Leading Together:
AN EXPLORATION OF THE RELATIONSHIP BETWEEN LEADERSHIP TYPE AND EMPLOYEE ENGAGEMENT

FEBRUARY 24, 2022
BY CHRISTINA CONDREAY, CARLOS GALINA, BRANDON LARDY AND MADDIE POWDER

PARTNERSHIP FOR PUBLIC SERVICE
CENTER FOR PRESIDENTIAL TRANSITION

BCG BOSTON CONSULTING GROUP
About the Partnership

The Partnership for Public Service is a nonpartisan, nonprofit organization that works to revitalize the federal government by inspiring a new generation to serve and by transforming the way government works. The Partnership teams up with federal agencies and other stakeholders to make our government more effective and efficient.

About BCG

BCG is a global management consulting firm dedicated to advising clients in the private, public and not-for-profit sectors. We partner with our clients to identify their highest-value opportunities, address their challenges and transform their enterprises so that they achieve sustainable competitive advantage, build more capable organizations and secure lasting results. In our work with the federal government, BCG is recognized for bringing commercial insights and best practices to our public sector clients. To learn more, visit bcg.com.
Table of Contents

Introduction 4
Background 5
Methodology 8
Findings 10
Analysis 11
What Does this Mean for Leaders Across Government? 13
Conclusion 15
Future Analyses 16
Project Team 17
Appendix 18
Introduction

The best private and public sector organizations understand that increased employee engagement—the satisfaction and commitment of the workforce and the willingness of employees to put forth discretionary effort to achieve results—leads to better performance and outcomes.

One of the most influential elements of employee engagement is leadership, a critical issue for the federal government and its civilian employees who are led by both Senate-confirmed appointees and career executives. Effective leadership has been the key driver of employee engagement scores every year since the Partnership for Public Service launched the Best Places to Work in the Federal Government® rankings in 2003.

This exploratory analysis by the Partnership and Boston Consulting Group reviewed whether there is any difference in federal employee engagement if agency subcomponents are led by political appointees or by members of the career Senior Executive Service.¹

The analysis suggests there is a small but statistically significant increase in the average engagement scores of federal agency subcomponents led by career members of the SES compared with those led by appointees.

These findings do not demonstrate that career leadership consistently leads to higher employee engagement across the board. Instead, they suggest a range of hypotheses on how such leaders are or are not set up for success. They also reveal the need for further understanding of the key distinctions between appointee and career civil service leadership roles, as well as what factors are most useful in selecting and preparing each to succeed. Further analysis may suggest how to mitigate or maximize some of the costs and benefits of a diversified government leadership corps that has the most potential to build a dynamic federal government and effectively serve our diverse nation.

¹ The Senior Executive Service consists of executive positions, including managerial, supervisory and policy positions classified above General Schedule (GS) grade 15 or equivalent positions in most executive branch agencies of the federal government. USAJobs, “Working in Government”, 2021. Retrieved from bit.ly/3rOmatf
Background

Our government works best when it has a full team of capable and committed individuals serving in career and politically appointed positions. Career executives can bring program and policy expertise from their long familiarity with their agencies which can help them manage programs better and work more effectively with external stakeholders and inside actors. Politically appointed leaders can bring energy, risk-taking and responsiveness into an agency’s decision-making process which can improve performance. When leaders are matched with missions, agendas and teams that align with their distinct approaches and perspectives, they can find success in creating a government that is more efficient, innovative and responsive to the needs of the public.

Since 2001, the Partnership for Public Service has contributed to making government more effective and efficient, investing in the growth and potential of both sets of leaders. Many of our efforts have focused on the need to set up political appointees for success with robust recruitment, expedient placement, leadership development and mission-skills alignment. We have also advocated for rethinking Senate-confirmed positions, favoring alternatives that maximize the unique backgrounds and skills of political appointees and career civil servants while preserving the Senate’s oversight and constitutional role.

Several dynamics can work against appointees in their public service careers. The number of Senate-confirmed positions, for example, grew from 779 to 1,237 between 1960 and 2016, a 59% increase. This increase—along with challenges in the confirmation process—has resulted in the confirmation times for nominees taking longer every year, resulting in numerous vacancies and key positions held by acting officials.

---

3 David Lewis’s analysis of U.S. Congress, Policy and Supporting Positions, various years; and Partnership for Public Service analysis of U.S. Congress, Policy and Supporting Positions, various years.

An emerging consensus in the academic literature around federal leadership and agency performance shows appointees and career civil servants can work productively together. But studies also have shown that some of the negative trends impacting political appointees and the slow, often dysfunctional Senate confirmation process have a detrimental effect on institutional continuity, performance and employee morale.4

For these reasons, we explored how these challenges impact the current federal workforce—political and career—through the lens of employee engagement in our Best Places to Work in the Federal Government rankings. This workforce is composed of about 2 million civil servants as well as 4,000 political appointees selected by the president, 1,200 of whom require Senate confirmation.

Across agencies, the ratio of political appointees to civil servants varies widely. Agencies like the Department of Education have a ratio of about one Senate-confirmed appointee to 230 full-time, nonseasonal permanent career civil servants. In contrast, the Department of Veterans Affairs has a ratio around one to 31,000.5 Overall, presidentially appointed Senate-confirmed positions represent less than 1% of the federal workforce, but they play a critical role in shaping and executing the vision and policies of an administration.

The Best Places to Work rankings offer the most comprehensive assessment of how federal public servants view their jobs and workplaces. The rankings provide employee perspectives on leadership, pay, innovation, work–life balance and a range of other issues. Most importantly, the rankings and accompanying data give leaders a way to measure employee engagement across the federal workforce, as well as at individual departments, agencies and their subcomponents. The rankings alert federal leaders to signs of trouble and provide a roadmap to better manage our government’s most important asset—its employees.

Since 2003, The Best Places to Work analysis has shown that effective leadership remains a key driver of employee engagement. Regardless of the type of leader at the head of an organization, when employees believe leadership generates motivation, encourages integrity, manages fairly, promotes creativity and empowers them, they tend to be more satisfied and committed.

This dynamic has implications for organizational performance. In recent analyses, the Partnership and BCG found that employee engagement had a notable impact on the patient experience at hospitals run by the Department of Veterans Affairs and on workforce attrition at agencies across government. The implication of this work is clear: Effective federal leaders, both political and career, have the power to drive engagement and organizational performance.

---

Senate-confirmed and professional career leaders both have a noteworthy impact across their organizations. The presence, absence and management style of decisionmakers across agencies influences how an organization addresses its goals, the environment and behavior within agencies and even the posture stakeholders take towards that agency.

<table>
<thead>
<tr>
<th>Types of Presidential Appointments</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presidential appointments requiring Senate confirmation (PAS)</td>
<td>Heads of most major agencies as well as the top deputies, general counsels, a majority of ambassadors, U.S. attorneys and a handful of positions within the Executive Office of the President.</td>
</tr>
<tr>
<td>Presidential appointments not requiring Senate confirmation (PA)</td>
<td>This category includes a few thousand jobs, including several positions within the Executive Office of the President. These include most senior White House aides and advisors, as well as their deputies and key assistants.</td>
</tr>
<tr>
<td>Noncareer Senior Executive Service (SES)</td>
<td>Serve in the key positions just below the top presidential appointees. These people are the major link between the top appointees and the rest of the federal workforce. They tend to assume managerial roles alongside career government executives and generally fill positions vacated by noncareer SES staff of the previous administration.</td>
</tr>
<tr>
<td>Career Reserved Senior Executive Service (Career SES)</td>
<td>Positions defined by law with a responsibility to ensure impartiality, or public's confidence of impartiality of government. These positions are filled exclusively by career appointees and the appointments are made through a competitive hiring process.</td>
</tr>
<tr>
<td>Confidential or policymaking positions (Schedule C)</td>
<td>Schedule C appointees tend to be in policymaking positions and must be supervised by another political appointee. Schedule C positions may be designated by the Office of Personnel Management at the request of an agency or the Executive Office of the President, and typically number about 1,400 government-wide.</td>
</tr>
</tbody>
</table>
Methodology

To explore the relationship between leadership type and employee engagement, we relied on two of the Partnership’s most extensive datasets: the Best Places to Work in the Federal Government rankings, which offer the most comprehensive assessment of how federal public servants view their jobs and workplaces, and the Political Appointee tracker.

Through this effort, we had access to employee engagement scores for hundreds of agency subcomponents over nearly 15 years. The Political Appointee Tracker, compiled by the Partnership for Public Service and The Washington Post, catalogue the nomination, confirmation and tenure of roughly 800 Senate-confirmed leaders in organizations across government.

By combining the employee engagement data and our tracking of Senate-confirmed positions across agencies, we built a combined dataset that matches more than 300 agency subcomponents with their nearly 2,500 records of engagement scores from 2013 to 2020. Within this dataset, we grouped the subcomponents based on three leadership categories.

1. Senate-confirmed political appointees.
2. Career members of the Senior Executive Service.
3. Politically appointed non-career SES members.

In the end, we looked at a total of 204 subcomponents led by Senate-confirmed leaders, 70 subcomponents led by career SES officials and 40 subcomponents led by noncareer SES employees. For example, the Alcohol and Tobacco Tax and Trade Bureau at the Department of

---

MORE THAN 300 agency subcomponents ANALYZED IN THE COMBINED DATASET

---

6 We used subcomponents as our unit of analysis to expand our sample size beyond the few dozen large, midsize and small agencies included in the Best Places to Work rankings as well as examine the dynamics between leadership and engagement among leaders who are arguably closer to the day-to-day work and workforce than those of Cabinet departments and parent agencies.
the Treasury is led by a career SES official. This means the individual leading this subcomponent joined the SES through a merit-based competitive hiring process. On the other hand, certain subcomponents, such as the Department of Labor’s Bureau of International Labor Affairs, are led by noncareer SES officials. These officials do not go through the competitive hiring process or require Senate confirmation, but agency heads must make sure they meet the necessary qualifications. Finally, some subcomponents such as the Antitrust Division at the Department of Justice are led by Senate-confirmed leaders. These individuals are appointed by the president and must be approved by the Senate.

Using this breakdown, we calculated the average Best Places to Work employee engagement scores for each group. After comparing the mean scores for each group, we performed a t-test\(^7\) to understand whether the differences in employee engagement for each category of components were meaningful or due to random chance. Though exploratory, our initial findings suggest that higher employee engagement scores are associated with subcomponents led by career SES officials. However, since this was not a randomized experiment, we could not concretely determine that the difference between scores is directly caused by differences in leadership type. To create a randomized experiment and determine causation would require splitting up agency subcomponents into two equal groups and randomly assigning them a Senate confirmed or SES leader, preferably without informing the agency employees of their leader’s affiliation, and then examining the differences in employee engagement scores—an impractical experiment. Still, this initial analysis suggests that such distinctions are worth better understanding and exploring to best support career and political leaders and their workforces.

---

\(^7\) A t-test is a statistical test used to determine if two sample means are statistically significant. For this analysis, the Partnership used a specification called the Welch t-test, which assumes the data from both groups are normally distributed, but do not have the same variance. In this case, we assume groups of agencies have equal means specifically in populations that may have different variances. We also constructed confidence intervals, meaning if we were to test 100 random samples of agencies, the true difference in the mean Best Places to Work scores should be contained in the confidence interval 95% of the time.
Findings

The results of our analysis showed a statistically significant difference between the mean employee engagement scores of subcomponents led by members of the senior executive service and those led by Senate-confirmed political appointees.

Between 2013 to 2020, the mean score for subcomponents led by Senate-confirmed political appointees was 62.1 and the mean score for subcomponents led by senior executives was 66.1, a difference of 4 points. For comparison, the average government-wide score during this same period was 60.8.

Average engagement scores by type of leadership

<table>
<thead>
<tr>
<th>Leadership type</th>
<th>Average engagement according to the Best Places to Work score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presidential appointments requiring Senate confirmation (PAS)</td>
<td>62.1</td>
</tr>
<tr>
<td>Presidential appointments not requiring Senate confirmation (PA)</td>
<td>64.7</td>
</tr>
<tr>
<td>Senior Executive Service (SES)</td>
<td>66.1</td>
</tr>
<tr>
<td>Noncareer Senior Executive Service (SES)</td>
<td>64.3</td>
</tr>
<tr>
<td>Career Senior Executive Service</td>
<td>69.4</td>
</tr>
</tbody>
</table>

Table: Partnership for Public Service • Source: Best Places to Work in the Federal Government • Created with Datawrapper
We also examined the difference in employee engagement scores between subcomponents led by career SES and non-career SES. Our test indicated a statistically significant difference between these two groups. Organizations led by career senior executives registered a mean employee engagement score 5.1 points above those led by non-career SES members.

Analysis

Given the limitations, these findings should not be interpreted as a statement that career SES leaders consistently or inherently drive higher employee engagement than political leaders. In fact, the agency with the highest employee engagement score for the past nine years is NASA, an agency led by a Senate-confirmed appointee. The agency has a ratio of about one Senate-confirmed appointee to 4,000 full-time, nonseasonal permanent career civil servants, which suggests the combination of political appointee leadership combined with the knowledge of career leaders can result in successful synergies. However, the small but statistically significant relationship between career leadership and higher Best Places to Work employee engagement scores suggests that, on average, career and political leaders may be viewed differently by their employees and face distinct challenges in executing their roles effectively. This difference reveals a need for further research and analysis to understand how specific trends and barriers—such as persistent vacancies or longevity—might impact employee engagement. But based on prior research, we can offer a range of hypotheses.

There are several possible reasons why subcomponents led by career senior executives report, on average, higher levels of employee engagement than those led by Senate-confirmed political appointees or non-career SES members. Each of these merit consideration in future analyses or deliberations on how to best select or support federal leaders.
One possible explanation is that career senior executives tend to serve for longer periods of time and bring more stability to leadership tenure and teams. As previously discussed, our Best Places to Work findings have shown that effective leadership is a key driver of employee engagement and a key component of effective leadership is stability.

Previous studies have estimated that the average tenure of political appointees is 2.5 years,\(^8\) which can limit their ability to manage, motivate and empower their employees, leading to diminished engagement.

These short tenures also mean that political positions are likely to see more frequent and lengthier vacancies and high turnover, with related impacts on the subcomponents they lead. Shorter tenures and leadership gaps can create additional challenges to implement institutional reforms. For most agencies, 2.5 years is not enough time to understand, plan, implement and evaluate the effectiveness of reforms that would impact employee development, support, empowerment, or supervision. Similarly, the loss of institutional knowledge with turnover may disrupt program continuity and make it harder for agencies to deliver on their missions. All these challenges may have a negative impact on engagement. Of course, all leaders in government regardless of classification face challenges in government such as working to navigate bureaucracy and dealing with outdated rules and regulations. Senate-confirmed appointees with new perspectives and complementary expertise may offer a fresh lens to longstanding challenges, but the impact of tenure on management and employee engagement is worth consideration.

The approaches and agendas that different types of leaders bring to agency subcomponents might also explain the difference in engagement. Senate-confirmed appointees may see their mandates differently than a career counterpart due to their purpose of carrying out the president’s policy agenda. As a consequence, their goals diverge from the historical objectives of the organizations they oversee. While new perspectives can have a positive influence by encouraging the career workforce to innovate or address emerging challenges, it may also pose a challenge to employees’ sense of readiness and engagement.

Through the Best Places to Work data, there is a link between employee engagement and how strongly employees feel their skills align with the missions of the organizations. If their organization’s mission diverges, even temporarily, it can have a negative impact on engagement, whether due to short term political shifts or longer-term institutional change. During the Trump administration, for example, the Environmental Protection Agency’s mission was more limited in scope and affected by the rollback of numerous environmental protection regulations.\(^9\) This change in the mission aligned with a decline in Best Places to Work scores from 2016 to 2017 and 2017 to 2018.


Additionally, the diversity of expertise between types of leaders may also be a contributing factor to mission alignment. Senate-confirmed appointees often bring leadership and innovative managerial experience with critical benefits to agencies at a crossroads. Career senior executives often contribute years of institutional knowledge and subject matter expertise to their roles, better positioning them to help their organizations effectively deliver on long-standing missions.

The variation in scores across subcomponents also could be explained by the types of organizations that career senior executives lead, which may be more conducive to greater engagement. Career senior executives often lead organizations with smaller workforces that may also be closer to day-to-day mission delivery. When employees feel aligned with the mission and can see the impact they are having on a regular basis, that can lead them to be more consistently engaged.

What Does this Mean for Leaders Across Government?

The results of this analysis demonstrate that there are numerous opportunities to consider the distinctions between political and career leadership in the federal government, the roles they undertake, and how best to set both groups up for success. All leaders in government face challenges, and these findings highlight the need for leadership development of both civil servants and Senate-confirmed appointees to equip them to deal with these challenges. Further, decisionmakers have choices in how they select career and political leaders, how they organize teams, how they provide support and developmental opportunities for leaders at all levels, how they manage change and how they mitigate vacancies or skill gaps. Embedded within these
choices should be the understanding that effective leadership is critical for employee engagement.

Regardless of the position, leaders should engender trust and confidence with their employees. Although their roles and approaches can be distinct, the experiences and characteristics of career SES members who effectively lead and engage their employees can be guides for evaluating candidates for political appointments. Across the federal government, agencies can improve employee engagement by taking a variety of approaches, including selecting Senate-confirmed appointees with leadership backgrounds, offering leadership and onboarding training to new Senate-confirmed leaders, encouraging them to institute feedback opportunities and engage in recognition activities. These and other approaches have proven to be successful methods agencies have taken to improve their Best Places to Work scores and engagement across their workforces.¹⁰

Senate-confirmed appointees may also benefit from moving quickly to build relationships with the career staff that they will lead—relationships that career senior executives often have after years of working for an agency. Moreover, Senate-confirmed leaders will benefit their organizations if they prioritize including career personnel with important technical and management skills on their teams.

Selecting the most effective Senate-confirmed appointees, however, is only one part of the equation. Across agencies, leaders should prioritize stability and ensure that, when Senate-confirmed leaders are ready to move on to other opportunities, the teams they lead have a succession plan and the required tools to lead the workforce through the transition. Mitigating the impact of political appointee departures and associated vacancies makes it more likely employee engagement gains will be sustained.

¹⁰ Partnership for Public Service, “Steps Agencies Can Take to Improve Employee Engagement” Available at bit.ly/3sIVvNw
Conclusion

The exploratory analysis by the Partnership and BCG reveals that there is a small but statistically significant difference in the average employee engagement scores of federal agency subcomponents led by members of the career Senior Executive Service compared with those led by political appointees. This finding does not mean that all subcomponents with Senate confirmed leadership have lower employee engagement. This begs the question: What makes the difference between high-performing and low-performing organizations led by Senate-confirmed appointees? There are several factors in addition to leadership type that may contribute to an organization’s engagement levels and performance. Agency subcomponents such as the Department of Transportation are led by Senate-confirmed leaders and ranked third in this past years Best Places to Work rankings, while others struggle.

What makes the difference between high-performing and low-performing organizations led by Senate-confirmed appointees?

These findings are not a reflection of the quality of career or Senate-confirmed leadership and their effects on engagement. Yet, they suggest a series of challenges the federal government faces to set up future agency leaders for success and reveals the need to consider the benefits that Senate-confirmed leaders and career civil servants each bring to their roles. This includes developing ways to guarantee leaders go through a robust recruitment process and have access to leadership development to rethinking the Senate confirmation process in ways that benefit agencies in the long term. Focusing on these and other issues will provide an opportunity to enhance federal worker engagement and make our government more effective.
Future Analyses

Future exploration would benefit from a more granular analysis that looks at the leadership type at the office or work unit levels as opposed to subcomponents. This approach would help increase the sample size and produce more robust results. This dataset also could be expanded by increasing the timeframe beyond 2013 to 2020, allowing for a larger sample size and more accurate results.

In addition, the link between appointee vacancies and employee engagement could be analyzed more closely. This report hypothesizes the lengthier and more frequent vacancies of Senate-confirmed appointees are an important driver behind the differences in employee engagement scores, but there is potential to explore this question more directly by examining the length of vacancies, the responsibilities of acting officials and more.
Project Team

PARTNERSHIP FOR PUBLIC SERVICE

Valerie Smith Boyd  
Director, Center for Presidential Transition

Brandon Lardy  
Manager, Research and Analysis

Christina Condreay  
Associate Manager, Research and Analysis

Tim Markatos  
Design Manager

Bob Cohen  
Senior Writer and Editor

Andrew Parco  
Associate Digital Design Manager

Samantha Donaldson  
Vice President, Communications

Maddie Powder  
Associate, Research and Analysis

Carlos Galina  
Associate, Research and Analysis

Loren DeJonge Schulman  
Vice President, Research, Analysis and Evaluation

Paul Hitlin  
Senior Research Manager

Max Stier  
President and CEO

BOSTON CONSULTING GROUP

Brooke Bollyky  
Managing Director and Partner

Troy Thomas  
Managing Director and Partner

Catherine Manfre  
Partner

Danny Werfel  
Managing Director and Partner
Appendix I: Data

APPOINTMENTS TRACKER

Our Presidential Appointee tracker is maintained by the Partnership for Public Service and The Washington Post. The tracker follows presidential and Senate actions on approximately 800 top executive branch positions, a portion of the roughly 1,200 jobs that require Senate confirmation.

BEST PLACES TO WORK

Most of the data used to develop the Best Places to Work in the Federal Government rankings are collected through the Office of Personnel Management’s Federal Employee Viewpoint Survey (FEVS). The rankings also include responses from employees at agencies that do not participate in the FEVS, but conduct similar surveys with comparable methodologies.

The Partnership and BCG use the term employee engagement to refer to the satisfaction and commitment of the workforce and the willingness of employees to put forth discretionary effort to achieve results. The Best Places to Work employee engagements score is the primary metric that determines an agency’s ranking.

The Best Places to Work employee engagement score is derived from the percentage of positive responses to three different FEVS questions and is weighted according to the extent to which each question predicts an employee’s “intent to remain.”

- I recommend my organization as a good place to work.
- Considering everything, how satisfied are you with your job?
- Considering everything, how satisfied are you with your organization?

Agencies that participate in the Best Places to Work rankings are grouped by size to provide comparisons of organizations that may face similar management challenges:

- Large agencies: 15,000 or more employees
- Midsize agencies: 1,000 to 14,999 employees
- Small agencies: 100 to 999 employees
- Agency subcomponents: Subcomponents, the agencies within agencies, need to have at least 100 full-time, permanent employees to participate in the rankings.