

also recommended abolishing the time-in-grade restriction. In A Report to the President on Implementing Recommendations of the National Performance Review by the National Partnership Council, January 1994, the Council states on page 30:

“The NPC recommends the following \* \* \* regulatory changes be made to allow employees to compete for job opportunities based on their qualifications and to enable decision makers to utilize employees more fully where needed—

- Abolish the time-in-grade regulatory requirement. For bargaining unit employees, the current requirement should remain in effect until the parties agree to modify it either through consensus or collective bargaining.”

Thus, OPM's proposal is consistent with recommendations of both the NPR and National Partnership Council.

#### **D. Impact of Proposal**

##### *Shrinking Federal Work Force*

When Congress passed the Whitten Amendment in the 1950's, the civil service was expanding to respond to the needs of the growing conflict in Korea. Time in grade was a brake on that expansion.

The situation today is just the opposite. The Federal Workforce Restructuring Act of 1994, Pub. L. 103-226 of March 30, 1994, mandates reductions in Federal employment levels. Employment in executive agencies is to be reduced in each fiscal year from FY 94 through FY 99 by a total of 272,900 positions. Also, the level of agency funding is being reduced because of deficit reduction legislation.

The results is that managers must do more with fewer employees and less money. Managers cannot inflate grade levels because their funds and position authorizations will be tight. And, since agencies are being asked to do more with less, the quality of the work force has become even more important. It makes more sense for managers to be able to select from among the best-qualified employees available, regardless of their existing grade levels.

Another effect of the shrinking work force is fewer opportunities for employee advancement. Agencies traditionally encourage employees to improve their capabilities. Employees who have acquired new skills and knowledge—many on their own time and with their own resources—will find far fewer vacancies available. The time-in-grade restriction is just one more obstacle to prevent them from competing to use the new skills they have worked hard to acquire, even

though they meet OPM qualification standards.

##### *Coverage*

Not all Federal employees are subject to the restriction. The Whitten Amendment applied to both competitive and excepted employees in GS positions. However, when the law expired in 1978, excepted employees were released from its coverage because OPM's time-in-grade regulations apply only to the competitive service. Other competitive service employees under other pay plans, such as the wage grade system, also are free of the restriction. Yet the lack of a time-in-grade restriction has had no discernible adverse effect on these excepted and wage grade positions. OPM's proposal would put competitive service employees on an equal footing by allowing them to compete for advancement based on their qualifications just as these other employees do.

##### *Qualifications*

Many of the commenters who disagreed with the proposal believed that its abolishment would result in the promotion of employees who are not qualified for their jobs. This is not true. When the time-in-grade restriction was implemented in the 1950's, no effective means existed to prevent employees from advancing rapidly through the grades. But there is now in place a comprehensive qualification standards system covering all General Schedule positions in the competitive service.

To qualify for most positions, an individual must have 1 year of specialized experience equivalent in difficulty to the next lower grade level, or equivalent education. Even without the time-in-grade restriction, individuals must meet this specialized experience or education requirement. Thus, this proposal would not result in the hiring of unqualified persons. Nor would this proposal allow persons to be placed in a higher grade position merely because of their “potential” and without the necessary qualifying background. In fact, the only employees who could be promoted in less than 1 year are those who have higher level experience from another job or qualifying education.

Abolishment of time in grade simply means that employees may be considered for any grade for which they meet the qualification requirements, either through education or experience acquired in Federal or any other work settings. Employees may compete in civil service examinations without regard to time in grade, and this proposal would enable them also to

compete under internal merit promotion procedures based on qualifications.

The time-in-grade restriction prevents that consideration, as with individuals who take lower graded jobs when nothing else is available and then find they are not allowed to apply for higher graded jobs for which they are well qualified. Letters from individuals supporting the proposed elimination provide other representative examples of how time in grade inhibits employee advancement:

- An employee pursued Bachelors and Masters degrees while balancing time as a student, mother, and Federal clerical employee in positions up to GS-5, yet time in grade prevents her from competing for the GS-9 professional positions for which she now qualifies.
- An employee whose agency has had a longstanding hiring freeze has been detailed to a higher grade position for more than 1 year. Although the employee is now qualified for a position two grades higher, he meets time in grade only for positions one grade higher.
- A minority employee entered Government employment as a GS-9. Despite two Masters degrees, a year and a half of law school, 10 years experience in executive positions at a private corporation, service as adjunct instructor at a major university, and other substantive experience, he was restricted by time in grade from applying for managerial positions for which he qualified.
- A co-op student accepted a GS-4 clerical job when her agency terminated its trainee program. Most jobs in her field start at GS-7, for which she qualifies, but she is eligible only for GS-5 because of time in grade and will have to pursue a different line of work.
- A retired military member with a degree and over 20 years of experience took a Federal wage grade position. A debilitating accident required him to accept a GS-4 position, and now time in grade prevents him from applying for positions consistent with his experience.

##### *Impact on Minorities*

Individual commenters and organizations representing minority employees were concerned that eliminating time in grade would lead to abuse and favoritism, with a negative impact on affirmative action and equal employment opportunity. OPM does not believe that retention of time in grade contributes to equality in the work place. Although abolishing the restriction will not eliminate the “glass ceiling,” it would be one more step toward eliminating artificial barriers to employees advancement for minorities and nonminorities alike.

##### *Promotions*

Even without time in grade, agencies must continue to assure that employees