

Module 1

Module Welcome

Welcome to the Merit System Principles Tutorial! I will be your guide through this module. As a typical Federal manager, I know what a challenge it can be to achieve your mission and at the same time comply with all of the regulations.

The Merit System Principles are the basic values by which the Federal Government manages people. They are implicit in the laws, rules, and regulations that frame the modern Civil Service. Since merit is the underlying basis for all personnel actions, we believe that it is critically important that Federal managers and supervisors know the principles, and understand how to apply them.

This course is intended to enhance Merit System Principles awareness and understanding among managers throughout the Federal Government. This module will show you how the changes in the merit system can help you accomplish this.

Module Objectives

This module will provide Federal supervisors and managers with an understanding of the history and purpose of the Merit System Principles.

By the end of this module, you will be able to:

- Define the overall purpose of the merit system
- Identify the major legislative milestones that resulted in forming the current merit system
- Identify and understand the basic elements of the nine Merit System Principles

Federal Human Resource Management in the 21st Century

Federal Human Resource Management (HRM) is changing.

As the Federal Government moves toward performance-based management, we are recognizing the central importance of our greatest asset, our people, in today's knowledge economy. The President's management agenda recognizes this, making **Strategic Management of Human Capital** (The strategic management of human capital calls for a transformation in the employment, deployment, and evaluation of the Federal workforce with results in mind.) an objective and a critical imperative for success.

To unleash the potential of Federal organizations, this new strategic approach to HRM encourages the flexible adaptation of an agency's HR systems and processes to support the mission. This new flexibility focuses on HR performance, not the rigid policies and prescriptions of the past, such as the Federal Personnel Manual.

In this new management environment, the **Merit System Principles are more important than ever**, since they provide the philosophical foundation upon which performance-based management can evolve.

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Alignment with Strategic Goals of Organization (HR goal and objectives are aligned with the agency strategic plan. HR performance measures are combined with agency performance measures.) , Effective HRM Program (HRM activities are directed at development of human capital to support knowledge work in support of core mission processes.), Efficient HRM Process (HR performance efficiency measures are used to enhance efficiency of HR processes such as recruiting, succession management, etc.), Legal Compliance (The compliance with underlying HR statues remains, but is more flexible with the elimination of rigid policy guidance.) and Merit Systems Principles (Merit Systems Principles provide a flexible basis for optimizing mission performance.).



Historical Perspective on the Merit System

The Merit System evolved in America in response to the troubles created by political patronage under the "spoils system." The roots of political patronage, the practice of making appointments to government jobs to acquire political advantage, extends back to ancient China where the first merit system was developed. In American history, the U.S. Civil Service and development of the merit system happened as a result of three major legislative milestones. Click on each of the items in the timeline for an historical perspective.

1880's - At the height of the "spoils era" (1829-1883), each change in national administration was the signal for the wholesale removal of Government employees to provide jobs for the supporters of the new President. The struggle for jobs caused much bitterness, and jobs were openly bought and sold. Incompetence, graft, corruption, and outright theft were common.

1883 - In 1881, President James A. Garfield was assassinated by a disgruntled job seeker while waiting to board a vacation train in Washington. President Garfield's death gave new impetus to a Civil Service reform bill introduced six months earlier by Senator George Pendleton of Ohio and other powerful proponents of the merit system. Passed in 1883, the Pendleton Act established procedures to assure that selections for certain Federal jobs would be open, competitive, and free of political coercion.

1978 - It was not until 1970 that Merit System Principles were set in statute. The Intergovernmental Personnel Act required states that receive Federal funds to follow six Merit Principles. Prior to this, there was no clear expression of the Principles as they apply to Federal personnel management. Finally, it was the Civil Service Reform Act of 1978 that created the nine Merit System Principles and the eleven Prohibited Personnel Practices that we recognize today. A twelfth Prohibited Personnel Practice was added in 1998 to address veterans preference.

1989 - Whistle Blower Protection Act of 1989 - With the passage of the Whistle Blower Protection Act, the merit system was strengthened significantly, with specific legal protections provided to Federal employees who identified specific instances of fraud, waste and abuse in Federal operations.

The Purpose of the Merit System

The purpose of the merit system is to provide for the development of an effective, mission-focused, accountable civil service workforce, based on merit, not the spoils system of the past.

Why the renewed interest in the principles?

- With the new emphasis on strategic human capital management, flexibility and agency-specific organizational design, there is enhanced delegation and deregulation of Federal agencies. The principles provide philosophical guidance without constraining innovation and adaptation.
- The new focus of human capital management is performance, not process and procedures.

- Layers of rules and regulations, policy guidance, and program implementation have obscured basic principles
- Reinvention and subsequent re-engineering are eliminating many restrictions and prescriptions (e.g., the Federal Personnel Manual)

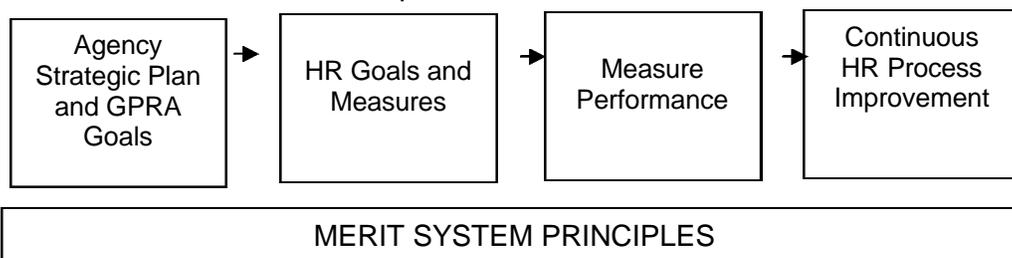
What do the merit principles do? Guide civil servants to effective and efficient mission accomplishment.

- Remind us that duty and the public interest are first, all else is second.
- Raise our sights to the public's long-term interest in an "effective civil service" which may, at times, conflict with immediate or personal interests.
- Challenge the status quo-what we do/how we do it.
- Give us benchmarks to measure and judge all personnel policies, programs, practices, and individual behavior.
- Provide the basis on which OPM, on behalf of the President and the Congress, holds agencies and individuals accountable.

Benefits and Opportunities

With the emphasis on flexible Human Resource Management (HRM), you will develop personnel policy tailored to your agency needs and climate of your agency. Here is why you should understand the principles:

- Agencies are delegating more authority to managers to take personnel actions, such as hiring, firing and promoting.
- Along with authority comes accountability. You will be held responsible for your merit-based actions and performance, using new HR performance measures under the Government Performance and Results Act (GPRA) (The Government Performance and Results Act (GPRA) was passed into law in 1993. Intended to focus Federal agencies on strategic planning, performance planning, and performance measurement, GPRA empowers Federal employees to enhance mission performance through enhanced accountability.) that can help you measure compliance with the merit principles.
- You will be empowered by the new emphasis on the Merit System Principles, while losing the detailed guidance of the past, such as the Federal Personnel Manual (FPM) (Federal Personnel Manual - Former detailed policy manual that documented specific personnel procedures. More than six times the size of the Webster's Dictionary, the Federal Personnel Manual has now been replaced by the flexible guidance of the Merit System Principles.)
- With the delegation of authority, you'll be able to work within your agency to change your HR system to meet your mission requirements. You'll be surprised at how much flexibility you will have to implement the merit system requirements to achieve the best mission performance.



The Merit System Principles

Now that we understand the purpose, evolution and importance of the merit principles, let's look at the principles themselves.

There are nine Merit System Principles, which can be found in **Section 2301(b) of title 5, U.S.C.** These Merit System Principles provide guidance for how you, as managers and supervisors, should manage your human resources. They are the expected outcomes of good management. The Principles are the fundamental foundation of the entire Federal Human Resources Management system. They can also be described as the **core values** that should be expressed in every human resources decision you make.

Prohibited Personnel Practices are specific practices to be avoided in upholding the Merit Principles.

Principle	Example
1: Recruit qualified individuals from all segments of society, and select and advance employees on the basis of merit after fair and open competition.	Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve a work force from all segments of society, and selection and advancement should be determined solely on the basis of relative ability, knowledge, and skills, after fair and open competition which assures that all receive equal opportunity.
2: Treat employees and applicants fairly and equitably, without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition.	All employees and applicants for employment should receive fair and equitable treatment in all aspects of personnel management without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition, and with proper regard for their privacy and constitutional rights.
3: Provide equal pay for equal work and reward excellent performance.	Equal pay should be provided for work of equal value, with appropriate consideration of both national and local rates paid by employers in the private sector, and appropriate incentives and recognition should be provided for excellence in performance.
4: Maintain high standards of integrity, conduct, and concern for the public interest.	All employees should maintain high standards of integrity, conduct, and concern for the public interest.
5: Manage employees efficiently and effectively.	The Federal work force should be used efficiently and effectively.
6: Retain or separate employees on the basis of their performance.	Employees should be retained on the basis of the adequacy of their performance. Inadequate performance should be corrected, and employees should be separated who cannot or will not improve their performance to meet required standards.
7: Educate and train employees	Employees should be provided effective education and

Principle	Example
when it will result in better organizational or individual performance.	training in cases in which such education and training would result in better organizational and individual performance.
8: Protect employees from improper political influence.	Employees should be (A) protected against arbitrary action, personal favoritism, or coercion for partisan political purposes, and (B) prohibited from using their official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for election.
9: Protect employees against reprisal for lawful disclosure of information in “whistleblower” situations (i.e., protect people who report things like illegal and/or wasteful activities).	Employees should be protected against reprisal for the lawful disclosure of information which the employees reasonably believe evidences (A) a violation of any law, rule, or regulation, or (B) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

The Merit System at Work

Let’s look at some of the real world challenges that you will face as a manager in the Federal merit system. As you innovate and change your organization to enhance mission performance, you’ll need to balance the changes with merit systems compliance.

Transcript of Video:

“Encounter at Roosevelt Island: a conversation about Merit System Principles”

**Presented by U.S. Office of Personnel Management
Office of Merit Systems Oversight and Effectiveness**

Woman: That’s a good idea. I carry mine too.

George: Huh? Are you talking to me lady?

Woman: Yes, I couldn’t help but notice your MSPs card.

George: My what?

Woman: Your Merit System Principles wallet card. I carry one too. It’s a good idea.

George: What’s so good about it?

Woman: Well, making them handy like that. You know the Merit Systems Principles on one side and the Prohibited Personnel Practices on the other. It’s symbolic. One side’s statement is like being a flip side to the other. It’s especially appropriate to be reading that card here.

George: Listen lady.... I um.... I really.... Um..... I really got a lot of my mind.

Woman: I know. You are in some kind of trouble aren't you? You've come out here to meditate. Tell me about it. I am a good listener.

George: I really, really got a lot of my mind. I got... In an hour, I've got to see... Damn, what a mess. Getting busted for trying to make everybody happy. I thought maybe they would slap my hand or tell me not to do it again.

Woman: Goodness, what did you do?

George: I granted an employee's request. Can you believe that? And I thought I was doing a bunch of other people a favor.

Scene changes to a man at his desk. The first man walks in and sits down.

George: Do you remember questioning me about sending Louis going to that software class at the community college?

Ted: Yes, I thought your motives were out of line.

George: Yes, yes. Why does she really need the class?

Ted: Yes.

George: Well, I told you we were glad to get rid of her for two afternoons a week for fifteen weeks.

Ted: I really want to forget I heard you say that.

George: Well, that would be a great idea, Ted. I need help.

Ted: What happened?

George: Well, remember when she took that new job across the hall?

Ted: Vaguely.

George: Evidently, the fact that she had software training was what got her the job.

Ted: Well, I see this coming. All right, someone applied from your shop for it as well.

George: You got it. Leslie Princeton. She called the Office of Special Council.

Ted: And said what?

George: Well, I didn't listen in on their conversation, Ted. But what do you think? She said I gave Louis unfair advantage.

Ted: You didn't know that at the time.

George: That's right, Ted. I didn't know that at the time. But...

Ted: But what, George?

George: Well, what do I say when they ask me why I did send her to take that class?

Scene changes to the first man and the woman at the park.

Woman: That's a funny thing about principles. They have everything to do with motivation.

George: What do you mean motivation? What was wrong with my motivation? Louis wanted to take the course and everyone in my office wanted the time off from Louis. You don't know what it was like to have this lady around all the time.

Woman: That's an interesting case. You start with a six and end up with a seven-eleven, I'd say.

George: What? Seven-eleven, what is that, a convenience store?

Woman: The seventh Merit System Principle says an employee should be provided education and training when it would result in better organizational and individual performance. Unfortunately, that's not why you sent Louis to the course, is it? Inadvertently, perhaps, by getting rid of Louis for a few hours a week, you provided her with an advantage for advancement you did not provide for anyone else. The fact that you didn't know that at the time, just shifts your error from Merit System Principles number six to number seven. Number eleven of the Prohibited Personnel Practices says you are not to take any personnel action if it violates a law or regulation that implements a Merit System Principle.

George: What are you, the Merit Systems Protection Board?

Woman: No, but I wouldn't mind that.

George: Well, do me a favor; don't apply for a seat until tomorrow.

Woman: You did the right thing coming out here.

George: What?

Woman: Coming out here, to Roosevelt Island. You could almost feel President Roosevelt clamping down on unfair practices when you are out here.

George: Well, I came out here to muster up some spunk from the old boy who charged up San Juan Hill.

Test Your Knowledge

Now that you've learned about the purpose, history and basic principles of the merit system, answer the following questions dragging the item to the true or false desktop.

1. Question: The requirement to apply the Merit System Principles was eliminated with when the Federal Personnel Manual (FPM) was abolished.
Answer: False. The Merit System Principles remain a requirement, and in fact provide a flexible replacement for the rigid requirements of the Federal Personnel Manual.
2. Question: The purpose of the merit system is to increase the authority of Federal managers.
Answer: False. The purpose of the merit system is to provide a personnel system based on equal opportunity and merit. The authority of Federal managers may be increasing as a result of the evolving HR changes, but that is not the principle purpose of the merit system.
3. Question: The Merit System Principles are applied identically to all Executive Branch agencies.
Answer: False. In today's performance-based environment, each agency can flexibly adapt their HR system and compliance approach, as long as they comply with the basic tenets of the Merit System Principles.
4. Question: The Merit System Principles predate recent civil rights legislation and, therefore, fail to mention race, color, sex, age, and marital status.
Answer: False. The Merit System Principles have evolved since 1972 and reflect these issues.
5. Question: The phrase "prohibited personnel practice" is a general reference to violations of Merit System Principles.
Answer: True. Prohibited Personnel Practices are specific practices to be avoided in upholding the merit principles.
6. In the new HRM environment, the Merit Systems Principles are more important since they provide a philosophical foundation of principles to replace the rigid policies and procedures of the past.
Answer: True. The Merit System Principles are more important since they provide the foundation for HR redesign, in absence of specific policy and procedure mandates that once existed.

Module Summary

This concludes Module 1. We hope that you have a greater understanding of the Merit System Principles history and each of the nine principles. The following are key concepts to remember:

- The Merit System Principles are the basic values by which the Federal Government managers people. There are nine Merit System Principles, which can be found in Section 2301(b) of title 5 of the United States Code.
- There is an increased emphasis on the principles with the advent of strategic human resource development and reinvention

- The merit principles focus civil servants on mission accomplishment, challenging the status quo, and providing benchmarks to measure and personnel policies, programs, practices, and individual behavior.
- The Merit System Principles provide the basis on which OPM, on behalf of the President and the Congress, holds agencies and individuals accountable.