



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

MARCH 4, 1980

FEDERAL PERSONNEL AND
COMPENSATION DIVISION

B-197719

The Honorable Alan K. Campbell
Director, Office of Personnel
Management

Dear Mr. Campbell:

Subject: [Development of An Equal Employment
Opportunity Management Information
System] (FPCD-80-39)

On September 3, 1976, we reported to the Chairman, Civil Service Commission (CSC), on the results of a survey of the management information needs of the equal employment opportunity (EEO) program of the Federal Government (B-178929). The report emphasized the importance of having an integrated Federal agency EEO management information and evaluation system. A common problem we had observed in evaluating various aspects of Federal EEO programs for a number of years had been the absence of complete, accurate, and current data needed to identify (1) the extent, nature, and causes of the Government's EEO problems and (2) the actions which could be taken realistically to remedy them.

We have recently followed up on our earlier report to determine whether the problems identified still exist. Basically, two elements of an integrated system are involved; one system collects and maintains personnel data on current employees--the central personnel data file (CPDF)--and another collects and maintains data on applicants for Federal employment. A large quantity of data is available in the CPDF which can be used to evaluate and monitor agency EEO progress and problems. The data elements still need refining, and the current system design has limited, to some extent, the usefulness of the available data. But we believe that, when the redesigned CPDF is implemented in January 1982, these remaining problems will be resolved. With respect to the data on job applicants, we noted that a system was implemented in December 1979, but it is still incomplete.

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Our September 3, 1976, report did not contain specific recommendations because at that time CSC officials concurred that an integrated EEO management information system was needed. Our report, however, suggested that CSC and other executive agencies develop an information and evaluation system that would:

- Efficiently and timely collect personnel data on the status of employment and trends in accessions, promotions, and separations--by race, sex, and age--for all Federal employees and job applicants.
- Readily make the data collected available in meaningful and useful formats to program managers.
- Appropriately provide for a static "snapshot" of the work force profile and a trend analysis of the data supplied for measuring EEO program progress and identifying EEO problems.
- Be effectively used in the agencies' management evaluations to identify the causes of EEO problems and to formulate corrective action.
- Be effectively integrated into agency affirmative action plans and other management reports to show EEO progress, as well as problems, causes, and corrective actions proposed and taken.
- Provide comprehensive and accurate reporting of EEO program costs.
- Appropriately disclose the complaints system operations.

The report also suggested the need for a related information system to provide demographic data for analyzing the Federal applicant population. Such data would have been useful to agencies in their recruiting efforts and would have provided a method for tracking groups of job applicants by race and sex through employment registers. We pointed out that such information would have allowed an analysis of the race and sex composition of employment registers and would have helped agencies determine what recruiting actions were needed to alleviate any identified problems of underrepresentation.

On September 20, 1976, the Assistant Executive Director, CSC, responded to our report. He stated that CSC fully

agreed with the desirability of a more systematic approach to satisfying the EEO program information needs. On April 4, 1977, the Acting Director, Office of Federal Equal Employment Opportunity, elaborated on actions being taken. He said that the Federal Personnel Management Information System (FPMIS), of which the CPDF was an integral part, was being developed to meet numerous personnel management needs and EEO program needs. He stated that, while the FPMIS may present a longer term solution, CSC had not ignored the immediate EEO program needs. He cited the following specific improvements:

- More timely and complete reporting of detailed data on minority group employment in the Federal Government.
- The publication of several special EEO-related reports covering educational attainment of the work force, Hispanic employment, age data on employees, and grade and occupational data for EEO assessment.
- A new approach to developing EEO plans which emphasized problem identification and solution.
- Adoption of the Federal Executive Agency Guidelines on Employee Selection Procedures which called for collecting race, ethnic, and sex data on applicants to determine if and where adverse impact occurs.

Although the need for an integrated EEO information system has not changed since we first reported to CSC on this matter, the organizational responsibilities and needs for such data have changed. On January 1, 1979, under the President's Reorganization Plan No. 1 of 1978, the Equal Employment Opportunity Commission (EEOC) assumed responsibility for establishing EEO policies for Federal agencies; approving agency affirmative action plans, goals, and timetables; and acting on employee discrimination complaints. To carry out these functions previously performed by CSC, EEOC needs the type of data an integrated EEO management information system would provide. The Office of Personnel Management (OPM) continues to have a need for such data because of its overall personnel management role in the EEO area.

OPM and EEOC advised us that, at the time the EEO functions were transferred to EEOC, the two agencies agreed that OPM would continue to collect and maintain personnel data and to provide data to EEOC to enable it to carry out its new responsibilities. This arrangement avoided the need for

duplicate systems in the two agencies. We agree that duplicate management information systems should be avoided, and we encourage the two agencies to continue to work together in obtaining the data necessary to fulfill their respective responsibilities.

EEO MANAGEMENT INFORMATION
ON CURRENT EMPLOYEES

Our followup evaluation revealed that improvements have been made by OPM in providing EEO statistical data on current Federal employees, which is needed to evaluate program effectiveness. OPM has further improvements scheduled to be implemented by January 1982.

The existing CPDF contains most of the data needed to evaluate and monitor agencies' EEO programs; however, the data base needs some refining. For example, the current minority group designator codes do not conform with the race and ethnic code definitions prescribed by Department of Commerce Directive No. 15--the directive providing for standard classifications for presentation of data on race and ethnicity in Federal statistical reporting. Also, the current system does not contain an organization designation code below the second organizational level. This information is needed for a more focused evaluation and monitoring of EEO progress.

As currently designed, the CPDF can produce information which gives both a static "snapshot" of the work force profile (as of a given date) and information on work force dynamics (for example, the number of various personnel actions--promotions, accessions, separations, etc.--occurring over a given period of time). However, it lacks one capability needed in evaluating EEO program effectiveness. That is the capability to perform longitudinal studies. Longitudinal studies--studies dealing with growth or change of an individual or group over a period of years--can, for example, help identify whether minorities or women are progressing in their careers at a rate comparable to white males.

In January 1978 CSC appointed a study team to review the FPMIS project. As a result of the study team's evaluation and recommendations in June 1978 and further project evaluations, CSC made several decisions. These decisions resulted in compressing the time schedule for completing FPMIS and in redesigning the CPDF. The redesign of the CPDF began in April 1979, and functional specifications were

completed in October. The redesigned CPDF will contain revised minority group designator codes to conform with Department of Commerce Directive No. 15, and organization designator codes to identify organizational units below the second level. It will also have the capability to provide information for longitudinal studies of the work force and the various work force components. The current target date for implementing the redesigned CPDF and FPMIS is January 1982.

On June 18, 1979, we reported (FPCD-79-62) to the Chair, EEOC, and the Director, OPM, that to fulfill the requirements of the new Federal Equal Opportunity Recruitment Program and to strengthen affirmative action planning, executive agencies' data collection and reporting systems must be improved. The report stressed the lack of uniformity in the nature of available information, absence of usable historical data, absence of information for tracking career progression, and a tendency to limit data to profile information as opposed to statistics on change (hires, promotions, separations, etc.). On December 20, 1979, EEOC responded to our report by stating that it has been discussing the use of OPM's CPDF which permits EEO data to be correlated with a larger body of data on the personal and occupational characteristics of employees. EEOC stated that, as a beginning, it would use the CPDF to produce a uniform package of statistical tables for distribution to the various agencies.

Although the improvements planned for the CPDF will not be fully implemented until January 1982, we agree with EEOC that the CPDF can currently provide much of the information needed to evaluate and monitor agency EEO programs. We believe that a uniform package of statistical tables for each agency would be most useful to agencies, particularly in developing their Federal Equal Opportunity Recruitment Programs and affirmative action plans. However, for agencies to use these uniform statistical tables and comply with the time frames in OPM's recruitment program guidelines (FPM Letter 720-2) and EEOC's affirmative action instructions (EEO-MD-702), they will need these statistical tables immediately. As of late January 1980, when we discussed this matter with EEOC, it had taken no action to provide uniform statistical tables to agencies.

SYSTEM TO COLLECT RACE, SEX, AND ETHNIC
DATA ON APPLICANTS IS INCOMPLETE

We have long suggested that a system be developed to collect race, sex, and ethnic data on applicants for Federal employment. As noted above, in responding to our September 3, 1976, report, CSC stated that such a system would be developed because this information was required by the November 23, 1976, Federal Executive Agency Guidelines on Employee Selection Procedures. These guidelines have been superseded by the August 28, 1978, Uniform Guidelines on Employee Selection Procedures which contain an essentially identical data collection requirement. Nevertheless, such a system still has not been fully implemented.

The lack of a system to collect race and ethnic data on job applicants, and the consequences of not having this data available, were most recently discussed in our report, "Federal Employment Examinations: Do They Achieve Equal Opportunity and Merit Principle Goals?" (FPCD-79-46; May 15, 1979). That report recommended that OPM increase its efforts to comply with the uniform guidelines requirement to maintain records which will show what impact tests and other selection procedures have on employment opportunities of specific minority and sex groups.

In your July 17, 1979, response to that recommendation you stated that:

"OPM has written draft instructions permitting the collection of data, on race, sex, and ethnic origin of employees and applicants. These instructions will be released as soon as OMB provides clearance for the collection of the data. We will collect the data for high volume examinations once the necessary funds are obtained and OMB clearance is given.

"With regard to the comparison of individuals selected from job registers and other methods we have no plans or funding to undertake such an effort at this time. The comparisons implied in the recommendation would require tracking almost every examination and occupation to insure adequate sample sizes. This would be very difficult and expensive to manage."

On July 19, 1979, the Office of Management and Budget (OMB) approved the use of the form to collect race and ethnic data and data on whether the applicant has a handicapping condition. Instructions on using the form were published in the Federal Register on October 12, 1979, and use of the form began after December 12, 1979.

Although the collection of race and ethnic data on job applicants began in December 1979, the system, while beneficial, is still incomplete and will not fully comply with the intent of the uniform guidelines requirement. Two problems remain: (1) the low response rate to requests for self-identification of race, sex, and ethnicity and (2) the lack of data to determine whether the overall selection procedures for an occupation or group of occupations result in a "bottom line" adverse impact on a racial, sex, or ethnic group.

OPM's research has shown that the response rate to requests for self-identification of race, sex, and ethnicity was very good--about 95 percent--where written tests were used. But where written tests were not used in the examination process, the return rate averaged about 60 percent--too low to produce meaningful results. Therefore, additional research is needed to determine how to improve the response rate or to otherwise obtain race and ethnic data when written tests are not used.

The second problem, involving the need to collect data to determine the adverse impact of the overall selection procedures, results from the "bottom line" concept as discussed in the uniform guidelines. The guidelines require that employers collect data showing the overall effect of their selection procedures so that any adverse impact can be determined on the basis of the total selection process rather than on an individual component. While information on the impact of an individual selection procedure's components is relevant--and an important first step particularly when written tests are used--knowledge about the impact of the total selection process becomes increasingly important as the use of alternative entry methods other than written tests becomes more prevalent.

For example, your staff has estimated that only about 35 percent of individuals currently in occupations covered by the Professional and Administrative Career Examination (PACE) entered as a result of taking the written examination. The remaining 65 percent entered the occupations through an alternative route. Race, sex, and ethnic data must be collected on applicants using all entry routes--alternative

entry routes as well as written tests--to determine whether the overall effect of the selection procedures results in adverse impact.

Officials from your office generally agreed that race, sex, and ~~ethnic data on all applicants, both internal and external, seeking to enter an occupation or group of occupations through all modes of entry is necessary to fully comply with the uniform guidelines.~~ OPM officials stated, however, that the CPDF does not contain records of how current employees are considered for new positions nor how many are considered. To capture "bottom line" data would require separate systems for obtaining all data for each position, and a system for combining the data into job categories. They stated that such a complex system would be very costly.

CONCLUSIONS

Progress has been made in improving the availability of data to identify the extent, nature, and causes of the Government's EEO problems. The CPDF contains a large quantity of personnel data on current Federal employees that can be used to evaluate and monitor agencies' EEO programs. Some data elements still need refinement, and the system's design has limited its usefulness for performing longitudinal studies, but these deficiencies are minor when compared to the system's overall capabilities. These remaining system deficiencies will be eliminated when the redesigned CPDF is implemented along with FPMIS in January 1982.

RECOMMENDATIONS

Although the CPDF will be improved, we believe that the current system can provide much of the information needed to evaluate and monitor EEO programs. Therefore, we recommend that the Director, OPM, and the Chair, EEOC, encourage operating agencies to make better use of the CPDF and assist them in obtaining information on the status and progress of their EEO programs.

EEOC informed us on December 20, 1979, that it intends to use the CPDF to produce a uniform package of statistical tables and make them available to the different agencies. We agree that such tables should be made available to agencies, and we recommend that EEOC make them available immediately for agencies to use in developing their affirmative action plans. These tables would be particularly useful to agencies in determining underrepresentation and exclusion of minorities and women in specific areas, regions, occupations,

and grade levels. Having these tables available may preclude the need for each agency to independently duplicate this process and would enhance uniformity.

We are encouraged that a system is being implemented to collect race, sex, ethnic, and disability information on new job applicants for Federal employment. However, further research may be needed to determine how to collect complete and reliable race and ethnic data where written tests are not used. We recommend that the Director, OPM, monitor agencies' collection of such data to measure the response rate using the new form approved by OMB and, if necessary, perform further research to determine whether other methods of data collection are available which would increase the response rate for unwritten examinations. If the response rate using the new OMB approved form is too low to provide reliable statistical data, the Director, OPM, should consider the pros and cons of requiring that the form be returned as a condition for accepting the application.

The impact of a selection process for a job or occupation is determined by looking at the combined results of the various entry routes. Although we recognize that developing a system to collect race, sex, and ethnic data on applicants entering an occupation or group of occupations through all entry methods is not easy and may be costly, such a system is necessary to fully comply with the Uniform Guidelines on Employee Selection Procedures. Therefore, we recommend that the Director, OPM, in consultation with the Chair, EEOC, determine (1) the technical feasibility of developing a system, (2) whether such a system would be more appropriately centralized in OPM or decentralized with individual agencies, and (3) the cost of developing a system. This should then be weighed against the possible risks of making incorrect management decisions and the possible legal risks involved in not having available the type of data a complete system would generate.

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We discussed this report with officials from your agency and from EEOC, and they generally agreed with its conclusions and recommendations. Their comments were considered in the final preparation of the report. We appreciate the cooperation and courtesy shown to us by members of your staff.

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House Committee on Government Operations and the Senate Committee on Governmental Affairs not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending this report today to the Chair, Equal Employment Opportunity Commission. We are sending copies to the Director, Office of Management and Budget; and to the Chairmen, House Committee on Post Office and Civil Service, Senate Committee on Governmental Affairs, House Committee on Government Operations, and House and Senate Committees on Appropriations.

Sincerely yours,



H. L. Krieger
Director