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COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON D.C. 20548

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The President  
The White House

APRIL 25, 1984

The Honorable George Bush  
President of the Senate

The Honorable Thomas P. O'Neill, Jr.  
Speaker of the House of Representatives

Subject: Civil Service Reform Act: Annual Report For  
Fiscal Year 1983 (GAO/GGD-84-29)

Title I of the Civil Service Reform Act of 1978 requires us to report annually to the President and the Congress on the activities of the Office of Personnel Management and the Merit Systems Protection Board. The act also provides that, in reporting on significant actions of the Office of Personnel Management, we include an analysis of whether or not the actions of the Office are in accord with merit system principles and free from prohibited personnel practices (5 U.S.C. § 2304). In addition, the former Chairman, Senate Committee on Governmental Affairs, requested that we report on the activities of the Federal Labor Relations Authority.

In compliance with these requirements and in response to the former Chairman's request, we have annually issued a series of separate reports on significant activities of each of these offices. When appropriate, those reports have discussed the effect of such activities on the federal civilian work force in light of merit system principles and prohibited personnel practices. Taken together, these reports constitute our annual reporting effort performed in compliance with 5 U.S.C. § 2304. Enclosed with this letter are lists and brief descriptions of (1) the reports we issued in fiscal year 1983 on the actions of these offices, and (2) work in progress as of September 30, 1983, on significant civilian personnel matters.

We are sending copies of this letter to the Directors, Office of Management and Budget and Office of Personnel Management; the Chairman, Merit Systems Protection Board; the

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Special Counsel, Office of the Special Counsel; the Chairmen, Federal Labor Relations Authority and Federal Service Impasses Panel; and the Director, Federal Mediation and Conciliation Service.

  
Comptroller General  
of the United States

Enclosures - 2

FISCAL YEAR 1983 REPORTS RELATING TO  
CIVIL SERVICE REFORM INITIATIVES  
OF THE  
OFFICE OF PERSONNEL MANAGEMENT,  
MERIT SYSTEMS PROTECTION BOARD, AND THE  
FEDERAL LABOR RELATIONS AUTHORITY

<u>Title</u>	<u>Date</u>	<u>Description</u>
Steps Can Be Taken to Improve Federal Labor-Management Relations and Reduce the Number and Costs of Unfair Labor Practice Charges (GAO/FPCD-83-5)	11/ 5/82	The unfair labor practice process protects the rights given to federal agency management, employees, and unions by the Civil Service Reform Act of 1978. GAO reported that labor-management relationships could be improved and the number of unfair labor practice charges and their related processing costs could be reduced if more disputes were settled informally. In addition, unfair labor practices can be prevented by assessing the effectiveness of managers' labor relations performance and by monitoring and evaluating unfair labor practices.
Agency Administrative Systems Need Attention (GAO/FPCD-83-15)	12/22/82	GAO's evaluation of administrative grievance systems at selected federal agencies showed some shortcomings which could lessen the effectiveness of the grievance procedures. These were (1) untimely processing of grievances by agencies and (2) lack of formal systematic methods to determine how well the systems operate. GAO recommended ways in which the Office of Personnel Management could improve agency administrative grievance systems.

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ENCLOSURE I

ENCLOSURE I

Title	Date	<u>Description</u>
Effect of Fiscal Year 1982 Budget Reductions on the Federal Labor Relations Authority (GAO/FPCD-83-18)	3/11/83	The Federal Labor Relations Authority's (FLRA) fiscal year 1982 appropriation of \$14.2 million reflected an 11-percent reduction from its fiscal year 1981 appropriation. This report discusses the numerous actions FLRA took to absorb the reductions that adversely affected its operations and ability to fulfill its mission in a timely fashion during fiscal year 1982.
Effects of Fiscal Year 1982 Budget Cuts on the Merit Systems Protection Board and its Office of the Special Counsel (GAO/FPCD-83-20)	4/ 8/83	In response to significant fiscal year 1982 budget cuts, the Merit Systems Protection Board (MSPB) and its Office of the Special Counsel (OSC) took several steps to reduce operating costs. The cut in MSPB's budget adversely affected all areas of the agency's operations. The OSC experienced high attrition during the period the budget cuts had to be absorbed and did not fill vacant positions. It also severely limited travel, which contributed to cases not being reviewed thoroughly or in a timely manner.

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<u>Title</u>	<u>Date</u>	<u>Description</u>
Retrenchment and Redirection at the Office of Personnel Management (GAO/GGD-83-95)	8/22/83	The Office of Personnel Management's (OPM) fiscal year 1982 salaries and expenses appropriation for oversight of federal personnel management was reduced 16 percent below the approved 1981 level. OPM accelerated planned changes in services and staffing levels. It restructured its organization, reduced most of its general oversight activities, and reassigned many of its personnel. It also reduced staffing and spending through attrition, a reduction-in-force, furlough, reimbursable detailing of employees, and other belt-tightening measures. Although the office administered these management actions properly, the actions disrupted office functions and were unsettling for its employees and for users of its services.
New Performance Appraisals Beneficial But Refinements Needed (GAO/GGD-83-72)	9/15/83	Performance appraisal systems established by the Civil Service Reform Act of 1978 provided for the development of objective criteria for formally rating the performance of federal employees. Major benefits of the new appraisal system have been improved communication and understanding of work requirements between employees and supervisors. However, many agencies need to further refine their systems to improve the quality of performance standards, the timeliness and manner of completing appraisals, and the use of appraisal results in making personnel decisions.

ENCLOSURE I

ENCLOSURE I

LIST OF WORK IN PROGRESS AS OF SEPTEMBER 30, 1983,  
RELATING TO THE  
OFFICE OF PERSONNEL MANAGEMENT,  
MERIT SYSTEMS PROTECTION BOARD, AND THE  
FEDERAL LABOR RELATIONS AUTHORITY

Subject matter

Objective/scope

Merit Pay Systems

To determine how merit pay has been implemented in a sample of federal agencies, how it has been accepted by employees, and whether opportunities exist to make the system work better. The study will also compare the quality of performance elements and standards over a 2-year period and show how the agencies evaluated and made changes in their merit pay systems. Finally, the study will also describe and assess the Office of Personnel Management's (OPM) merit pay evaluation efforts.

Collective Bargaining  
Process

To obtain information on the length of the negotiation process, the number of staff hours involved, and the cost of the process.

Performance Appraisal  
Systems

To evaluate whether Senior Executive Service (SES) performance appraisal systems are having an impact on agency performance by examining the extent to which agencies have established SES performance appraisal systems that conform to the Civil Service Reform Act requirements.







Subject matterObjective/scope

Executive Development

To assess (1) OPM's role in executive development and (2) the policies, procedures, and practices five selected agencies have used in their executive development programs. Also, to obtain the perceptions of SES candidates, their mentors, and SES incumbents about the programs' advantages and disadvantages.

Overall Assessment of  
the Senior Executive  
Service

To conduct an overall assessment of SES by focusing on four broad questions:

--How are agencies fixing the accountability of senior executives for program operations?

--How are agencies using the flexibility provided by the Civil Service Reform Act to manage executive resources more effectively?

--Have agencies complied with the Civil Service Reform Act's safeguards to prevent politicizing SES?

--Has the creation of SES had an impact on managerial competence?

Merit Systems Protection  
Board and its Office  
of the Special Counsel

To develop information on how the Merit Systems Protection Board (1) hears and decides federal employees' appeals of adverse actions, (2) studies agency merit systems, (3) reviews regulations of OPM to determine consistency with merit systems principles, and (4) hears and decides cases brought before it by the Office of the Special Counsel. Also, to determine how the Office of the Special Counsel carries out investigatory and prosecutory activities.