewed that increased part-time employment in 1981.

OPM'S ROLE LIMITED

OPM's responsibilities under the act are limited to advising and assisting agencies in establishing and maintaining part-time career employment programs and to conducting a research and demonstration program related to part-time career employment in nontraditional jobs (supervisory, managerial, and professional positions) and job sharing arrangements.

Since the act was passed, OPM has issued regulations covering the part-time program and has published a series of bulletins and fact sheets which provide agencies with information on public and private sector practices, interpretation of the act, and other guidance. According to the part-time program coordinators at the agencies we reviewed, OPM has provided adequate guidance on the part-time program.

OPM's research efforts to date have been limited to the development in 10 agencies of a 2-year experimental part-time direct hire program designed to determine

- whether specially tailored staffing arrangements are needed to produce adequate supplies of well-qualified part-time workers,
- whether retention of employees in part-time positions can be improved by restricting mobility to full-time employment, and
- what special recruitment techniques or services are helpful in finding candidates for part-time jobs.

This program began in July 1980 and provided (1) the 10 selected agencies with the authority to fill certain part-time positions directly without going through OPM, (2) a restriction on the movement of these part-time direct hires to full-time positions, and (3) for certain projects within the study, a comparison of employees appointed under the direct hire authority with those hired through normal procedures to identify the most effective methods of finding and retaining part-time employees.

Since the program was initiated, however, the participating agencies have not used the part-time direct hire authority to the extent intended under the project. The reasons cited by the agencies included staffing and budgetary limitations and the pos-

sibility that reductions-in-force might be necessary. In view of the continued prospect of reductions in the Federal work force, an OPM official stated that the objectives of the test program may not be achieved.

As your office requested, we did not obtain agency comments on this report. Also, as arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of the report for 30 days. At that time, we will send copies to the Director, Office of Personnel Management; the heads of the agencies included in the review; and other congressional committees having jurisdiction over matters discussed in the report. We will make copies available to others upon request.

Sincerely yours,



Clifford I. Gould
Director