Firing Poor Performers and Producing Results

No one creates a mere “plan” anymore. Today, public managers must create a “comprehensive plan.”

Last month, Mick Mulvaney, director of the U.S. Office of Management and Budget issued his “Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce.” In this 14 page memo, he uses the words plan, plans or planning 86 times. Mulvaney must love plans.

Most of the response to this memorandum focused on OMB’s plan “to prepare a long-term plan to reduce the size of the Federal workforce.” Moreover, by June 30, OMB expects all federal agencies to provide it with a report on “progress on near-term workforce reduction actions.” Reducing the number of federal employees starts now.

In January, President Trump imposed a hiring freeze that might well make sense. After all, it isn’t obvious whether every federal agency has the correct number of employees. Some might need fewer. Some might need more. For each agency, its staffing needs depend upon the results the administration wants it to achieve.

Thus, at the beginning of any administration, it might make sense to sort that out: What purpose should each agency seek to achieve? What level of results should it produce in four years? What strategy should it use to do this? And what kind of people—not just how many—does it need to implement this strategy?

But that is not behind this hiring freeze. Its purpose is to prevent agencies from adding employees to their baseline before it must start cutting.

Lost in the reactions to Mulvaney’s “long-term plan to reduce the size of the Federal Government’s workforce” has been his charge to agencies, to “develop a plan to maximize employee performance by June 30.” Compared with the phrase “workforce reduction,” the word “performance” doesn’t produce as many newspaper headlines or online eyeballs.

Still, Mulvaney’s desire “to maximize employee performance” deserves attention. Indeed, his effort to focus federal agencies on maximizing performance is important. Yet, what he means by the word “performance” let alone by the phrase “to maximize” may not be obvious in his memo.

After all, at the Departments of Veterans Affairs and Agriculture, the meaning of the phrase “maximize performance” would be very different. The “Agency Reform Plans” that federal departments are required to submit to OMB in September might include approaches that are very similar—indeed might include words that are very similar. But their plans for maximizing performance will, necessarily, have to be quite different.

The agency plans that Mulvaney seeks are not, however, designed to maximize agency performance. He seeks plans “to maximize employee performance” [emphasis added].

This phrase seems odd. After all, no federal employee produces his or her own results. The performance of the U.S. government—of any government—indeed of any organization—is collective performance. No employee of General Motors produces an entire car. No teacher is the sole educator of a child.

Mulvaney, however, did not use the phrase “maximize employee performance” to focus attention on “performance.” His key word is “employee.” “Certainly, it is important that managers recognize high performers,” Mulvaney writes. But, he emphasizes, these managers should also “move quickly to address employees who are not meeting performance expectations”—which includes, “if necessary, removing poor performers.”

Mulvaney does highlight several management practices that help to improve performance. But a clear subtext is a focus on poor (individual) performers. Thus, an agency’s June plan to maximize employee performance “must include a process for reviewing and updating (or creating, if one does not already exist) the agency’s policy, procedures, and guidance on how to address poor performance and conduct.”

Indeed, to “Provide Transparency around the Performance Improvement Plan (PIP) Process,” an agency’s June plan “must include a timeline for providing all supervisors a copy of the rules and guidance regarding performance improvement plans (PIP) pursuant to 5 U.S.C. Chapter 43.” This may sound innocuous. But to any federal employee, it is threatening. This is because Chapter 43 of Title 5 of the United States Code deals with steps required to terminate or demote a federal employee. And a PIP is one of the ways many federal agencies meet these requirements.

To Mulvaney, one way to improve the performance of the federal government (and reduce the size of the federal workforce) is to focus on individuals with “poor performance.”

Discarding the bottom of any distribution will clearly raise the average. But it will certainly not “maximize” the collective performance of the entire agency’s employees.