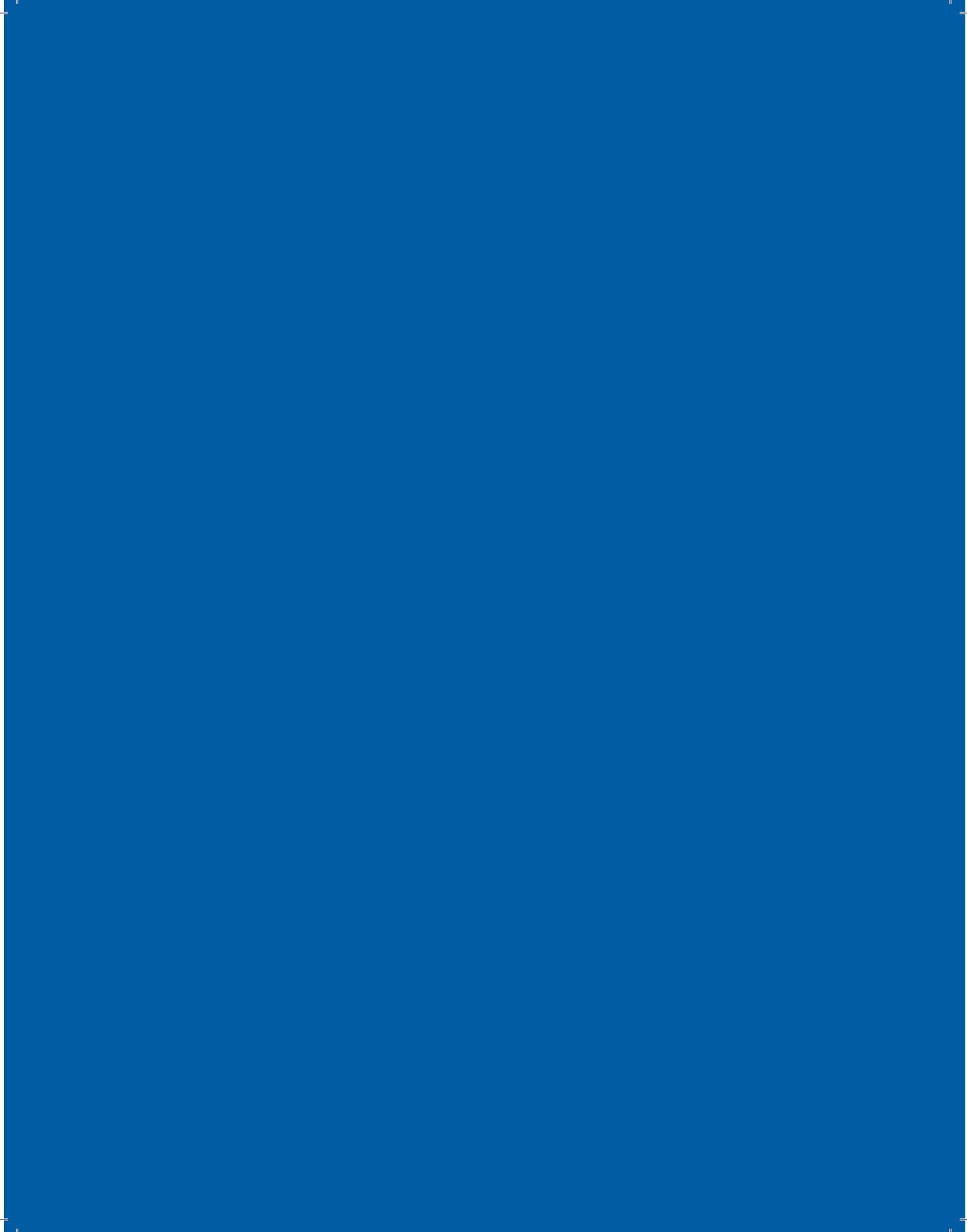


WHAT DO **FEDERAL** **EMPLOYEES** SAY?



RESULTS FROM THE 2004 FEDERAL HUMAN CAPITAL SURVEY





A MESSAGE FROM THE ACTING DIRECTOR

Last fall, we asked Federal employees across the nation and around the world to tell us how well agencies manage their most important resource—their human capital. They responded in record numbers. Nearly 150,000 people expressed their views on how leaders perform in their agencies, how performance is managed and recognized, and how mission needs are addressed through recruiting and training talent.

The first administration of this survey in 2002 established the baseline for ongoing assessments of strategic human capital management in the Federal Government. The 2004 survey provides a snapshot of Federal employee perceptions so we can compare results over time—governmentwide and at the agency level—to determine where we are making progress and where more work remains to be done.

The 2004 survey indicates Federal employees continue to be motivated by their mission of “Working for America.” They also believe the Federal Government provides good benefits and compensation. However, there is a strong perception that excellent performance is not properly recognized and that action is not taken against poor performers. Further, Federal agencies have more work to do to increase employees’ confidence in the leadership they receive.

These results provide Federal leaders with the information and guidance necessary to act on the results and build a strong framework to support the President’s human capital initiative and his Management Agenda.

Sincerely,

A handwritten signature in black ink that reads "Dan G. Blair". The signature is written in a cursive, flowing style.

Dan G. Blair

Acting Director

TABLE OF CONTENTS

EXECUTIVE SUMMARY.....	3
INTRODUCTION.....	7
RESULTS	10
CONCLUSIONS	24
NEXT STEPS.....	24
APPENDICES	25
APPENDIX A. SURVEY METHODOLOGY	26
APPENDIX B. SURVEY QUESTIONS AND RESPONSES	30
APPENDIX C. LIST OF AGENCIES SURVEYED.....	37
APPENDIX D. COMPARISON TO PRIVATE SECTOR RESULTS	39
APPENDIX E. RESULTS FOR ITEMS USED TO MEET ANNUAL SURVEY REQUIREMENTS	41

EXECUTIVE SUMMARY

Federal employees significantly impact the security and well-being of our Nation. To support effectively and efficiently accomplishing the work of the Federal Government, President George W. Bush has called on the Office of Personnel Management (OPM) to address human capital management challenges facing those who manage the Federal workforce. An important element in determining the state of the workforce is to seek out employee feedback.

OPM conducted the 2004 Federal Human Capital Survey to gauge the perceptions of Federal employees. Nearly 150,000 Federal employees responded to the 88-question survey that asked for employees' views on leadership quality, performance culture, and talent capacity within the Federal workforce. The overall response rate to the survey was 54 percent.

The 2004 Federal Human Capital Survey revealed Federal employees remain committed to their mission of working for America and believe they are fairly compensated for their work. However, that commitment cannot be taken for granted. While those employees believe the performance ratings they receive from their immediate supervisors are fair, they also believe high performance is not appropriately valued and poor performance is too often overlooked.

This is the second governmentwide survey OPM has conducted. The first Federal Human Capital Survey was completed in 2002. These Federal Human Capital Surveys are, by far, the two largest surveys of Federal employees ever conducted.

Federal employees continue to be committed to working for America.

The extraordinarily high levels of commitment on the part of employees the Federal Human Capital Survey found in 2002 have continued and even improved.

- **Ninety-one percent** of Federal employees believe they do important work (Q.21).
- **Eighty-three percent** like what they do (Q.7).
- **Seventy-one percent** get a sense of personal accomplishment from their work (Q.6).
- **Seventy-one percent** of employees said “no,” when asked, “Are you considering leaving your organization within the next year, and if so, why?” (Q.87).
- **Sixty-four percent** of Federal workers would recommend their organization as a good place to work, an increase of 4 percent from 2002 (Q.8).

Federal employees do not believe high performance is properly recognized nor are steps taken to deal with poor performers.

- Only about one-fourth of employees say steps are taken to deal with poor performers (Q.24). This item continues to be one of the lowest rated on the survey.
- Forty-three percent believe high performing employees are recognized or rewarded on a timely basis (Q.27).
- Although nearly 80 percent of employees say they are held accountable for results (Q.35), less than a third of Federal employees see differences in performance being recognized in a meaningful way (Q.31).
- Fifty-eight percent say supervisors provide constructive suggestions for improving performance (Q.50), and 66 percent say their performance appraisal is a fair reflection of performance (Q.33), but only 42 percent say awards depend on how well employees perform their jobs (Q.30).

Employees give their immediate supervisors good marks, but view their senior leaders less favorably.

- A majority of employees believe supervisors are doing a good job (Q.9), support a balance between work and family (Q.13), provide opportunities to demonstrate leadership (Q.14), work well with diverse employees (Q.38), communicate priorities (Q.42), and do not tolerate prohibited personnel practices (Q.48).
- However, less than half have a feeling of empowerment (Q.26), believe disputes are resolved fairly (Q.46), fear no reprisal from disclosing violations (Q.49), or believe arbitrary actions are not tolerated (Q.47).
- Although 57 percent of employees are satisfied with their organizations (Q.67), only half or fewer are motivated by their leaders (Q.40), are satisfied with their leaders' policies, practices (Q.62), or communications (Q.60), have respect for their senior leaders (Q.39), or believe they have high standards of integrity and honesty (Q.41).

Federal employees believe their organizations have the talent and skills necessary to do the job.

- Nearly three-fourths of employees believe the workforce has the job-relevant knowledge and skills to accomplish organizational goals (Q.12).
- Over 70 percent have access to online learning and training (Q.52).
- Sixty-five percent believe their supervisors support employee development (Q.51).
- Sixty-three percent believe they are given a real opportunity to improve their skills (Q.2).
- Sixty percent say they receive the training they need to do their jobs (Q.54), and over half say their training needs are assessed (Q.53).

Federal employees are very satisfied with their benefits.

- **Almost 90 percent** of employees are satisfied with paid vacation time and sick leave (Q.73, Q.74).
- **A clear majority** of employees are satisfied with health benefits and life insurance programs (Q.69, Q.70); satisfaction with both increased 6 percentage points since 2002.
- **About half** of employees are satisfied with their alternative work schedules (Q.78).
- **About one-third** of employees are satisfied with long term care insurance, which is a relatively new benefits program (Q.71) and showed the largest improvement (12 percentage points) of any survey question since 2002.

CONCLUSIONS

Federal employees continue to believe strongly in working for America. Employees give their supervisors good marks and believe agencies recruit the right people and provide opportunities for development. And they show satisfaction with benefits programs, which continue to be modernized to meet changing needs. While employees have a positive view of their organizations, they give low marks when it comes to rewarding performance and dealing with poor performers. Employees also have reservations about the leadership of top officials.

Failure to modernize a human capital management system that does not recognize and reward high performance may undermine the commitment of the Federal workforce. System improvements, however, must be combined with an effort by agencies to develop leaders and address skill gaps. By addressing both leadership and systemic deficiencies, agencies will be able to ensure they have the high performing workforce necessary to meet their missions.

HOW WILL THE FEDERAL HUMAN CAPITAL SURVEY BE USED?

The survey provides valuable information on employee perceptions of the state of human capital management in the Federal Government. Guided by the President's Management Agenda, agencies have made concerted efforts to improve the quality of leadership, sustain a results-oriented performance culture, win the war for talent, and promote continuous workforce improvement. Survey results provide each agency with its employees' perspectives on the success of those efforts. Combined with other evidence, the survey findings allow OPM and agencies to evaluate the effects of human capital management policies and programs and to identify opportunities for improvement.

This report examines governmentwide survey results for three human capital management systems—Leadership, Performance Culture, and Talent—which are incorporated into the Human Capital Assessment and Accountability Framework.* The report also includes a section on benefits. Throughout the report, comparisons are made to private sector results, when available. OPM has access to results reflective of current private sector trends. These results were collected from employees performing a range of jobs, comparable to Federal work, in a set of large private sector companies, primarily in the United States.

The report ends with general conclusions about trends and themes that run throughout the results. Finally, there is a discussion on what steps OPM can and will take to continue improving human capital management across Government, building on our strengths and continuing to address challenges.

* Note: More information on the Human Capital Assessment and Accountability Framework is available on the OPM website apps.opm.gov/HumanCapital/tool/index.cfm.

INTRODUCTION

Almost four years ago, President George W. Bush designated the Office of Personnel Management (OPM) to address human capital management challenges in the Federal Government. Many systematic human capital management problems had resulted from previously downsizing without sufficiently understanding the effects on an agency's performance capacity. Although the Federal Government achieved its lowest level of civilians on the payroll since 1950—1.8 million employees—the alignment between resources and mission had become disconnected. As a result, workforce management suffered and several major imbalances surfaced. The number of supervisor positions increased while accountability was declining. Personnel and compensation policies continued to embrace approaches set in the 1940s. And employee skill and competency gaps widened, reducing the ability to meet the needs of the public.

To address these issues, OPM created the Human Capital Assessment and Accountability Framework, which provides direction and guidance to transform the Government into a skilled, knowledgeable, diverse, and high performing workforce capable of meeting emerging demands throughout the Government.

Through the Executive Branch Management Scorecard used to assess progress in the President's Management Agenda, OPM works to ensure agencies achieve results and meet standards set for improving the strategic management of human capital. Since FY 2001, agencies have made significant improvements in their human capital management practices. In particular, agencies have implemented or are underway in implementing programs that: prepare and provide accountability for leadership; effectively use performance management as a way to focus on mission, make distinctions, and reward results; and target strategic occupations to close skill and competency gaps.

While agencies have made progress, their efforts must continue. Initiatives in identifying skill and competency gaps will result in better talent for the Federal Government, especially in mission critical occupations and in management. Federal managers will be fully prepared through effective succession planning and competency development to lead in the new results-driven culture. Improved performance management systems will link pay with performance governmentwide. A lean, fast, effective, and competitive hiring process, using all the right flexibilities while adhering to merit system principles and civil service law, will ensure the right people with the right skills are in the right jobs at the right time and in the right way.

THE ROLE OF THE FEDERAL HUMAN CAPITAL SURVEY IN HUMAN CAPITAL MANAGEMENT

Employee feedback is a key element in planning and measuring human capital management. Satisfied employees invest more talent, energy, knowledge, and enthusiasm in their work. Their investments are reflected in important facets of organizational performance such as reduced turnover and improved customer satisfaction. As a result, many agencies have made employee feedback an integral part of their plan for improving the strategic management of human capital.

As the President's advisor on strategic human capital management, OPM is committed to gathering data to assess the state of human capital management in the Federal Government as a whole, as well as conditions at specific departments and agencies. The Federal Human Capital Survey measures employees' perceptions of whether the conditions are right in their organizations to achieve high performance. (Appendices A through C provide additional information on the methodology used to design, administer, and analyze the survey results.)

Agencies that implement and assess the impact of the programs, policies, and practices measured in the Federal Human Capital Survey more often will meet their strategic human capital management goals. High performing organizations in both the public and private sectors monitor these indicators, score high on them, and pay attention when they drop. At the core, the Federal Human Capital Survey gives managers information to guide what they can do to make their agencies work better.

A Measure of Progress

The survey, first administered in 2002, set the baseline for ongoing assessment of strategic human capital management in the Federal Government. The 2004 survey provides a snapshot of Federal employee perceptions about conditions that support high performance and sets the stage to compare governmentwide results over time to determine whether progress is being made on specific survey items as well as overall. For an "organization" as large as the Federal Government, results may not change much over a year or two, but will change as conditions change and are sustained over the longer term. Using the 2002 Federal Human Capital Survey as the baseline, OPM plans to continue administering the survey on a regular basis. Federal Human Capital Survey results also are compared to a group of private sector organizations on a subset of the items on personal experiences and job satisfaction. These comparisons are presented throughout this report and summarized in Appendix D.

Future Metrics

Congress has established a requirement for agencies to conduct an annual survey of their employees to assess employee satisfaction, as well as leadership and management practices that contribute to agency performance. By this action, Congress provided yet another indication they expect the Federal Government to use modern approaches to managing and assessing human capital. Such approaches include establishing and refining sets of human capital management metrics, as required by the Chief Human Capital Officers Act of 2002. Such sets of metrics typically include results of employee surveys like the Federal Human Capital Survey. By establishing these statutory requirements, Congress ensured a long-term commitment to the assessment and accountability that began with the 2002 Federal Human Capital Survey.

The law in section 1128 of the National Defense Appropriation Act for Fiscal Year 2004 (Public Law 108-136, November 24, 2003) requires OPM to issue regulations prescribing survey questions all agencies must assess and report annually. For 2004, OPM works with the Chief Human Capital Officers Council to develop survey items. A set of such items was included in the 2004 Federal Human Capital Survey, and the results on these items are consolidated in Appendix E.



** Photos throughout are of Federal employees at work.*

RESULTS

First and foremost, Federal employees remain committed to working for America. The 2002 survey showed an extraordinarily high level of commitment among employees, and that commitment remains just as high in 2004.

In both 2002 and 2004, the Federal Human Capital Survey asked Federal employees if they are satisfied with their jobs (Q.65). The answer is a resounding “yes”—with almost seven in ten saying they are satisfied with their work in the Federal Government. Further, a majority (about 60 percent) rate their own agency positively (Q.67). These results remain steady since 2002.

In addition, results show an increase in the percentage of Federal workers who would recommend their organization as a good place to work (Q.8), up 4 percentage points since 2002, from 60 to 64 percent favorable. When asked how they would rate their organization compared to other organizations, 56 percent said “above average” or “one of the best” (Q.11), an increase of 4 percentage points since 2002. This is comparable to the 57 percent positive rating in the private sector. For most Federal employees, working for America continues to be a rewarding and gratifying career move, even more so today.

OPM conducted additional statistical analyses to identify which factors are most highly correlated with job satisfaction. Results indicate employee involvement, fulfillment, training, recognition, pay, opportunity for advancement, supervision, and leadership practices are the best predictors of employee satisfaction on the job. Many of these same factors are also highly related to how employees rate their organizations. These analyses of Federal Human Capital Survey data also show having open lines of communication, competent co-workers, and sufficient resources are associated with increased employee satisfaction with the organization.

Employees remain focused on and committed to achieving the mission.

A vast majority of Federal employees believe their work is important (Q.21), feel a sense of personal accomplishment (Q.6), and like the work they do (Q.7). This compares favorably to recent private sector results, which show 82 percent of employees like the kind of work they do.

In addition, four of five employees see how their work is related to their agency mission (Q.20) and say they are held accountable for achieving results (Q.35). Employees are less likely to say their managers communicate the goals and priorities of the organization (Q.42), they are empowered to get the job done (Q.26), or they are satisfied with their involvement in decisions that affect their work (Q.59).

Ratings of the item, “Managers review and evaluate the organization’s progress toward meeting its goals and objectives” (Q.43) dropped 10 percentage points since 2002, although ratings are still close to 60 percent favorable. Monitoring progress will remain important as organizations continue to refine their performance measures.

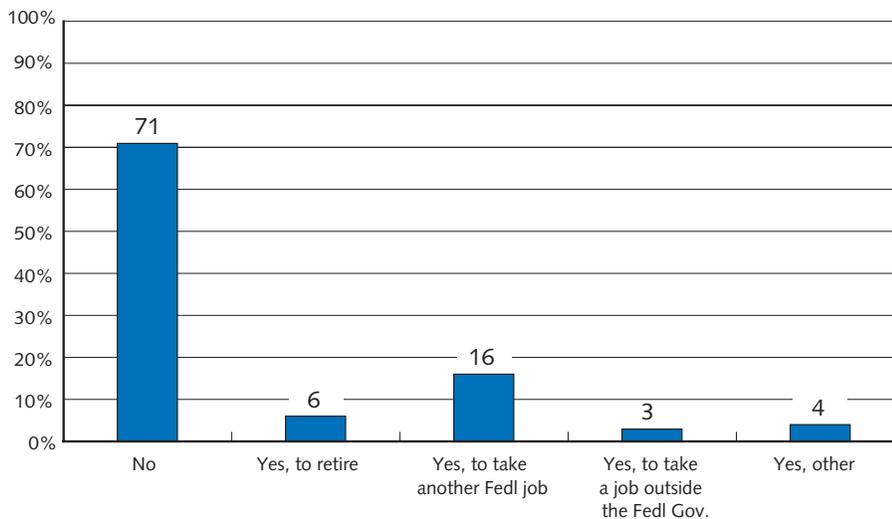
Survey Item	Positive Responses 2002	Positive Responses 2004
Q. 6 My work gives me a feeling of personal accomplishment.	70%	71%
Q. 7 I like the kind of work I do.	82%	82%
Q. 20 I know how my work relates to the agency's goals and priorities.	89%	83%
Q. 21 The work I do is important.	91%	91%
Q. 26 Employees have a feeling of personal empowerment with respect to work processes.	39%	43%
Q. 35 I am held accountable for achieving results.	80%	80%
Q. 42 Managers communicate the goals and priorities of the organization.	NA	60%
Q. 43 Managers review and evaluate the organization's progress toward meeting its goals and objectives.	67%	57%
Q. 59 How satisfied are you with your involvement in decisions that affect your work?	52%	52%

Most employees do not consider leaving the Federal Government for other opportunities.

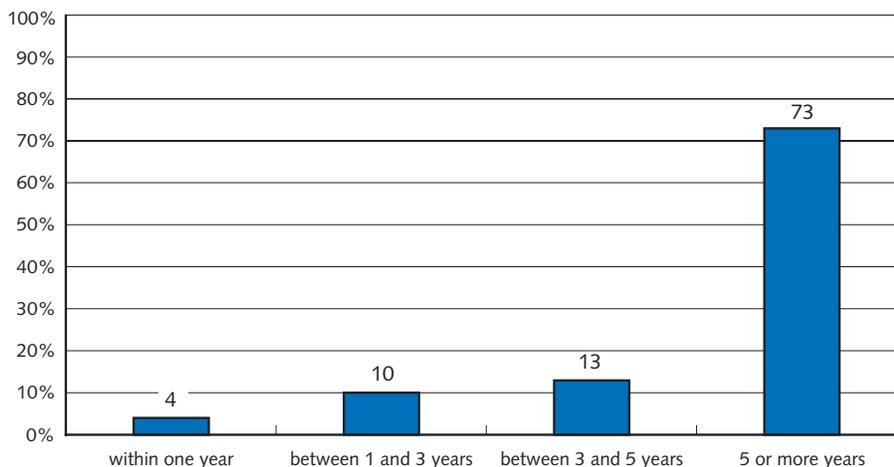
Results of the 2004 Federal Human Capital Survey show Federal employees are not considering leaving the Government in large numbers for the private sector or other opportunities. The number of employees who indicate they are considering leaving the Federal Government decreased 6 percentage points since 2002, from 35 to 29 percent. Only 7 percent of employees are considering leaving their current Federal job for reasons other than retirement or another Federal job. Further exploration of the results shows many of the strongest predictors of satisfaction also predict who may leave the organization, including involvement, fulfillment, recognition, opportunity for advancement, supervision, and leadership practices.

These results are encouraging for the Federal Government. Employees are satisfied with their jobs and their agencies, and less than 30 percent are considering leaving their organization soon.

Q. 87 Are you considering leaving your organization within the next year?



Q. 88 I am planning to retire:



HUMAN CAPITAL MANAGEMENT SYSTEMS

This section provides results for human capital management systems in three areas—Leadership, Performance Culture, and Talent—incorporated in the Human Capital Assessment and Accountability Framework.

Leadership

Employee commitment is based in part on the quality of the leadership they receive. Federal employees give their immediate supervisors good marks, but view their senior leaders less favorably.

Decades of research and practice in the private and public sectors confirm the key role leaders play in any organization as the “point of impact” for employees. Leaders set the tone, provide the roadmap, create opportunities and conditions for success, and ensure accountability. For these reasons, organizations must monitor employee perceptions of their leaders. In general, Federal employees are less positive about their senior leaders than they are about how the Federal Government and their agencies are doing in other areas of human capital management (e.g., recruitment, employee development, benefits).

Employees give their immediate supervisors good marks, but there is room for improvement.

A majority of employees believe supervisors support a balance between work and family (Q.13) and provide employees with opportunities to demonstrate their leadership skills (Q.14). Furthermore, 65 percent believe their supervisors are doing a good job (Q.9), which is 10 percentage points lower than the private sector rating but still a favorable result.

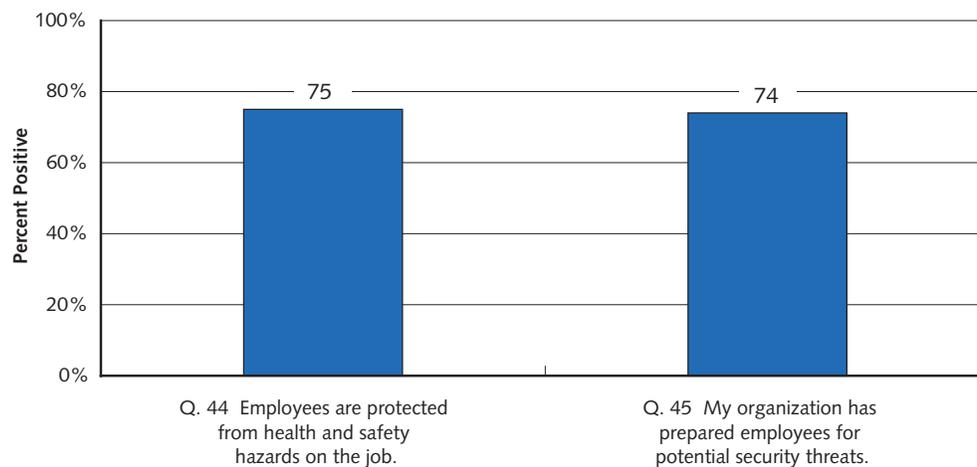
The Federal Government must continue to pay attention to the effectiveness of its leaders.

In 2004, about half of the respondents report a high level of respect for their senior leaders (Q.39) and believe their leaders maintain high standards of honesty and integrity (Q.41). However, only 40 percent of respondents are satisfied with the policies and practices of their senior leaders (Q.62), and only about one-third feel their leaders generate high levels of motivation and commitment in the workforce (Q.40). Only 46 percent of employees are satisfied with communication from management (Q.60); this is 13 percentage points below the private sector rating of 59 percent satisfied. Finally, only 39 percent of employees believe complaints, disputes, or grievances are resolved fairly in their work unit (Q.46). These leadership items are among the most negatively rated items on the survey.

Managers are taking steps to ensure employee safety on the job.

After the traumatic events of September 11, 2001, OPM began extensive efforts to ensure all Federal agencies had safety procedures in place. Two items on the 2004 Federal Human Capital Survey asked about health, safety, and security on the job. Three-fourths of employees feel they are protected from health and safety hazards (Q.44), and their organization has prepared them for potential security threats (Q.45).

Employee Safety on the Job



The Government's unequivocal stance on prohibited personnel practices, arbitrary actions, and whistleblowing remains firm.

The Federal Government upholds strong employment ideals. Among these are the right to compete fairly for a job, veterans' preference, and freedom from discrimination or arbitrary action. Sixty percent of Federal employees agree the Federal Government does not tolerate prohibited personnel practices (Q.48), but fewer than half agree arbitrary actions, personal favoritism, or coercion for partisan political purposes are not tolerated (Q.47). Furthermore, only 48 percent say they can disclose a suspected violation of any law, rule, or regulation without fear of reprisal (Q.49). Given these well-established and highly regarded principles of civil service, the positive ratings on these items are lower than might be expected. On all three questions, it is noteworthy that a substantial percentage gave a neutral response or responded "Do Not Know."

Actions Since 2002

Agencies recognize the need to have strong leaders with the courage, vision, and integrity required to transform the Government into an integrated network of high performing organizations. As a result, agencies have taken steps to recruit, retain, and develop leaders at all levels. Most agencies with Chief Human Capital Officers are assessing the management competencies of their leaders and have implemented leadership development programs to ensure their supervisors, managers, and executives have the necessary skills. Agencies also have active coaching and mentoring programs in place to develop leaders, as well as programs to identify high potential individuals for future leadership positions.

In addition, the Leadership and Succession Planning Subcommittee of the Chief Human Capital Officers Council examined leadership qualifications, competencies, and readiness and identified several impact areas in need of action. These range from re-evaluating the qualifications the Government uses in selecting leaders to expanding leadership development programs, establishing standard performance requirements, and increasing mobility through an executive search capability.

Performance Culture

Although Federal employees believe results matter, they do not believe achieving them is appropriately recognized and rewarded. They also believe poor performance is often ignored. Whether this is the result of systemic constraints or inadequate leadership, failing to address these perceptions could affect the commitment of our employees.

Federal employees are satisfied with their pay but not their rewards and recognition.

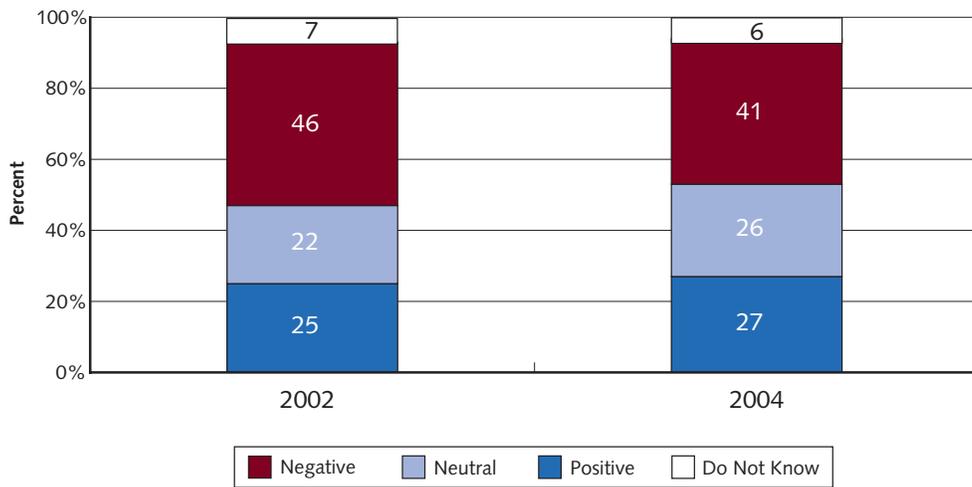
More than 60 percent of Federal employees are satisfied with their pay (Q.66). About half are satisfied with the recognition they receive for doing a good job (Q.61), which is 7 percentage points below the private sector rating of 56 percent satisfied.

Far fewer employees are happy with the way rewards are used and distributed. In fact, items related to rewards are among the lowest rated on the survey. About a third of employees do not believe they are rewarded for creativity (Q.29) or for providing high quality products and services (Q.28). While merit is a founding principle of the civil service, about a third of the workforce do not see it reflected in promotions (Q.23) or other personnel decisions (Q.32) in their agencies. Similarly, about a third do not believe awards are linked to how well employees perform their jobs (Q.30) and do not think performance differences are recognized in a meaningful way (Q.31).

2004 FHCS Survey Item	Positive Responses	Neutral Responses	Unfavorable Responses	Do Not Know
Q. 23 Promotions in my work unit are based on merit.	34%	26%	36%	4%
Q. 28 Employees are rewarded for providing high quality products and services to customers.	42%	24%	31%	3%
Q. 29 Creativity and innovation are rewarded.	36%	29%	32%	3%
Q. 30 Awards in my work unit depend on how well employees perform their jobs.	42%	24%	31%	3%
Q. 31 In my work unit, differences in performance are recognized in a meaningful way.	29%	31%	35%	4%
Q. 32 In my work unit, personnel decisions are based on merit.	32%	31%	31%	6%
Q. 61 How satisfied are you with the recognition you receive for doing a good job?	49%	23%	29%	–
Q. 66 Considering everything, how satisfied are you with your pay?	62%	17%	22%	–

The single item employees disagree with most (41 percent negative) is: “In my work unit, steps are taken to deal with a poor performer who cannot or will not improve” (Q.24). Although there has been a shift from 46 to 41 percent negative since 2002, the positive responses have improved by only 2 percentage points.

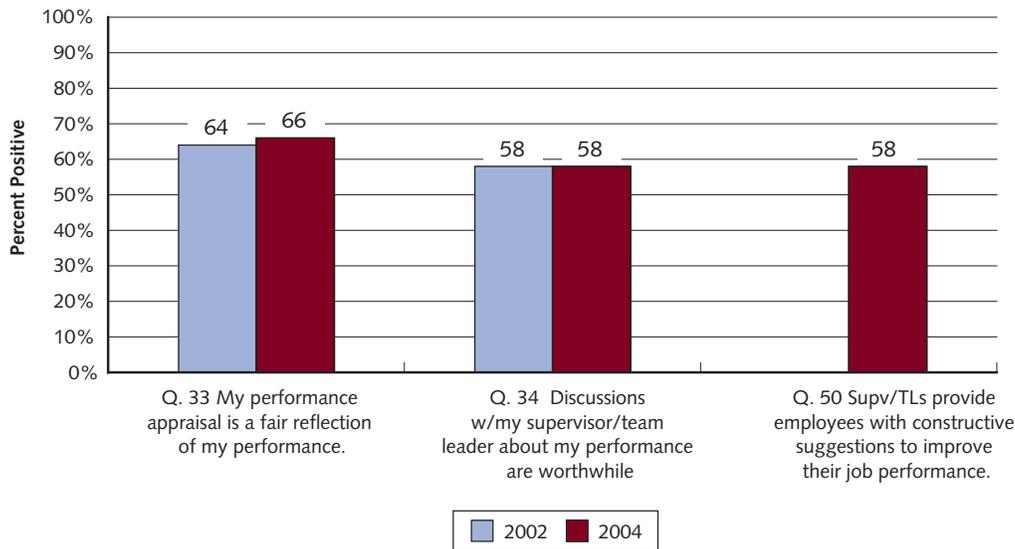
Q. 24 In my work unit, steps are taken to deal with a poor performer who cannot or will not improve.



Employees hold steady on satisfaction with feedback on performance.

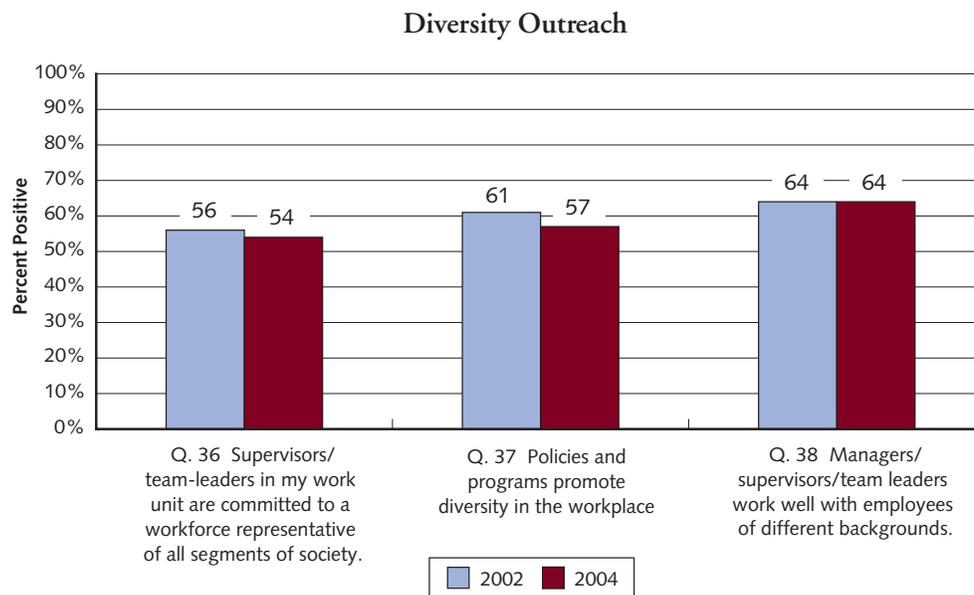
Two-thirds of employees agree their performance appraisal is fair (Q.33); there has been little change in this result since 2002. Somewhat fewer, although still more than half, believe they have worthwhile (Q.34) or constructive (Q.50) discussions with their supervisors about how to improve.

Performance Appraisals and Feedback



The Federal Government must continue its strong effort to implement diversity outreach and recruiting policies and programs.

While positive ratings are down slightly from 2002, supervisors are reported as committed to a representative workforce (Q.36), and working well with employees of different backgrounds (Q.38). In 2004, employees are less likely to say outreach and recruiting policies and programs promote full diversity in the workplace (Q.37), down 4 percentage points since 2002.



Actions Since 2002

Agency leaders throughout the Federal Government have demonstrated their commitment to improving management of the performance culture in their organizations. Under the President’s initiative to improve the strategic management of human capital, efforts have focused on driving agencies to appraise and reward employees based on their contribution to achieving the agency mission and goals. In particular, agencies have worked to hold employees at every organizational level accountable for results and to provide consequences based on performance. For example, for senior executives to have access to the highest pay rates available, an agency’s performance management system must align executive performance plans with organizational goals and hold executives accountable for achieving results. Even as this focus has sharpened, however, many agencies are confronting serious limitations in the degree to which they can truly reward their highest performers because the Federal Government’s compensation systems continue to prize and reward longevity for even moderate performers above employees’ differential contributions.

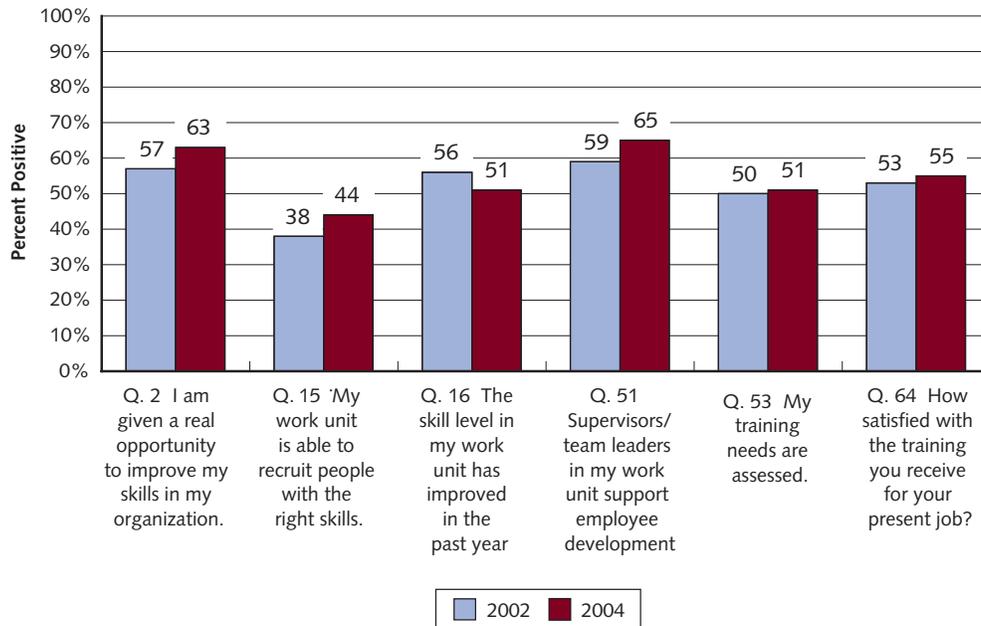
Talent

Federal employees believe their organizations have the talent and skills necessary to do the job. Agencies receive good marks for hiring people with the right skills and for providing opportunities for training and development. The Federal Government has placed great emphasis on these areas as part of the President's Management Agenda, and the survey indicates we are making progress in this regard.

The Federal Government is seeing results of efforts to close competency gaps since 2002.

The 2004 Federal Human Capital Survey results suggest improvement in closing competency gaps over the past two years. More respondents believe their work units are recruiting people with the right skills (Q.15), up 6 percentage points since 2002. In 2004, employees also are more likely to feel they are given the opportunity to improve their skills in the organization (Q.2), up 6 percentage points since 2002 to 63 percent favorable. This rating is on par with the private sector, where responses are 62 percent favorable. However, employees are less likely to agree "The skill level in my work unit has improved in the past year." Employee perceptions decreased by 5 percentage points on this item since 2002; although overall agreement is still above 50 percent favorable (Q.16).

Talent



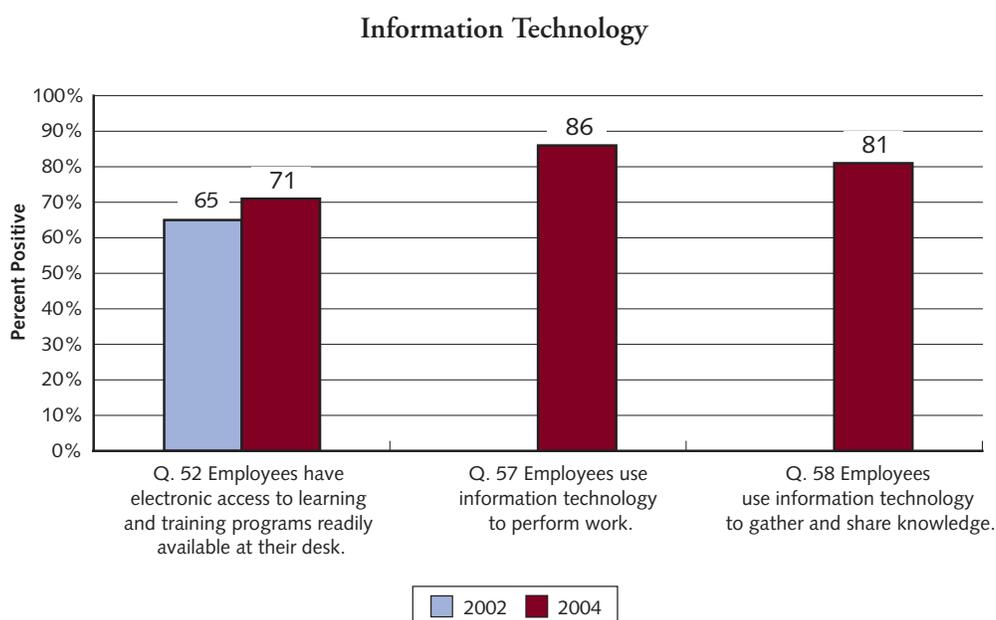
Managers support employee development, which still requires focusing on assessed needs.

A majority of employees are satisfied with the training they receive for their current job (Q.64). However, the Federal Government lags behind the private sector on satisfaction with training—55 percent favorable in Government compared to 67 percent in the private sector. Nonetheless, support for employee development (Q.51) is on the rise, up 6 percentage points since 2002. About half say their training needs are assessed (Q.53), a level that remains steady since 2002 despite efforts to encourage training needs assessment across Government.

Most Federal employees use information technology to get the job done.

One of the key initiatives of the President’s Management Agenda is to make e-Government a cornerstone of major human capital management functions, such as payroll and training, and a daily part of Federal employees’ worklives. Results of the 2004 Federal Human Capital Survey show high marks on this initiative.

A large majority of Federal employees use information technology to do their work (Q.57) and to promote knowledge management (Q.58). More employees have electronic access to learning and training programs at their desk than in 2002 (Q.52).



Actions Since 2002

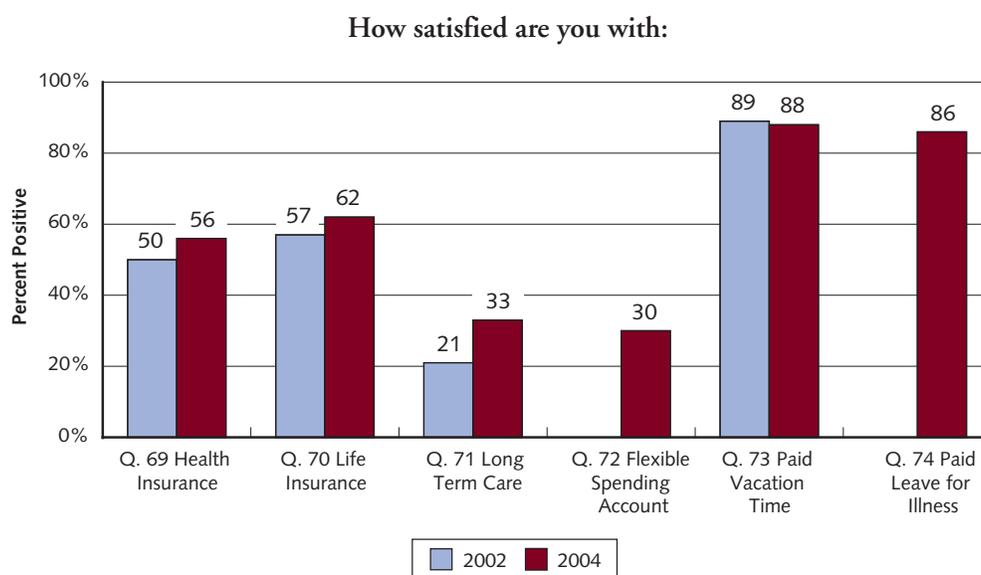
Improving talent acquisition and management continues to be a primary focus of strategic human capital management in the Federal Government. In recent years, agencies have identified occupations and positions that provide the greatest leverage for mission attainment. Through enhanced workforce planning and analysis, agencies are better able to direct their efforts and resources toward closing competency gaps in those occupations. Agencies also have begun to increase the efficiency and effectiveness of their hiring process by: implementing model-based HR practices, increasing the use of hiring flexibilities, and integrating e-Government capabilities into agency plans and procedures.



Benefits

Federal employees also are very satisfied with their benefits. The Federal Government has continuously modernized its system of benefits programs to reflect changing demographics, labor market trends, and employee/family needs, and the results of this survey indicate a strong return on this investment through the increased levels of satisfaction that help keep employees engaged and committed to their jobs.

This system has continuously been modernized, and the results show it. Employee perceptions of many of the benefits programs are highly favorable and continue to rise as OPM implements new offerings.



Employees continue to be very satisfied with many of their benefits.

Almost 90 percent of respondents are satisfied with their paid vacation time (Q.73) and paid leave for illness (Q.74), which exceeds levels of satisfaction reported for any other benefit. Satisfaction with two highly rated benefits—health (Q.69) and life insurance (Q.70)—continue to increase, up 5 percentage points from 2002.

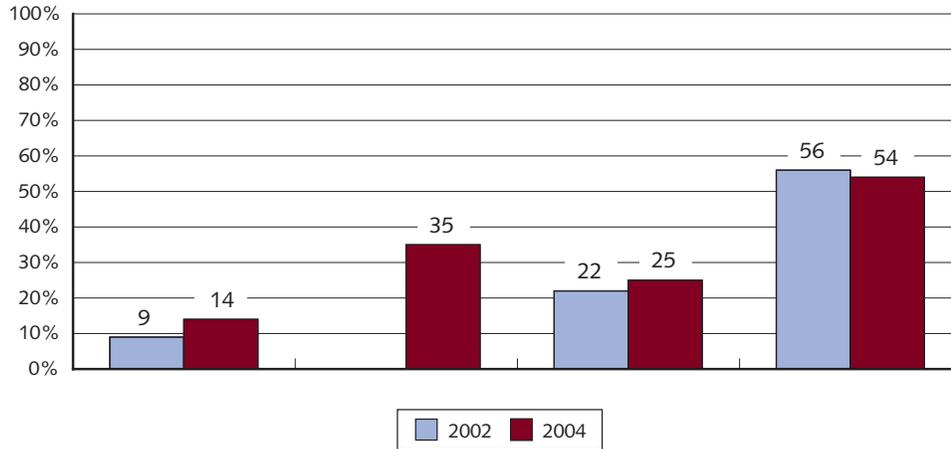
Satisfaction with newer benefits programs is on the rise.

Recent legislation has resulted in some changes in Federal employees' benefits, including new benefits programs (e.g., long term care insurance), as well as changes in the health benefits program. In addition, OPM continues to act to provide forms of benefits competing employers offer, including flexible spending accounts.

The flexible spending account program is still new, with about 162,000 Federal employees enrolled in the program. As might be expected, after only one year of operation, a majority of employees are neutral about the program, with 65 percent indicating they are neither satisfied nor dissatisfied, while 30 percent are satisfied with

the program (Q.72). Satisfaction with another relatively new benefit, long term care insurance (Q.71), increased 12 percentage points since 2002.

How satisfied are you with:



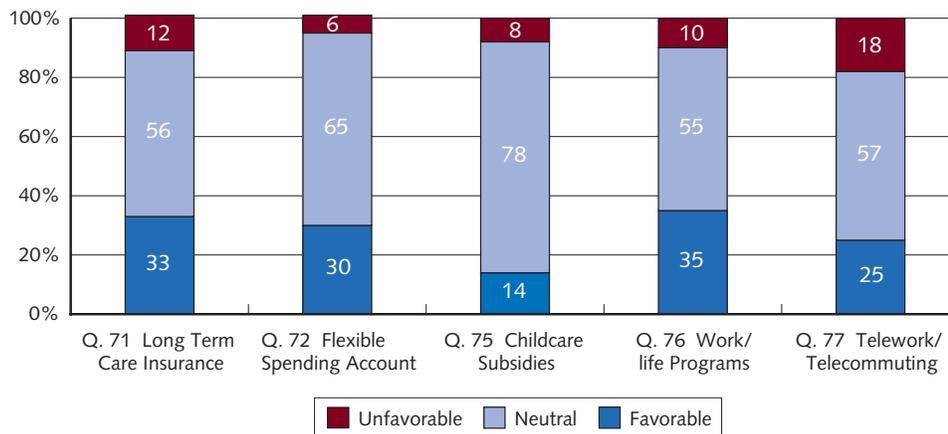
Employees have mixed opinions about family friendly benefits.

More than half of employees are satisfied with alternative work schedules (Q.78). While only 25 percent of respondents are satisfied with telework/telecommuting (Q.77), this rating is up 3 percentage points since 2002. Child care subsidies (Q.75), work/life programs (Q.76), and telework/telecommuting (Q.77) are not widely used benefits, and a large percentage of respondents are neutral about them.

Some Federal benefits programs yielded a large percent of neutral responses, and a lower level of satisfaction.

A large percentage of employees indicate they are “neutral” about flexible spending accounts, long term care insurance, child care subsidies, work/life programs, and telework/telecommuting programs. These neutral responses may be high as a natural consequence of these benefit programs having lower participation rates because they are still fairly new and/or because their application is limited to certain groups of employees.

How satisfied are you with:



CONCLUSIONS

Federal employees continue to believe strongly in their mission, working for America. Employees give supervisors good marks and believe agencies recruit the right people and provide opportunities for development. They are very satisfied with benefits programs, which continue to be modernized to meet changing needs. While employees have a positive view of their organizations, they give low marks when it comes to rewarding performance and dealing with poor performers. Employees also have reservations about the senior leadership in their agencies.

Failure to modernize a human capital management system that does not recognize and reward high performance may undermine the commitment of the Federal workforce. System improvements, however, must be combined with an effort by agencies to develop leaders and address skill gaps. By addressing both leadership and systemic deficiencies, agencies will be able to ensure they have the high performing workforce necessary to meet their missions.

NEXT STEPS

OPM is comparing survey results from 2002 and 2004. The 2002 results serve as a baseline assessment of the quality of agency human capital management. The 2004 governmentwide survey results reflect the effects of improved management of the Leadership, Performance Culture, and Talent systems in the Federal Government. The results also may be used to suggest program or policy changes needed to strengthen agencies' abilities to provide world class leadership, engage their employees, and compete for talent. OPM will continue to use survey results as one of the available tools to assess individual agencies and their progress toward "green" status on the strategic management of human capital under the President's Management Agenda.

Similarly, examining agency specific results will help agencies assess their overall progress in meeting strategic human capital management goals and help pinpoint specific areas of success or areas that require special attention. Several agencies have developed accountability systems that include survey results among the measures used to evaluate agency efforts to improve human capital management. Other agencies will use the survey to obtain a sense of how the general human capital management climate has changed over the last two years. When combined with other data, the survey results provide direction for organizational transformation initiatives. The survey also provides a common metric all Executive agencies can use to benchmark their human capital management progress against other agencies. OPM will facilitate the development of agency communities of "promising practices" around identified areas of successes or needs.

APPENDICES

- A. Survey Methodology
- B. Survey Questions and Responses
- C. List of Agencies Surveyed
- D. Comparison to Private Sector Results
- E. Results for Items Used To Meet Annual Survey Requirements



APPENDIX A

Survey Methodology

The Federal Human Capital Survey was administered from August to December of 2004 to over 275,000 executive branch employees throughout the United States and around the world. The survey went to a stratified random sample of Federal employees, except in a few instances where agencies asked to sample their agency more extensively. This was the largest survey of Federal employees ever undertaken. The Federal Government achieved an overall response rate of 54 percent, with close to 150,000 employees completing the survey.

The Survey

The Federal Human Capital Survey includes 88 items in the questionnaire grouped into eight areas: Personal Work Experiences; Recruitment, Development, and Retention; Performance Culture; Leadership; Learning (Knowledge Management); Job Satisfaction; Benefits; and Demographics. The demographic items include location of employment (headquarters vs. field), supervisory status, gender, ethnicity/race, age, pay category/grade, Federal employment tenure, and agency tenure. In addition, the survey includes items on intention to leave the organization and plans to retire.

A majority of the 2004 questions also were on the 2002 survey so agencies can track progress in various targeted areas. The survey provides senior managers critical information to track how their agency is doing and to develop action plans for areas that can improve. Seventeen of the questions also are used in private sector surveys and help compare Government employees' perceptions with those of private sector counterparts.

The Chief Human Capital Officers Council, national unions, and other stakeholders provided input on the survey design. (See Appendix B for the survey questions and responses.)

Sample

As was the case for the 2002 administration of the Federal Human Capital Survey, the 2004 survey was directed at full-time, permanent employees of the major agencies represented on the President's Management Council. These agencies comprise approximately 97 percent of the executive branch workforce. In addition, OPM extended an invitation to all small and independent agencies to participate in the Federal Human Capital Survey. Forty-four of the small/independent agencies chose to participate in the survey effort. The survey was administered as a census to these agencies. (Appendix C contains a list of the agencies surveyed.)

OPM drew a statistically valid sample for each of these agencies, so each could have its own set of results. In most agencies, OPM drew samples for agency subcomponents with 1,500 or more employees or representing 5 percent or more of the agency's workforce. In anticipation of a conservatively estimated 40 percent response rate, samples were expanded appropriately to ensure the report would accurately reflect results from the population. The sample also was stratified by supervisor status: non-supervisors, supervisors and managers, and executives.

For the 2004 administration, various agencies requested additional sampling to better help them address human capital management questions they felt required indepth investigating, as well as to ease survey communication efforts.

Because of the differing response rates among the various demographic groups completing the survey, OPM weighted the data to further ensure the results are statistically unbiased. The weights adjust for over- and under-represented groups within the respondent population.

Data Collection

The 2004 Federal Human Capital Survey was conducted primarily electronically. OPM distributed paper versions of the survey to components of agencies that did not have electronic access (e.g., TSA, Bureau of Engraving and Printing). Over 276,000 Federal employees were given the opportunity to complete the survey. Close to 150,000 took the opportunity and provided their perceptions about the various areas related to human capital management, resulting in a 54 percent response rate.

Data Analysis

In performing statistical analyses for this report, OPM employed a number of grouping procedures to simplify presentations. Most of the items had six response categories: Strongly Agree, Agree, Neither Agree nor Disagree, Disagree, Strongly Disagree, and Do Not Know. In some instances, these responses are collapsed into one positive category (Strongly Agree and Agree), one negative category (Strongly Disagree and Disagree), and a neutral category (Neither Agree nor Disagree). The 2002 results have been recalculated in a manner consistent with our policy for calculating results for the 2004. Results for 2004 include all possible response options, including "Do Not Know."

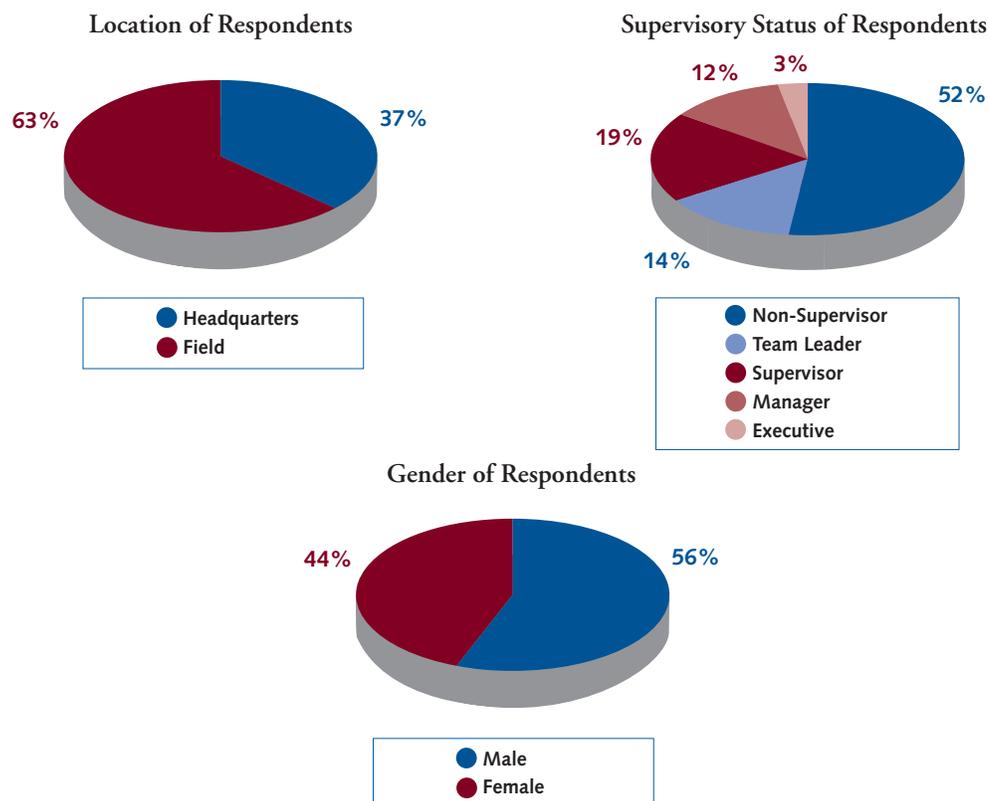
OPM conducted analyses on all survey items for the various demographic categories. More detailed survey statistics are available in the published FHCS Data volume for this survey and at the web address listed at the end of this appendix.

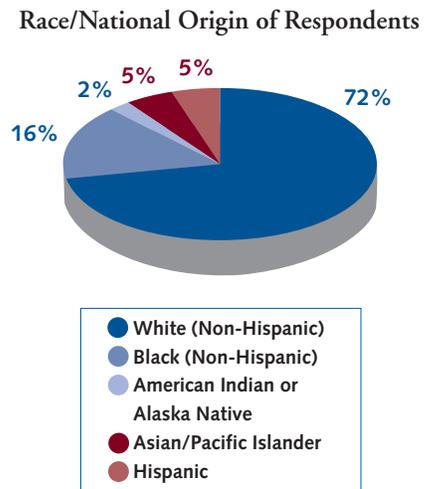
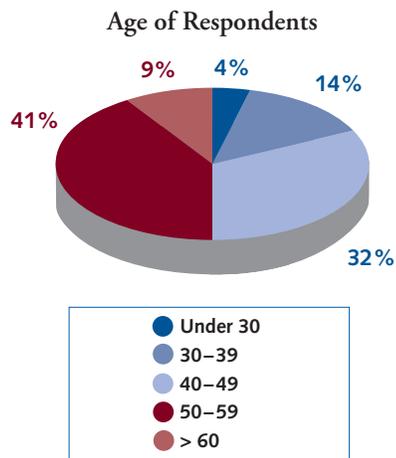
Data Weighting

Data collected from 2004 Federal Human Capital Survey respondents were weighted to produce survey estimates that accurately represent the survey population. Unweighted data are likely to produce biased estimates of population statistics. The weights developed for the 2004 Federal Human Capital Survey take into account the variable probabilities of selection across the sample subgroups, nonresponse, and known demographic characteristics of the survey population. Thus, the final results provide accurate estimates of perceptions from the Federal workforce within plus or minus 1 percentage point.

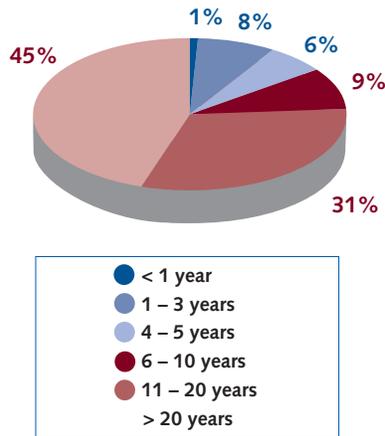
Survey Respondents

Characteristics of the 147,914 survey respondents are shown in the figures below. As was true in 2002, nearly two out of three respondents work in a field office (Q. 79). Respondents are more likely to be male than female (Q. 92). Almost two-thirds of the respondents are non-supervisory (non-supervisors and team leaders) (Q. 80). More than three-fourths of the respondents are over 40 years old, with 50-59 the largest single age category among the respondents (Q. 81). Survey respondents are predominantly white (Q. 82). Almost half have more than 20 years of tenure in the Federal Government (Q. 85). More extensive results are available on OPM's Federal Human Capital Survey website www.fhcs2004.opm.gov.





Tenure in Federal Government



APPENDIX B

Survey Questions and Responses

Personal Work Experiences							
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
1. The people I work with cooperate to get the job done.	79.8%	85.4%	1.1%	5.8%	7.7%	53.5%	31.9%
2. I am given a real opportunity to improve my skills in my organization.	56.5%	63.0%	4.9%	14.0%	18.1%	43.7%	19.3%
3. I have enough information to do my job well.	71.1%	73.5%	1.9%	9.8%	14.8%	54.8%	18.8%
4. I feel encouraged to come up with new and better ways of doing things.	56.7%	60.1%	5.8%	14.7%	19.4%	38.5%	21.6%
5. My job makes good use of my skills and abilities.	64.1%	67.0%	5.4%	12.8%	14.8%	44.7%	22.2%
6. My work gives me a feeling of personal accomplishment.	69.9%	70.9%	4.1%	9.4%	15.6%	44.2%	26.7%
7. I like the kind of work I do.	81.6%	82.5%	1.6%	4.3%	11.7%	45.1%	37.4%
8. I recommend my organization as a good place to work.	60.1%	63.6%	5.9%	10.4%	20.1%	39.9%	23.6%
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	Very Poor	Poor	Fair	Good	Very Good
9. Overall, how good a job do you feel is being done by your immediate supervisor/team leader?	61.0%	65.3%	5.1%	8.3%	21.3%	35.7%	29.6%
10. How would you rate the overall quality of work done by your work group?	81.0%	83.3%	0.6%	2.1%	14.0%	46.2%	37.2%
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	One of the Worst	Below Average	Average	Above Average	One of the Best
11. How would you rate your organization as a place to work compared to other organizations?	51.7%	55.7%	3.8%	10.9%	29.6%	34.5%	21.3%

* "NA" indicates no available data in 2002 because this item is new to the 2004 survey.

Recruitment, Development, & Retention								
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree	Do Not Know
12. The workforce has the job-relevant knowledge and skills necessary to accomplish organizational goals.	71.3%	73.7%	2.0%	8.4%	15.2%	57.6%	16.1%	0.7%
13. My supervisor supports my need to balance work and family issues.	77.4%	79.0%	3.5%	4.9%	11.8%	41.4%	37.5%	0.7%
14. Supervisors/team leaders in my work unit provide employees with the opportunities to demonstrate their leadership skills.	56.8%	59.7%	6.1%	12.3%	21.3%	42.2%	17.4%	0.8%
15. My work unit is able to recruit people with the right skills.	37.8%	43.7%	8.0%	16.9%	28.3%	34.4%	9.4%	3.0%
16. The skill level in my work unit has improved in the past year.	56.3%	50.8%	5.2%	12.8%	29.1%	37.2%	13.6%	2.2%
17. I have sufficient resources (for example, people, materials, budget) to get my job done.	48.5%	49.5%	11.0%	21.3%	17.5%	39.0%	10.5%	0.8%
18. My workload is reasonable.	65.0%	60.1%	7.8%	15.8%	15.7%	49.9%	10.2%	0.7%
19. My talents are used well in the workplace.	62.9%	62.2%	6.8%	13.0%	17.3%	45.8%	16.4%	0.7%
20. I know how my work relates to the agency's goals and priorities.	88.9%	83.1%	1.8%	3.9%	10.6%	54.5%	28.6%	0.6%
21. The work I do is important.	90.7%	90.7%	0.9%	1.6%	6.5%	42.5%	48.2%	0.3%
22. Physical conditions (for example, noise level, temperature, lighting, cleanliness in the workplace) allow employees to perform their jobs well.	65.7%	66.9%	6.4%	11.8%	14.3%	45.6%	21.3%	0.6%

* "NA" indicates no available data in 2002 because this item is new to the 2004 survey.

The 2002 FHCS positive results have been recalculated in a manner consistent with our policy for calculating results for the 2004 FHCS. Results for 2004 present all possible response options, including Do Not Know.

Performance Culture								
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree	Do Not Know
23. Promotions in my work unit are based on merit.	34.6%	33.8%	16.6%	19.4%	26.2%	26.8%	7.0%	4.1%
24. In my work unit, steps are taken to deal with a poor performer who cannot or will not improve.	24.9%	27.4%	16.9%	23.6%	26.2%	22.9%	4.5%	5.9%
25. Products and services in my work unit are improved based on customer/public input.	55.4%	46.2%	4.8%	12.0%	31.4%	37.8%	8.4%	5.5%
26. Employees have a feeling of personal empowerment with respect to work processes.	38.6%	42.6%	9.4%	18.8%	27.2%	35.3%	7.3%	2.0%
27. High-performing employees in my work unit are recognized or rewarded on a timely basis.	40.0%	42.6%	12.8%	20.9%	21.1%	32.1%	10.5%	2.6%
28. Employees are rewarded for providing high quality products and services to customers.	42.5%	42.2%	10.7%	19.8%	24.4%	32.9%	9.3%	3.0%
29. Creativity and innovation are rewarded.	37.1%	36.2%	11.3%	20.6%	28.9%	28.2%	7.9%	3.1%
30. Awards in my work unit depend on how well employees perform their jobs.	46.3%	41.7%	12.3%	19.2%	23.5%	33.2%	8.5%	3.3%
31. In my work unit, differences in performance are recognized in a meaningful way.	NA	29.4%	12.1%	23.2%	31.2%	24.2%	5.2%	4.1%
32. In my work unit, personnel decisions are based on merit.	NA	31.5%	12.3%	19.1%	31.0%	25.7%	5.8%	6.0%
33. My performance appraisal is a fair reflection of my performance.	64.0%	66.4%	6.3%	8.9%	16.7%	47.5%	19.0%	1.7%
34. Discussions with my supervisor/team leader about my performance are worthwhile.	57.6%	57.5%	7.9%	11.5%	21.7%	41.0%	16.5%	1.4%
35. I am held accountable for achieving results.	79.8%	79.6%	1.9%	4.0%	13.8%	55.8%	23.8%	0.6%
36. Supervisors/team leaders in my work unit are committed to a workforce representative of all segments of society.	56.3%	54.3%	5.1%	7.1%	27.3%	39.2%	15.1%	6.3%
37. Policies and programs promote diversity in the workplace (for example, recruiting minorities and women, training in awareness of diversity issues, mentoring).	61.2%	57.4%	5.2%	6.6%	25.3%	40.7%	16.7%	5.6%
38. Managers/supervisors/team leaders work well with employees of different backgrounds.	63.6%	64.1%	5.6%	7.5%	20.0%	46.2%	18.0%	2.8%

* "NA" indicates no available data in 2002 because this item is new to the 2004 survey.

The 2002 FHCS positive results have been recalculated in a manner consistent with our policy for calculating results for the 2004 FHCS. Results for 2004 present all possible response options, including Do Not Know.

Leadership								
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree	Do Not Know
39. I have a high level of respect for my organization's senior leaders.	NA	49.5%	11.9%	15.7%	22.6%	34.9%	14.6%	0.4%
40. In my organization, leaders generate high levels of motivation and commitment in the workforce.	36.0%	37.3%	12.7%	21.9%	27.4%	28.6%	8.7%	0.8%
41. My organization's leaders maintain high standards of honesty and integrity.	47.2%	48.7%	10.8%	12.0%	25.2%	34.5%	14.3%	3.3%
42. Managers communicate the goals and priorities of the organization.	NA	59.5%	6.9%	12.2%	20.6%	47.3%	12.3%	0.7%
43. Managers review and evaluate the organization's progress toward meeting its goals and objectives.	66.9%	57.3%	4.8%	9.1%	23.4%	45.3%	12.0%	5.5%
44. Employees are protected from health and safety hazards on the job.	NA	75.1%	4.2%	6.7%	13.2%	54.1%	21.0%	0.9%
45. My organization has prepared employees for potential security threats.	NA	73.6%	3.4%	6.9%	14.9%	54.3%	19.4%	1.3%
46. Complaints, disputes or grievances are resolved fairly in my work unit.	40.4%	39.2%	9.8%	11.8%	28.6%	30.5%	8.7%	10.7%
47. Arbitrary action, personal favoritism and coercion for partisan political purposes are not tolerated.	42.1%	47.3%	10.3%	11.8%	23.8%	33.3%	14.0%	6.8%
48. Prohibited Personnel Practices (e.g., illegally discriminating for or against any employee/applicant, obstructing a person's right to compete for employment, knowingly violating veterans' preference requirements) are not tolerated.	NA	60.4%	5.9%	5.6%	18.7%	39.9%	20.5%	9.4%
49. I can disclose a suspected violation of any law, rule or regulation without fear of reprisal.	50.7%	47.7%	9.2%	11.0%	23.9%	33.5%	14.1%	8.3%

* "NA" indicates no available data in 2002 because this item is new to the 2004 survey.

The 2002 FHCS positive results have been recalculated in a manner consistent with our policy for calculating results for the 2004 FHCS. Results for 2004 present all possible response options, including Do Not Know.

Learning (Knowledge Management)								
2004 FHCS Survey Items	Positive Responses 2002 *	Positive Responses 2004	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree	Do Not Know
50. Supervisors/team leaders provide employees with constructive suggestions to improve their job performance.	NA	57.8%	5.2%	13.5%	22.4%	47.2%	10.7%	1.0%
51. Supervisors/team leaders in my work unit support employee development.	59.1%	64.6%	5.1%	10.6%	19.0%	48.3%	16.4%	0.7%
52. Employees have electronic access to learning and training programs readily available at their desk.	64.5%	70.7%	4.0%	8.9%	13.8%	50.1%	20.6%	2.6%
53. My training needs are assessed.	49.9%	51.4%	6.5%	16.8%	23.7%	40.7%	10.7%	1.5%
54. I receive the training I need to perform my job.	60.2%	59.9%	5.6%	12.6%	21.8%	46.8%	13.1%	0.2%
55. Managers promote communication among different work units (for example, about projects, goals, needed resources).	50.1%	52.2%	7.1%	15.0%	23.3%	41.3%	10.9%	2.5%
56. Employees in my work unit share job knowledge with each other.	73.9%	75.3%	3.5%	7.9%	12.9%	53.2%	22.1%	0.4%
57. Employees use information technology (for example, intranet, shared networks) to perform work.	NA	85.6%	1.9%	3.2%	8.2%	56.3%	29.4%	1.1%
58. Employees use information technology (for example, intranet, shared networks) to gather and share knowledge.	NA	81.4%	1.8%	4.3%	11.2%	54.6%	26.8%	1.3%

* "NA" indicates no available data in 2002 because this item is new to the 2004 survey.

The 2002 FHCS positive results have been recalculated in a manner consistent with our policy for calculating results for the 2004 FHCS. Results for 2004 present all possible response options, including Do Not Know.

Job Satisfaction							
2004 FHCS Survey Items	Positive Responses 2002 *	Positive Responses 2004	Very Dissatisfied	Dissatisfied	Neither Satisfied Nor Dissatisfied	Satisfied	Very Satisfied
59. How satisfied are you with your involvement in decisions that affect your work?	52.1%	52.1%	6.6%	19.3%	22.1%	39.8%	12.3%
60. How satisfied are you with the information you receive from management on what's going on in your organization?	44.5%	45.6%	8.7%	22.2%	23.6%	36.2%	9.4%
61. How satisfied are you with the recognition you receive for doing a good job?	45.8%	48.9%	9.4%	19.1%	22.6%	36.0%	13.0%
62. How satisfied are you with the policies and practices of your senior leaders?	NA	39.9%	10.6%	20.6%	28.9%	31.6%	8.3%
63. How satisfied are you with your opportunity to get a better job in your organization?	33.1%	35.3%	13.9%	22.5%	28.3%	27.4%	8.0%
64. How satisfied are you with the training you receive for your present job?	53.1%	55.4%	5.3%	15.3%	24.0%	43.5%	11.9%
65. Considering everything, how satisfied are you with your job?	67.8%	67.5%	4.4%	10.3%	17.9%	46.8%	21.8%
66. Considering everything, how satisfied are you with your pay?	63.8%	61.9%	5.8%	15.6%	16.7%	46.2%	15.7%
67. Considering everything, how satisfied are you with your organization?	55.4%	56.7%	6.7%	14.8%	21.8%	43.1%	13.6%

* "NA" indicates no available data in 2002 because this item is new to the 2004 survey.

Satisfaction with Benefits							
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	Very Dissatisfied	Dissatisfied	Neither Satisfied Nor Dissatisfied	Satisfied	Very Satisfied
68. How satisfied are you with retirement benefits?	65.6%	65.2%	2.6%	9.9%	22.3%	50.3%	14.9%
69. How satisfied are you with health insurance benefits?	50.1%	56.0%	6.1%	18.4%	19.7%	44.0%	12.0%
70. How satisfied are you with life insurance benefits?	56.5%	62.1%	2.3%	7.7%	28.0%	50.2%	11.8%
71. How satisfied are you with long term care insurance benefits?	21.4%	32.9%	3.6%	8.0%	55.5%	27.3%	5.6%
72. How satisfied are you with the flexible spending account (FSA) program?	NA	29.5%	2.8%	3.3%	64.5%	22.7%	6.8%
73. How satisfied are you with paid vacation time?	89.2%	88.0%	1.1%	3.6%	7.4%	55.7%	32.3%
74. How satisfied are you with paid leave for illness (e.g., personal), including family care situations (e.g., childbirth/adoption or elder care)?	NA	86.0%	1.4%	3.7%	9.0%	52.4%	33.5%
75. How satisfied are you with child care subsidies?	8.5%	14.3%	4.5%	3.3%	77.9%	10.7%	3.6%
76. How satisfied are you with work/life programs (e.g., health and wellness, employee assistance, elder care, and support groups)?	NA	34.5%	3.5%	6.7%	55.4%	27.4%	7.1%
77. How satisfied are you with telework/telecommuting?	21.5%	24.7%	8.3%	10.1%	56.9%	18.7%	6.0%
78. How satisfied are you with alternative work schedules?	56.0%	53.9%	6.5%	8.4%	31.2%	33.6%	20.3%

* "NA" indicates no available data in 2002 because this item is new to the 2004 survey.

APPENDIX C

List of Agencies Surveyed

The Federal Human Capital Survey was administered to full-time, permanent employees of the major agencies represented on the President's Management Council (PMC) and the small/independent agencies that accepted an invitation to participate in the survey.

PMC Agencies

- Department of Agriculture (USDA)
- Department of Commerce (Commerce)
- Department of Defense (DoD)
 - Department of the Army (Army)
 - Department of the Navy (Navy)
 - U.S. Air Force (Air Force)
 - U.S. Army Corps of Engineers (USACE)
 - U.S. Marine Corps (Marines)
- Department of Education (Education)
- Department of Energy (Energy)
- Department of Health and Human Services (HHS)
- Department of Homeland Security (DHS, new in 2004)
- Department of Housing and Urban Development (HUD)
- Department of the Interior (Interior)
- Department of Justice (Justice)
- Department of Labor (Labor)
- Department of State (State)
- Department of Transportation (DOT)
- Department of the Treasury (Treasury)
- Department of Veterans Affairs (VA)
- Agency for International Development (AID)
- Environmental Protection Agency (EPA)
- General Services Administration (GSA)
- National Aeronautics and Space Administration (NASA)
- National Science Foundation (NSF)
- Office of Management and Budget (OMB)
- Office of Personnel Management (OPM)
- Small Business Administration (SBA)
- Social Security Administration (SSA)

Small/Independent Agencies

- Advisory Council on Historic Preservation (ACHP)
- Architectural and Transportation Barrier Compliance Board (Access Board)
- Broadcasting Board of Governors (BBG)
- Chemical Safety and Hazard Investigation Board (CSB)
- Commission on Civil Rights (USCCR)
- Commodity Futures Trading Commission (CFTC)
- Consumer Product Safety Commission (CPSC)
- Corporation for National and Community Service (CNCS)
- Court Services and Offender Supervision Agency (CSOSA)
- Equal Employment Opportunity Commission (EEOC)
- Export-Import Bank of the United States (Ex-Im Bank)
- Farm Credit Administration (FCA)
- Federal Deposit Insurance Corporation (FDIC)
- Federal Election Commission (FEC)
- Federal Housing Finance Board (FHFB)
- Federal Labor Relations Authority (FLRA)
- Federal Maritime Commission (FMC)
- Federal Mediation and Conciliation Service (FMCS)
- Federal Trade Commission (FTC)
- Institute of Museum Library Services (IMLS)
- Inter-American Foundation (IAF)
- Merit Systems Protection Board (MSPB)
- National Archives and Records Administration (NARA)
- National Credit Union Administration (NCUA)
- National Endowment for the Arts (NEA)
- National Endowment for the Humanities (NEH)
- National Labor Relations Board (NLRB)
- National Mediation Board (NMB)
- National Transportation Safety Board (NTSB)
- Nuclear Regulatory Commission (NRC)
- Nuclear Waste Technical Review Board (NWTRB)
- Occupational Safety and Health Review Commission (OSHRC)
- Office of Government Ethics (OGE)
- Office of Navajo and Hopi Indian Relocation (ONHIR)
- Office of Special Counsel (OSC)
- Office of U.S. Trade Representative (USTR)
- Peace Corps (PC)
- Postal Rate Commission (PRC)
- Railroad Retirement Board (RRB)
- Securities and Exchange Commission (SEC)
- Selective Service Commission (SSC)
- U.S. Election Assistance Commission (EAC)
- U.S. Holocaust Memorial Museum (USHMM)
- U.S. International Trade Commission (ITC)

APPENDIX D

Comparison to Private Sector Results

2004 FHCS Survey Items	Governmentwide % Positive Responses	Private Sector % Positive Responses	Difference (+/-)
1. The people I work with cooperate to get the job done.	85%	83%	2%
2. FHCS – I am given a real opportunity to improve my skills in my organization. Private Sector – I am given a real opportunity to improve my skills in the company.	63%	62%	1%
3. I have enough information to do my job well.	74%	72%	2%
4. I feel encouraged to come up with new and better ways of doing things.	60%	64%	-4%
5. My job makes good use of my skills and abilities.	67%	74%	-7%
6. My work gives me a feeling of personal accomplishment.	71%	75%	-4%
7. I like the kind of work I do.	83%	82%	1%
9. Overall, how good a job do you feel is being done by your immediate supervisor/team leader?	65%	75%	-10%
10. How would you rate the overall quality of work done in your work group?	83%	90%	-7%
11. FHCS – How would you rate your organization as a place to work compared to other organizations? Private Sector – How would you rate your organization as an organization to work for compared to other organizations?	56%	57%	-1%
59. How satisfied are you with your involvement in decisions that affect your work?	52%	58%	-6%
60. FHCS – How satisfied are you with the information you receive from management on what's going on in your organization? Private Sector – How satisfied are you with the information you receive from management on what's going on in the company?	46%	59%	-13%

2004 FHCS Survey Items	Governmentwide % Positive Responses	Private Sector % Positive Responses	Difference (+/-)
61. How satisfied are you with the recognition you receive for doing a good job?	49%	56%	-7%
63. How satisfied are you with your opportunity you get a better job in this company?	35%	43%	-8%
64. How satisfied are you with the training you received for your present job?	55%	67%	-12%
65. Considering everything, how satisfied are you with your job?	68%	71%	-3%
67. FHCS – Considering everything, how satisfied are you with your organization? Private Sector – Considering everything, how would you rate your overall satisfaction with the organization at the present time?	57%	66%	-9%

Note: The percentages shown in the "Private Sector" column provide the percentage who responded favorably to the same questions collected from employees performing a wide range of jobs in a set of large private sector companies, primarily in the U.S. Four private sector items had slightly different wording than the Federal Human Capital Survey. These differences are noted in the table above.



APPENDIX E

Results for Items Used To Meet Annual Survey Requirements

In the National Defense Authorization Act for Fiscal Year 2004, Congress established a requirement for agencies to conduct an annual survey of their employees to assess employee satisfaction, as well as leadership and management practices that contribute to agency performance. The law requires OPM to prescribe survey questions all agencies must assess and report annually. OPM works with the Chief Human Capital Officers Council to develop survey items. This appendix shows the set of items included in the 2004 Federal Human Capital Survey to provide systematic baseline measures.

Personal Work Experiences							
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
1. The people I work with cooperate to get the job done.	79.8%	85.4%	1.1%	5.8%	7.7%	53.5%	31.9%
2. I am given a real opportunity to improve my skills in my organization.	56.5%	63.0%	4.9%	14.0%	18.1%	43.7%	19.3%
6. My work gives me a feeling of personal accomplishment.	69.9%	70.9%	4.1%	9.4%	15.6%	44.2%	26.7%
7. I like the kind of work I do.	81.6%	82.5%	1.6%	4.3%	11.7%	45.1%	37.4%
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	Very Poor	Poor	Fair	Good	Very Good
9. Overall, how good a job do you feel is being done by your immediate supervisor/team leader?	61.0%	65.3%	5.1%	8.3%	21.3%	35.7%	29.6%

* "NA" indicates no available data in 2002 because this item is new to the 2004 survey. The 2002 FHCS positive results have been recalculated in a manner consistent with our policy for calculating results for the 2004 FHCS. Results for 2004 present all possible response options, including Do Not Know.

Recruitment, Development, & Retention								
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree	Do Not Know
12. The workforce has the job-relevant knowledge and skills necessary to accomplish organizational goals.	71.3%	73.7%	2.0%	8.4%	15.2%	57.6%	16.1%	0.7%
15. My work unit is able to recruit people with the right skills.	37.8%	43.7%	8.0%	16.9%	28.3%	34.4%	9.4%	3.0%
20. I know how my work relates to the agency's goals and priorities.	88.9%	83.1%	1.8%	3.9%	10.6%	54.5%	28.6%	0.6%
21. The work I do is important.	90.7%	90.7%	0.9%	1.6%	6.5%	42.5%	48.2%	0.3%
22. Physical conditions (for example, noise level, temperature, lighting, cleanliness in the workplace) allow employees to perform their jobs well.	65.7%	66.9%	6.4%	11.8%	14.3%	45.6%	21.3%	0.6%

Performance Culture								
2004 FHCS Survey Items	Positive Responses 2002*	Positive Responses 2004	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree	Do Not Know
23. Promotions in my work unit are based on merit.	34.6%	33.8%	16.6%	19.4%	26.2%	26.8%	7.0%	4.1%
24. In my work unit, steps are taken to deal with a poor performer who cannot or will not improve.	24.9%	27.4%	16.9%	23.6%	26.2%	22.9%	4.5%	5.9%
29. Creativity and innovation are rewarded.	37.1%	36.2%	11.3%	20.6%	28.9%	28.2%	7.9%	3.1%
31. In my work unit, differences in performance are recognized in a meaningful way.	NA	29.4%	12.1%	23.2%	31.2%	24.2%	5.2%	4.1%
33. My performance appraisal is a fair reflection of my performance.	64.0%	66.4%	6.3%	8.9%	16.7%	47.5%	19.0%	1.7%
34. Discussions with my supervisor/team leader about my performance are worthwhile.	57.6%	57.5%	7.9%	11.5%	21.7%	41.0%	16.5%	1.4%
38. Managers/supervisors/ team leaders work well with employees of different backgrounds.	63.6%	64.1%	5.6%	7.5%	20.0%	46.2%	18.0%	2.8%

* "NA" indicates no available data in 2002 because this item is new to the 2004 survey.

The 2002 FHCS positive results have been recalculated in a manner consistent with our policy for calculating results for the 2004 FHCS. Results for 2004 present all possible response options, including Do Not Know.

Leadership								
2004 FHCS Survey Items	Positive Responses 2002 *	Positive Responses 2004	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree	Do Not Know
39. I have a high level of respect for my organization's senior leaders.	NA	49.5%	11.9%	15.7%	22.6%	34.9%	14.6%	0.4%
40. In my organization, leaders generate high levels of motivation and commitment in the workforce.	36.0%	37.3%	12.7%	21.9%	27.4%	28.6%	8.7%	0.8%
43. Managers review and evaluate the organization's progress toward meeting its goals and objectives.	66.9%	57.3%	4.8%	9.1%	23.4%	45.3%	12.0%	5.5%
44. Employees are protected from health and safety hazards on the job.	NA	75.1%	4.2%	6.7%	13.2%	54.1%	21.0%	0.9%
45. My organization has prepared employees for potential security threats.	NA	73.6%	3.4%	6.9%	14.9%	54.3%	19.4%	1.3%

Job Satisfaction							
2004 FHCS Survey Items	Positive Responses 2002 *	Positive Responses 2004	Very Dissatisfied	Dissatisfied	Neither Satisfied nor Dissatisfied	Satisfied	Very Satisfied
59. How satisfied are you with your involvement in decisions that affect your work?	52.1%	52.1%	6.6%	19.3%	22.1%	39.8%	12.3%
61. How satisfied are you with the recognition you receive for doing a good job?	45.8%	48.9%	9.4%	19.1%	22.6%	36.0%	13.0%
62. How satisfied are you with the policies and practices of your senior leaders?	NA	39.9%	10.6%	20.6%	28.9%	31.6%	8.3%
64. How satisfied are you with the training you receive for your present job?	53.1%	55.4%	5.3%	15.3%	24.0%	43.5%	11.9%
65. Considering everything, how satisfied are you with your job?	67.8%	67.5%	4.4%	10.3%	17.9%	46.8%	21.8%
66. Considering everything, how satisfied are you with your pay?	63.8%	61.9%	5.8%	15.6%	16.7%	46.2%	15.7%

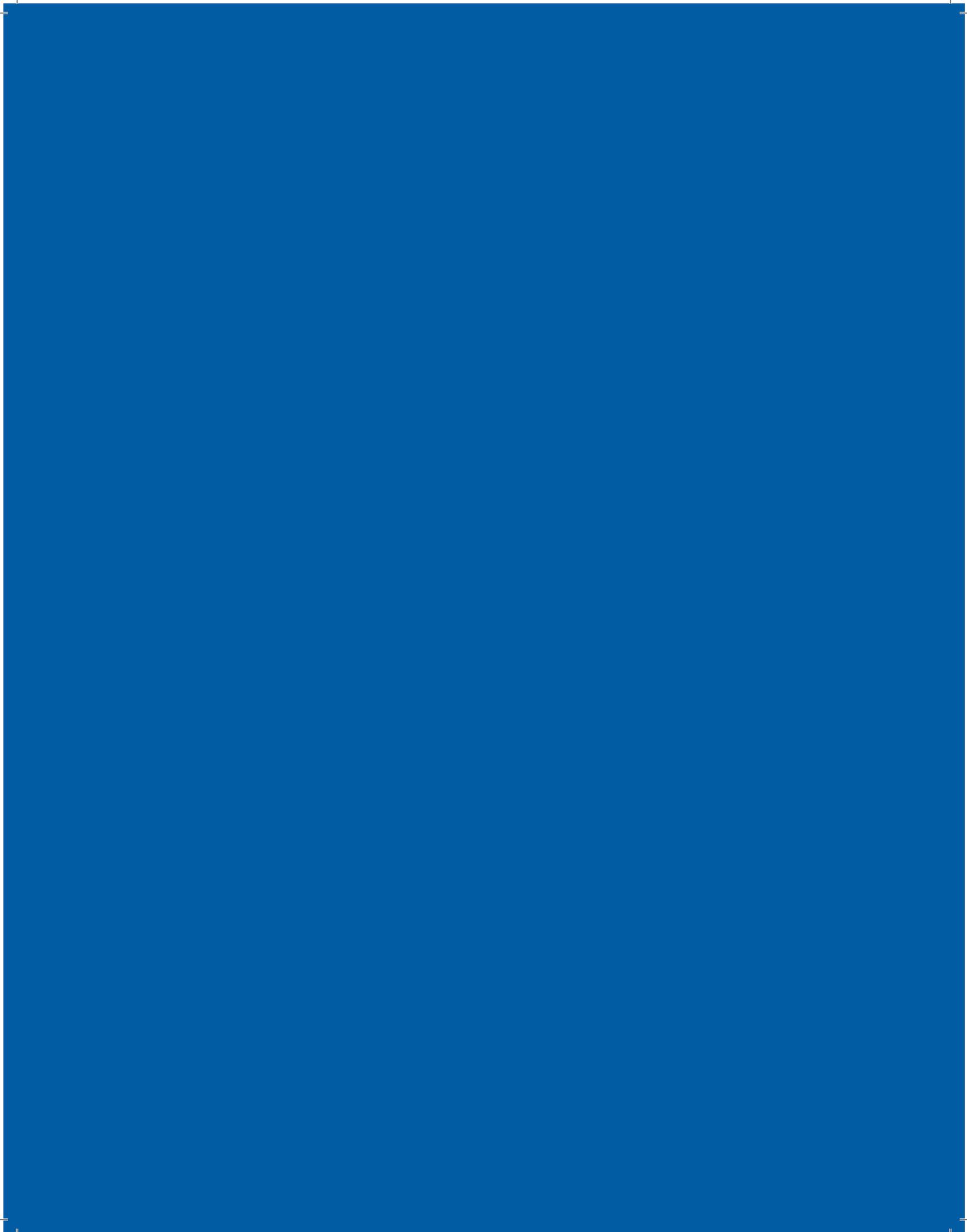
* "NA" indicates no available data in 2002 because this item is new to the 2004 survey.

The 2002 FHCS positive results have been recalculated in a manner consistent with our policy for calculating results for the 2004 FHCS. Results for 2004 present all possible response options, including Do Not Know.

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