

GAO

Briefing Report to the Chairwoman, Task Force on Economic Security, Select Committee on Children, Youth and Families, House of Representatives

July 1986

FEDERAL PERSONNEL

Federal Agencies' Part-Time Employment Programs



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The Honorable Patricia Schroeder
Chairwoman, Task Force on Economic Security
Select Committee on Children,
Youth and Families
House of Representatives

Dear Madam Chairwoman:

This report responds to your request for information on permanent part-time employment programs in the federal government. In discussions with your representatives, we agreed to gather statistical data showing the general characteristics of the federal part-time work force and to obtain information about the part-time employment programs of the Office of Personnel Management (OPM), the Veterans Administration, the General Services Administration, the Federal Trade Commission, the Environmental Protection Agency, the Export-Import Bank, the Library of Congress, and the Departments of Navy and Labor.

We reviewed part-time employment legislation, policies, and procedures. We also discussed the program with officials of the above nine agencies and reviewed pertinent program data. Statistical data showing governmentwide trends in part-time employment were developed from OPM summary reports and OPM's Central Personnel Data File. We conducted our review from July 1985 through April 1986. The results of our review are summarized below and discussed in greater detail in the appendix.

The objective of the Federal Employees Part-Time Career Employment Act of 1978 was "to provide increased part-time career employment opportunities throughout the Federal Government." While the number of part-time employees governmentwide increased during 1979 and 1980, the first years after the legislation became effective, there has since been a general downward trend. From January 1981 to January 1986, part-time employment dropped by about 11 percent. Over the same period, the total number of permanent federal employees increased by about 1.5 percent.

Moreover, permanent part-time employees remain concentrated in the lower salary grades. The number of permanent part-time white-collar employees at grades GS-10 and above represented 16.6 percent of all permanent part-time white-collar employees as of July 1985. Permanent full-time white-collar employees in grades GS-10 and above were 42 percent of the total permanent full-time white-collar work force as of July 1985.

The nine agencies discussed in this report have programs of varying degrees of development and emphasis to encourage part-time employment. Four of the agencies had goals for part-time employment, and five agencies established procedures for reviewing and evaluating their part-time programs as required by the act. Officials at the agencies told us they believe OPM has provided adequate guidance on the part-time employment program.

As directed by your office, 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 this report until 10 days from its issue date. At that time, we will send copies to OPM, the other eight agencies we visited, and other interested parties upon request. If further information is needed, please call me on 275-6204.

Sincerely yours,


Rosslyn S. Kleeman
Senior Associate Director

PART-TIME FEDERAL EMPLOYMENTBACKGROUND

The Federal Employees Part-Time Career Employment Act of 1978 (Public Law 95-437, dated October 10, 1978) was enacted "to provide increased part-time career employment opportunities throughout the Federal Government."¹ The act covers executive and judicial branch agencies, the Library of Congress, the Botanic Gardens, and the Office of the Architect of the Capitol. It does not cover the Postal Service and certain other government organizations such as the Central Intelligence Agency, the Federal Bureau of Investigation, and government controlled corporations.

The act mandated that more part-time jobs be offered to meet the needs of many individuals who could not work a standard workweek. The act noted that part-time work

- allows older individuals to make a gradual transition into retirement;
- provides employment opportunities to the handicapped and others who require a reduced workweek;
- benefits students who must finance their own education or vocational training;
- allows parents to balance family responsibilities with the need for additional income;
- 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.

As agreed with committee representatives, we obtained information about the part-time employment programs of the Office of Personnel Management (OPM), the Veterans

¹"Part-time career employment" means employment of 16 to 32 hours a week under a schedule consisting of an equal or varied number of hours each day (or 32 to 64 hours during a biweekly pay period in the case of a flexible or compressed work schedule) but it does not include employment on a temporary or intermittent basis.

Administration (VA), the General Services Administration (GSA), the Federal Trade Commission (FTC), the Environmental Protection Agency (EPA), the Library of Congress (LOC), and the Departments of Navy and Labor. The Export-Import Bank was also included in our review at the request of committee representatives; however, the Bank is not covered by the act since it is a government controlled corporation.

AGENCIES' AND OPM'S
RESPONSIBILITIES
UNDER THE ACT

The act holds each covered agency primarily responsible for establishing and maintaining a program to foster part-time career employment. The act also requires OPM to conduct research and demonstration projects on how part-time career employment in the federal government can be enhanced and to advise and assist agencies in the establishment and maintenance of their programs.

Federal agencies are required by the act to report biannually to OPM on their part-time employment programs. The reports are to include details on the agencies' progress in meeting their part-time career employment goals and an explanation of any impediments in meeting such goals together with a statement of the measures taken to overcome such impediments.

The act requires OPM to include in an annual report to the President for transmittal to the Congress a description and an evaluation of the activities of agencies in carrying out the provisions of the act. However, OPM's annual report for 1979 did not contain this information, and OPM did not prepare an annual report for 1980 or for any year subsequent to the enactment on October 19, 1980, of the Congressional Reports Elimination Act. According to the OPM General Counsel's office, this act eliminated OPM's part-time reporting requirement. For calendar years 1981 to 1983, OPM prepared summary reports on the part-time program including statistical information compiled from agencies' biannual reports and highlights of part-time employment trends. The summary reports were not sent to the President or the Congress. Although the agencies we visited submitted reports to OPM in 1984 and 1985, OPM did not prepare summary reports.

DECREASE IN PART-TIME
EMPLOYMENT

Permanent part-time employment increased from 46,738 employees in January 1979² to a peak of 60,610 employees in

²Part-time employment statistics as of January 1979 are the earliest statistics shown in OPM's summary reports on the part-time program.

January 1981. Since then, permanent part-time employment declined by about 11 percent. As of January 1986 (the latest data available at the time of our review), the total number of part-time employees was 54,041. In contrast, total permanent federal employment (excluding the Postal Service) increased by 1.5 percent--from 1,969,192 employees in January 1981 to 1,999,170 employees in January 1986. As of January 1981, part-time employees were about 3.1 percent of the permanent federal civilian work force; as of January 1986 they were about 2.7 percent.

Figures 1 and 2 illustrate how part-time and total federal employment have changed since January 1979. The numbers of part-time employees were taken from OPM's 1981 to 1983 summary reports or were calculated using other OPM data and the same methods of calculating the numbers shown in the 1981 to 1983 summary reports. Table 1 on the following page shows part-time employment data for the agencies reviewed.

Figure 1
Total Permanent Federal Employment
Trends From 1979 to 1986

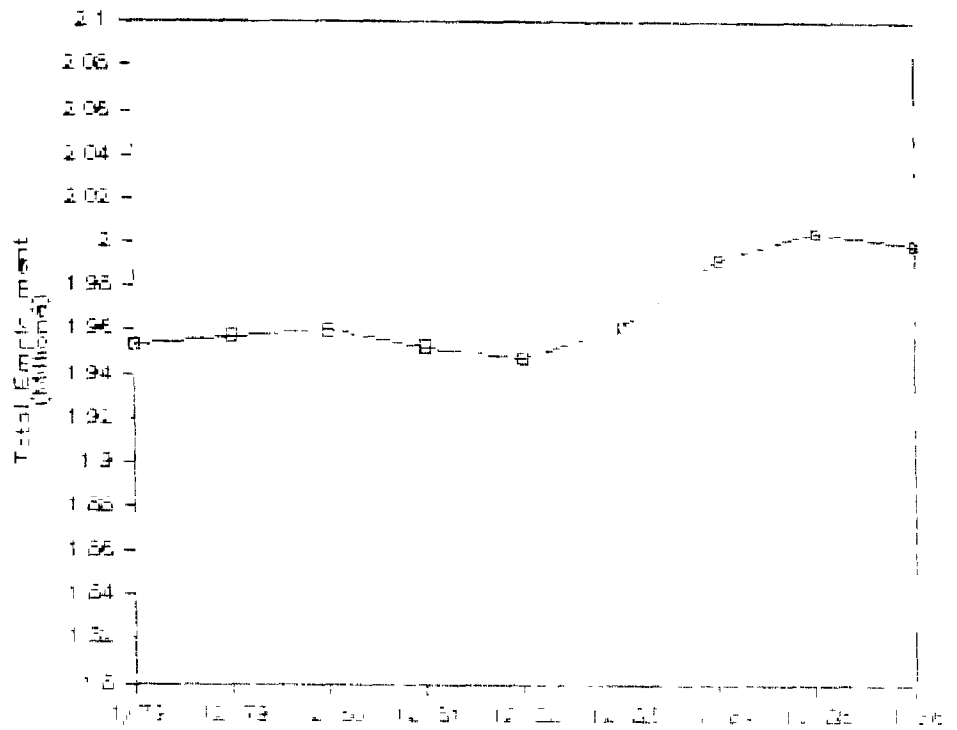


Figure 2
Permanent Part-Time Federal Employment
Trends From 1979 to 1986

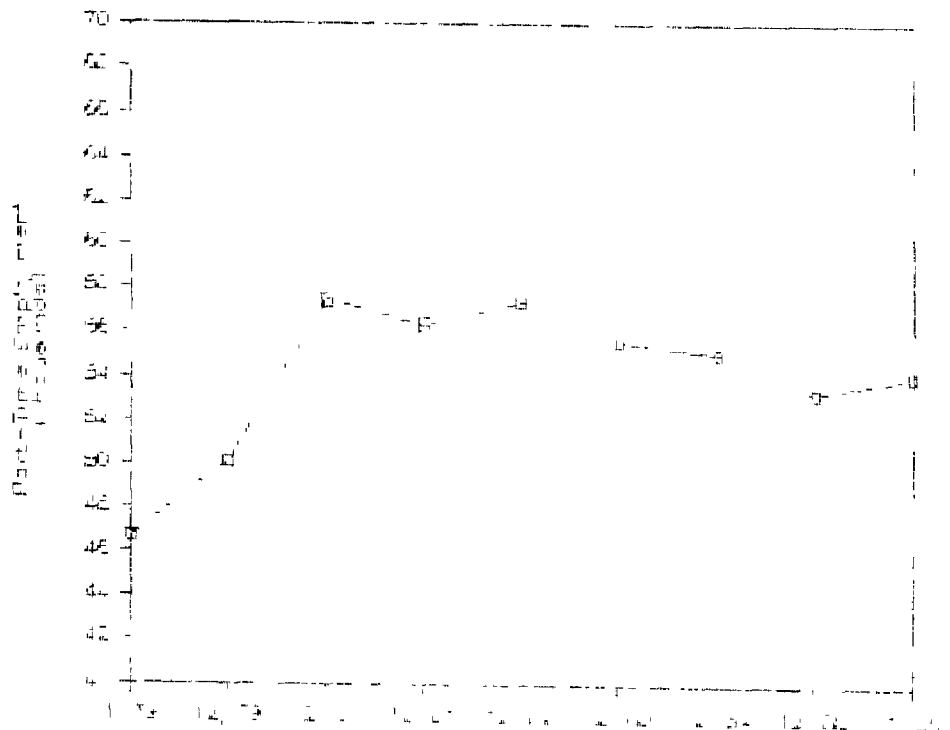


Table 1
Trends In Permanent Part-time Employment
For the Nine Agencies Reviewed

Date	FTC	<u>LOC</u>	<u>EPA</u>	<u>GSA</u>	<u>Export- Import Bank</u>	<u>OPM</u>	<u>Navy</u>	VA	Labor
<u>Number of permanent part-time employees/(percentage of total agency permanent employment)</u>									
January 1979	50 (3.0)	Not Available	417 (4.1)	394 (1.1)	12 (3.0)	619 (7.7)	1,686 (.6)	14,519 (7.0)	260 (1.2)
December 1979	92 (5.6)	188 (3.8)	761 (7.0)	871 (2.5)	10 (2.6)	703 (8.8)	1,744 (.6)	14,374 (7.0)	543 (2.5)
December 1980	95 (5.9)	173 (3.5)	1,326 (11.2)	1,443 (4.2)	12 (3.3)	869 (10.6)	1,941 (.7)	15,960 (7.6)	612 (2.8)
December 1981	72 (4.8)	168 (3.4)	1,221 (11.2)	1,028 (3.3)	14 (4.1)	905 (12.6)	2,075 (.7)	15,839 (7.6)	560 (2.8)
December 1982	73 (5.4)	151 (3.0)	1,135 (11.2)	638 (2.3)	11 (3.4)	695 (10.9)	2,035 (.7)	16,552 (7.8)	540 (2.9)
December 1983	62 (5.2)	183 (3.7)	861 (8.4)	607 (2.2)	9 (2.9)	507 (8.1)	2,085 (.7)	17,166 (8.0)	534 (2.8)
December 1984	65 (5.5)	200 (4.0)	779 (6.6)	406 (1.5)	13 (3.9)	548 (8.6)	2,339 (.8)	17,297 (8.0)	551 (3.1)
January 1986	62 (5.9)	164 (3.6)	641 (5.2)	249 (1.1)	10 (3.3)	703 (11.5)	2,420 (.8)	17,680 (8.3)	651 (3.7)

OPM officials told us that they attribute the overall decline in part-time employment to (1) a reluctance by managers, due perhaps to lack of information or a negative attitude about the program, to employ part-time workers; (2) cuts in employment levels in nondefense agencies; and (3) past and current budget reductions and hiring freezes at several agencies.

DIFFICULTIES IN FILLING PART-TIME POSITIONS

We asked agency officials their views on implementing the part-time program. Problems cited by agency officials in filling part-time positions included (1) low part-time income can cause financial difficulty when the costs of transportation and the general cost-of-living are considered; (2) new employees are interested in part-time employment only as a stepping-stone to full-time employment, thereby causing a significant amount of turnover in part-time positions; and (3) few employees are interested in converting from full-time to part-time. One agency official told us that the agency was having difficulties filling part-time positions because part-time employees must pay a greater share of health insurance premiums than full-time employees.³

CHARACTERISTICS OF PERMANENT PART-TIME EMPLOYEES

In July 1985, the latest date for which this information was available, women comprised 71 percent of the federal part-time work force, compared to 41 percent of the full-time work force. Some other comparative statistics developed by OPM for full-time and part-time employees as of July 1985 are as follows.

³Permanent part-time employees are eligible for health insurance, but the employees' share of the premium is greater than for full-time employees. For part-time employees the government's contribution is prorated according to the number of hours the part-timer is scheduled to work. (Part-timers employed before the part-time act became effective on April 8, 1979, can continue to receive the same government contributions as full-time employees for as long as they remain part-time without a break in service.) Employees' costs for other benefits are the same for both part-time and full-time employees.

<u>Characteristics</u>	<u>Full-time</u> (percent of employees)	<u>Part-time</u> (percent of employees)
Over age 55	13.7	12.5
Under age 23	5.6	4.6
Handicapped	6.7	6.6
Minorities	26.1	24.3

INCREASE IN MIDDLE AND UPPER
LEVEL WHITE-COLLAR POSITIONS

The number of permanent part-time employees serving in middle and upper level positions has increased each year since enactment of the act. As shown in table 2, the number of permanent part-time white-collar employees in grades GS-10 and above increased from 3,441 in 1979 to 6,055 in July 1985.⁴ As of July 31, 1985, there were 36,466 permanent part-time white-collar employees. Those in grades GS-10 and above were 16.6 percent of this total. In contrast, permanent full-time white-collar employees in grades GS-10 and above (583,354) were 42 percent of the total permanent full-time white-collar employees (1,375,445) as of July 1985.

Table 2
Part-Time Employees Governmentwide
in Grades GS-10 and Above
July 31, 1979 to July 31, 1985

<u>Year</u>	<u>Employees</u>
1979	3,441
1980	4,033
1981	4,746
1982	5,250
1983	5,597
1984	5,769
1985	6,055

Table 3 shows grade level information for white-collar employees at seven of the nine agencies we visited. Comparable data was not available at VA and Labor.

⁴Information for 1979 to 1983 was developed by OPM. Using the same method OPM used, we developed the data for 1984 and 1985.

Table 3
Part-Time Employees
at Selected Agencies
Below GS-10 and GS-10 and Above^a

<u>Agency</u>	<u>Employees below</u> <u>GS-10</u>		<u>Employees GS-10</u> <u>and above</u>		<u>Total</u> <u>part-time</u> <u>employees</u>
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	
FTC	20	32	42	68	62
LOC	67	46	79	54	146
EPA	465	70	203	30	668
GSA	184	81	42	19	226
Export-Import Bank	4	40	6	60	10
OPM	612	88	83	12	695
Navy	2,017	87	308	13	2,325

^aThis data was obtained from agency officials at the time of our field work and is as of various dates during August and September 1985.

AGENCIES' IMPLEMENTATION
OF PART-TIME PROGRAMS

The Federal Employees Part-Time Career Employment Act of 1978 requires that agencies covered by the act establish (1) annual goals for creating positions for career part-time employment, (2) timetables setting forth interim and final deadlines for achieving such goals, (3) programs for continuing review and evaluation of the part-time career employment programs, and (4) procedures for notifying the public of vacant part-time positions. The act also requires agencies to review vacant positions to determine the feasibility of filling such vacancies on a part-time basis.

Agencies with
annual goals

Officials at four (VA, OPM, Labor, and Navy) of the nine agencies we visited established annual goals for their part-time programs during fiscal year 1985. These goals are expressed as the number of part-time positions to be established and/or converted from full-time employment during the year. The VA had

a goal of 200 conversions and exceeded it by converting 476 full-time positions to part-time positions. OPM had goals of 39 new positions and 15 conversions and exceeded them by establishing 85 positions and converting 32 positions. The composite goal for Labor was 46 new positions but 60 were actually filled. Navy officials told us that annual goals were established by each of their (over 1,000) local activities. The composite goal for all Navy activities was 416 new positions of which 353--about 85 percent--were actually filled.

Agencies without annual goals

An official at EPA said he believes that because more than 5 percent of the agency's employees work part-time, the program is working well and there was no need for goals and timetables.

The Library of Congress (LOC) has not established part-time employment goals. In August 1984, the Federal Labor Relations Authority ruled that LOC must bargain on a union's proposal for an 8-percent goal for permanent part-time positions. As of April 1986, according to LOC's Associate Librarian for Management, LOC was waiting for the union to initiate the negotiations.

An official at GSA said that because recurring reductions-in-force and hiring freezes have diverted their attention from the part-time program, annual goals have not been established for the past few years.

An FTC official said that annual goals have not been established because the agency does not have sufficient personnel to monitor the program.

An official at the Export-Import Bank said that the Bank has not established goals.

Review and evaluation

Officials at five (EPA, VA, Navy, OPM, and Labor) of the nine agencies visited said they had established procedures for reviewing or evaluating their part-time programs during periodic personnel management evaluations.

An FTC official told us his agency does not regularly review its part-time program because of the limited number of personnel to do the work. An official at GSA said there have been no funds for reviews in recent years. Officials at the two remaining agencies (LOC and Export-Import Bank) said they had no procedures for reviewing or evaluating their part-time programs.

Reviewing and publicizing
vacant positions

Officials at eight of the nine agencies said they review vacant positions to determine whether such vacancies can be filled on a part-time basis. They also have procedures for notifying the public of vacant part-time positions. An official at the Export-Import Bank said it did not advertise part-time vacancies because there were so few part-time positions and because all of the Bank's part-time employees were converted (at the employees' request) from full-time positions.

OPM'S ADVICE AND ASSISTANCE TO
AGENCIES AND RESEARCH AND
DEMONSTRATION PROJECTS

Under the act, OPM is responsible for advising and assisting agencies in establishing and maintaining part-time career employment programs. OPM is also responsible for conducting research and demonstration projects for expanding part-time employment opportunities. In particular, the act requires the research and demonstration projects to cover (1) nontraditional part-time jobs (supervisory, managerial, and professional positions); (2) job-sharing; and (3) evaluation of such matters as program benefits and costs as well as attitudes concerning the program.

Advice and assistance
to agencies

OPM issued regulations covering the part-time program and published a series of bulletins and fact sheets⁵ which provide agencies with information on public and private sector part-time

⁵FPM Bulletin No. 340-5, Upcoming Changes in the Executive Branch Personnel Ceilings System, August 25, 1980.

FPM Bulletin No. 340-9, Part-time Career Employment in Federal Agencies, April 13, 1984.

OPM Fact Sheets

1. Part-time Employment and the Older Worker, June 1979.
2. Part-time Employment: Schedules, Pay and Benefits, and Rights, July 1979.
3. Work Schedules for Part-time Permanent Employees, May 1980.
4. Part-time Employment and Personnel Ceilings, Summer 1982.
5. Reducing Your Work Hours Through Voluntary Leave Without Pay, Summer 1983.
6. Part-time Employment and Job Sharing in the Federal Service, May 1984.

employment practices and interpretations of the federal part-time act. No guidance has been issued since 1984. According to the part-time program coordinators at the agencies we visited, OPM guidance on the part-time employment program is adequate.

Research and demonstration projects

OPM conducted three research and demonstration projects on part-time employment between 1979 and 1983. There have been no research and demonstration projects since then.

Full-time equivalent system

In September 1977, the President authorized the Office of Management and Budget (OMB) and the then Civil Service Commission to conduct an experiment with a new system for personnel accounting called the Full-Time Equivalent (FTE) system. The objectives of experimenting with an FTE system included an opportunity to determine whether FTE controls would facilitate the hiring of part-time employees.

Under the end-of-year position control system then in effect, each employee counted essentially the same against the personnel authorization whether he/she worked 1 hour a week or 40 hours a week. Under the FTE system, two career part-time employees who each worked 20 hours a week would count the same as one employee who worked 40 hours a week. After passage of the part-time act in 1978, OPM continued this experiment as a research and demonstration project in support of part-time employment.

Five test agencies--EPA, GSA, VA, FTC, and the Export-Import Bank--converted to FTE employment controls for fiscal year 1979. OPM and OMB monitored the agencies' employment reports on a monthly basis to identify significant trends. According to OPM, each of these agencies experienced growth in career part-time employment levels. In fiscal year 1982, the FTE system was expanded to cover all federal civilian agencies.

Direct hire program

In July 1980, OPM established the part-time direct hire program as a research and demonstration project. This project was designed to solve problems with recruitment and retention of part-time employees. Agencies reported to OPM that many individuals were interested in part-time employment only as a stepping-stone to a full-time job. Agencies indicated that in

many cases individuals would accept part-time positions and then leave as soon as they could locate full-time work. As a result, agencies refilled the same part-time positions over and over again.

The direct hire authority allowed agencies to recruit and make on-the-spot part-time appointments to qualifying individuals without the need for certification from an OPM register of eligibles. The purpose of the project was to determine if the use of direct hire procedures would enable agencies to recruit and retain individuals with a long-term commitment to working part-time. This 2-year experimental project provided (1) 10 selected agencies with direct-hire authority to fill certain part-time positions directly without going through OPM; (2) a restriction on the movement of these part-time hires to full-time positions; and (3) for certain agencies within this project, a comparison of employees appointed under the direct hire authority with those hired through normal procedures to identify which was the most effective method of finding and retaining part-time employees. Positions covered by the project were generally professional and administrative, including economist, program analyst, accountant, physical scientist, architect, and engineer in pay grades ranging from GS-5 to GS-14.

According to OPM, the agencies suffered severe cutbacks in operating budgets and personnel ceilings after the project began. Some agencies did not hire any employees under the project. At the end of the 2-year experiment:

- 51 percent of appointees were still in their original jobs working part-time,
- 32 percent left the agency that hired them,
- 8 percent were still with the agency but were working full-time, and
- 9 percent did not respond to OPM inquiries.

OPM concluded from the project that it may be more feasible to encourage part-time employment in federal agencies by concentrating on the agencies' internal work forces and, wherever possible, encouraging approval of employee requests to convert from full-time to part-time work schedules. An OPM official advised us that the direct hire program was discontinued upon completion of this 2-year experiment.

Cooperative education program

The cooperative education program (co-op) provides study-related work experience to students before completion of their college studies.

Prior to 1981, participation in the undergraduate co-op program was limited to alternating periods of full-time work and full-time school. In 1981, OPM initiated a 2-year demonstration project in 5 of its 10 regions to permit federal agencies to use co-op students who would work part-time and go to school part-time. (Graduate students could already work such schedules.)

According to OPM, the project was favorably received in all five regions. Agencies commented that they (1) liked the flexibility of using either the part-time or full-time work schedules, and (2) noticed no significant differences in part-time or full-time students' work performance. Also the agencies said that the continuity of part-time work assignments was advantageous. As a result of the project, the co-op program was expanded in October 1983 to allow part-time work and study schedules in all agencies. An OPM official advised us that the co-op program is working well.

OTHER INFORMATION ON PART-TIME EMPLOYMENT

We were asked to obtain information from OPM and the other agencies we visited about job-sharing and reductions-in-force and the potential impact of these on part-time employment.

Job-sharing

Job-sharing is a form of part-time employment in which the schedules of two part-time employees are arranged to cover the duties of a single full-time position. Management flexibility increases when one member of the job-sharing team can fill in when the other is absent and both can work extra hours to handle workload surges. Some job-sharers each work a portion of the day; others divide the days in a week. For example, one employee could work Monday and Tuesday; the other, Wednesday, Thursday, and Friday. The next week, the employees could reverse schedules so that each works a total of 5 days each pay period.

Neither OPM nor the other agencies we visited maintained data on the number of employees working in job-sharing positions. Officials at all of the agencies we visited said that they do not believe job-sharing exists in their agencies to any significant extent.

OPM cited the experience of two full-time budget examiners at OMB who were granted job-sharing positions in January 1984 as an example of successful job-sharing. One of the examiners asked to work part-time because of family responsibilities. Her supervisor was unwilling to approve the request because he said he needed a full-time person during the budget season. However, the supervisor said he was willing to allow her to share her full-time position with another staff person. She located a partner in the same division. The budget examiners' experience led to the job-sharers' supervisor being given an Equal Employment Opportunity award by the OMB Director. Another OMB division approved a second job-sharing team.

OPM has not conducted a job-sharing research and demonstration program, but OPM publicized successful examples of federal job-sharing in OPM's Fall 1984 Spotlight on Affirmative Employment Programs newsletter. OPM also published information on job-sharing in its Federal Personnel Manual and a fact sheet on job-sharing in May 1984. No information has been collected or published since that time.

Reductions-in-force

OPM's reductions-in-force (RIF) regulations require that separate competitive levels be established for part-time employees so that they do not compete with full-time employees for available positions when the workforce is being reduced. RIF procedures for part-time and full-time employees are identical, and part-time employees are given the same rights and protection as full-time employees when competing with other part-time employees for job retention. However, according to one agency official, full-time employees interested in converting to part-time are cautioned that since there are fewer part-time employees, even if they have seniority, their opportunities to retain their jobs in a RIF are more limited.

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