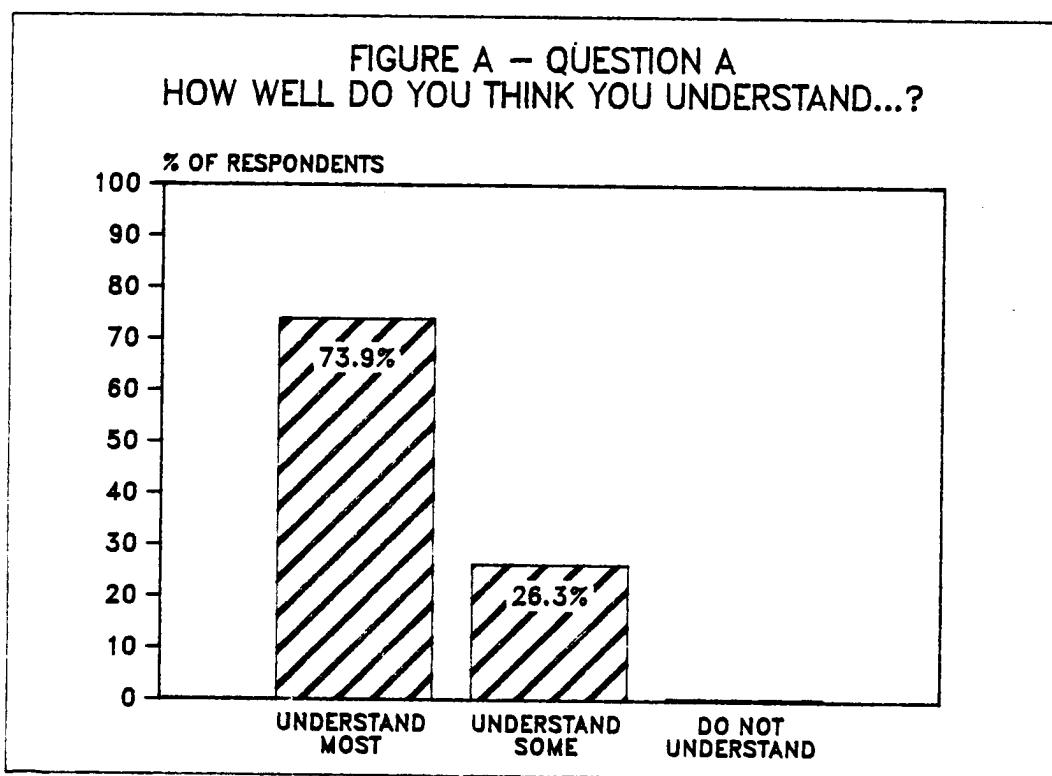


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EPS BANDING SURVEY PHASE II REPORT



25X1

Psychological Services Division
Office of Medical Services

July 1986

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PHASE II

**Experimental Pay System
Banding Questionnaire**



**Research Branch
Psychological Services Division
Office of Medical Services**

25X1

July 1986

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TABLE OF CONTENTS

	Page
LIST OF FIGURES	iii
INTRODUCTION	1
SAMPLE CHARACTERISTICS	2
ANALYSIS TECHNIQUES	3
RESULTS - Banding Questions	4
General Questions	4
Performance Questions	4
Bonus Questions	6
Certification Criteria Questions	9
PAF Questions	11
Summation Questions	14
Discussion	16
RESULTS - Comment Questions	18
RESULTS - Attitude Questions	20
Direct Performance Feedback	20
Pay and Promotion	21
Money and Motivation	23
Work Enjoyment	24
System Flaws	25
Discussion	26
RESULTS - Recent PARS	27
RESULTS - Comparison of Phase I and Phase II Questionnaires	28
Understanding the Banding Concept	28
Attitudes towards Aspects of Banding	31
Discussion	35
CONCLUSIONS AND RECOMMENDATIONS	35
APPENDIX A - Tables for Technical Support	37
List of Tables	38
List of Figures	39
APPENDIX B - QUESTIONNAIRES	
Phase I and Phase II	93

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LIST OF FIGURES

	Page
Figure 1 - Question 101 How well do you understand the banding pay system	5
Figure 2 - Question 102 Are you paid more fairly for your work under banding or GS?	5
Figure 3 - Question 104 How well do you understand how performance affects pay?	7
Figure 4 - Question 105 Will banding have a positive or negative effect on pay?	7
Figure 5 - Question 122 How well do you understand the bonus system?	8
Figure 6 - Question 127 How well do you understand the certification criteria?	8
Figure 7 - Question 128 Are the new certification criteria better or worse than old?	10
Figure 8 - Question 129 Will new certification criteria change your control of career advancement?	10
Figure 9 - Question 108 How well do you understand ther criteria for the PAF?	11
Figure 10 - Question 109 Has your supervisor evaluated you properly with PAF?	12
Figure 11 - Question 111 Who initiated the discussions of your PAF?	12
Figure 12 - Question 120 Over long run will PAF help you plan your career?	14
Figure 13 - Question 131 Has pay and promotion cycle system operated fairly or unfairly?	15
Figure 14 - Question 134 Personally I feel that banding will	15

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INTRODUCTION

In September 1984, Psychological Services Division (PSD) of the Office of Medical Services was contacted by Position Management & Compensation Division (PMCD) of the Office of Personnel to assist in tracking a new pay system. The program, called the Experimental Pay System (EPS), was to be initiated by the Office of Communications (OC) for Panel D Telecommunications Operators. Under this system existing GS pay levels are combined to form four "bands" (TCO I, TCO II, TCM III, TCM IV).

A series of questionnaires of Panel D employees on issues relating to the EPS banding experiment were planned. The first of these took place in February 1985. A report covering that initial survey was completed and distributed in November 1985. This report summarizes the results of the Phase II questionnaire sent to Panel D employees in November 1985. It includes the results presented in the Executive Report on Phase II EPS banding released in January 1986.

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SAMPLE CHARACTERISTICS

Questionnaires returned on or before 6 January 1986 provided 506 usable data records. Assuming a population of 925 Panel D employees, this represents a response rate of approximately 55%. Although the response rate is down from the Phase I Banding questionnaire (64%), this can still be considered a good rate of return.

Because the content of the Phase II questionnaire was judged to be more sensitive than that of Phase I, demographic variables were changed from a request for specific information to a request for information in pre-coded categories. For instance instead of requesting year of birth, Phase II requested the respondent to chose from a selection of age categories like "25 to 30 years old." (See Appendix B for the exact wording on the demographic questions.) Even with this precaution, however, a large number of respondents refused to give any identifying information. Of the 506 respondents, 20 failed to complete the item requesting band level, and 16 did not complete the item requesting age or years of service with OC. For each biographical question the rate of failure to respond was greater than double that rate on Phase I (i.e., those failing to report band level represented 4.2% of the sample on Phase I and 9.7% of the sample on Phase II).

Of the 506 returned questionnaires, 440 (87%) were from male respondents. This percentage is slightly less than that on Phase I where the percentage of male respondents was 91.5%. There were 46 female respondents (or 9.1% of the survey sample). This percentage is slightly larger than that on Phase I where the percentage of female respondents was 7.3%. (The remaining 3.9% of the responding sample failed to complete the demographic question requesting sex of respondent.)

Responses were received from representatives of all band levels. There were 138 responses from TCO Is (27.3% of the sample compared to 26.9% on Phase I), 188 responses from TCO IIs (37.2% of the sample compared to 39% on Phase I), 112 responses from TCM IIIs (22.1% of the sample compared to 26.7% on Phase I), and 19 responses from TCM IVs (3.8% of the sample compared to 3.3% on Phase I).

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ANALYSIS TECHNIQUES

Data from the Phase II survey were analyzed using a variety of techniques. The initial review of the data considered the percentage of individuals choosing a given response. This simple technique allows for an overall understanding of how the sample feels about the issues. A second approach to the data analyses involved looking at differences across subgroups within the sample. The question addressed here involves possible differences in response due primarily to band level or area of assignment.

The analysis technique used to access differences across subgroups is referred to as a chi square analysis, which compares obtained frequencies with those that would be expected if there were no real difference among the responses. When a difference is observed between how a subgroup responded and how we would expect a subgroup to respond, the analysis asks if the size of the difference is larger than one expected by chance alone.

Tables and graphs depicting the analyses appear in Appendix A. Any differences reported in the text between subgroups defined by band level or area of assignment are statistically significant. The significance level or "p" reported in the tables and figures is the probability that the obtained difference was due to chance alone. That is, for $p < 0.01$ the probability that the difference obtained is based on chance alone is 1 in 100 or less than 1%. Any significance level of $p < 0.05$ or less is traditionally assumed to represent a true difference between subgroups rather than a chance occurrence.

Initial analyses of the data indicated that there were no real differences between subgroups based on area from which the responses were received. This differs considerably from the report published on Phase I. However, differences remain based on band level of the respondents and these are reported below.

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RESULTS - BANDING QUESTIONS

General Questions

Three questions addressed general information on the EPS. Respondents were asked how well they understood the EPS concept, whether they are being paid more fairly under EPS than they were under GS, and whether it was a good idea to switch to a performance based pay system.

The majority of individuals in this sample (74.3%) reported that they understood at least the major points involved in the EPS. The remaining 25.7% reported some lack of clarity with only a single individual reporting no understanding at all. It is the case, however, that TCO I employees tended to report more confusion about the system, and TCM employees were more likely to report greater understanding (Figure 1).

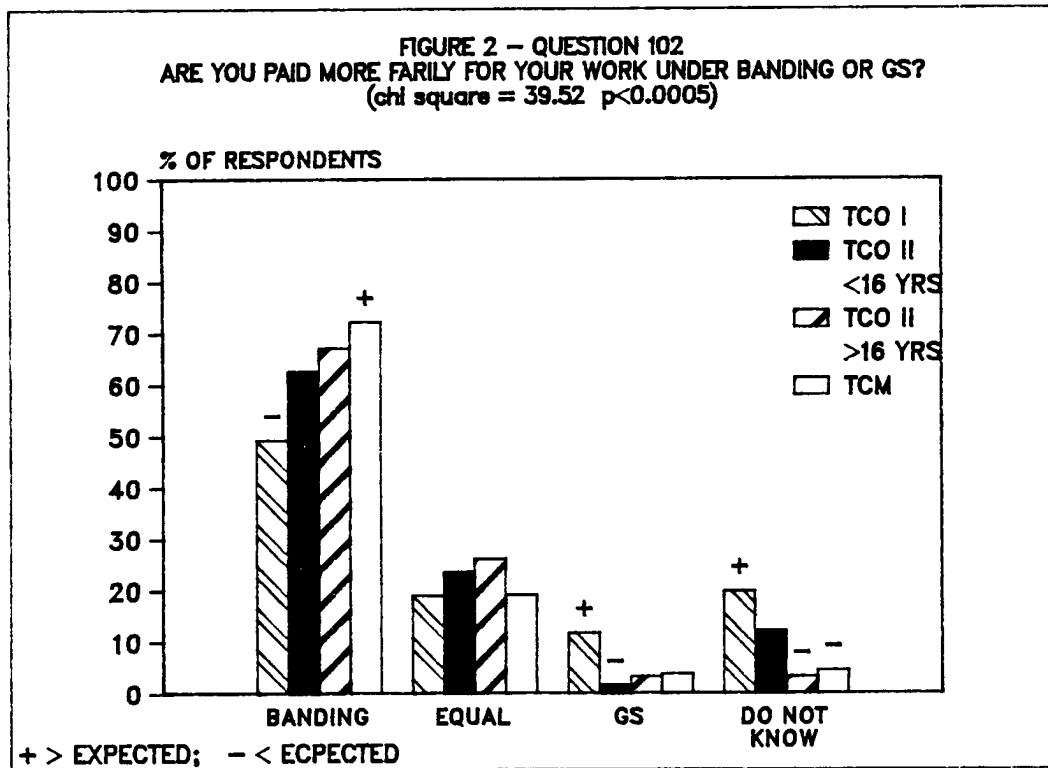
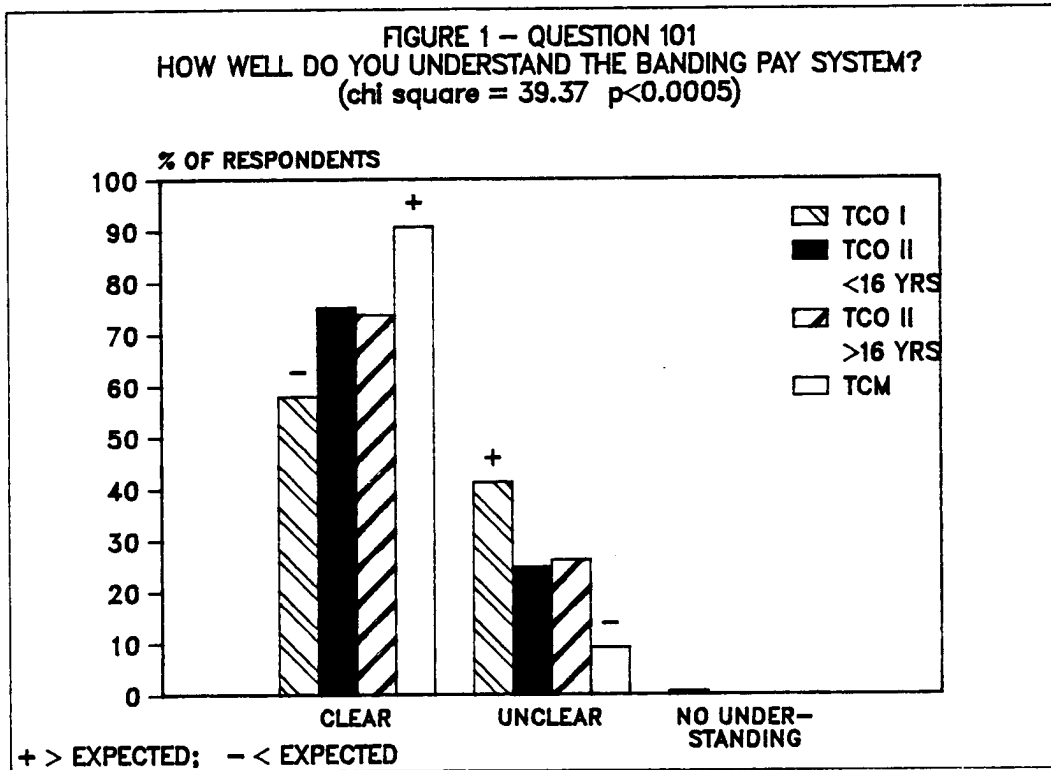
Responses to the question addressing the comparative fairness of the banded pay grades versus the GS pay grades indicated that 62% of the sample felt EPS paid them more fairly for their work. Of the remaining respondents 21.3% felt that the two systems were equal in this respect, and 5.6% felt GS was the preferable system. Approximately 11% responded that they did not know which system was more fair. As a group TCO I employees were less apt to respond that EPS was preferable to GS and more apt to judge GS as more fair or respond that they did not know. Few TCM employees chose the response "I don't know," and this group was more apt to select EPS as better than GS (Figure 2).

On the question addressing the advisability of switching to a performance based pay system, the vast majority of respondents (84.9%) replied that it was a good or very good idea to change the system. Only 12 individuals (2.7%) felt that the change was a bad or very bad idea. Responses to this question did not differ based on band level.

Performance Questions

There were four questions on the survey that addressed the issue of performance under the EPS. The first of these asked the respondents how well they understood the relationship between performance and pay. A second question addressed the positive or negative effects of EPS on pay increases. The last two items addressed the effect of the EPS on motivation -- one on motivation over the past year and one on motivation in the future.

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The majority of the respondents (75.4%) claimed to understand the effects of performance on pay. Of the remaining 24.6% of the sample, 18.6% reported they were somewhat unclear, and 27 individuals (6.0%) reported no real understanding of the link between performance and pay. Again there were differences based on the band level of the respondent with TCO I employees reporting less clarity on the link between performance and pay. TCM employees, on the other hand, reported a clearer understanding of this relationship with 88.5% responding either that they completely understood or that they understood the major points involved (Figure 3).

When asked whether EPS had a positive or negative effect on opportunities for pay increase, 68.5% of the sample reported that it had a positive or very positive effect. An additional 18.3% felt that EPS banding had neither a positive nor negative effect. Of the remaining 13.3% of the sample, 9.3% believe that EPS has had a negative effect on opportunities for pay increases and 4% said they "did not know." Differences among band level groups were restricted to the TCO I and TCM respondents. TCO I employees were more apt to respond either that EPS had a negative effect on pay opportunities or that they did not know the effect. TCM employees were more apt to report that EPS had a positive effect on pay (Figure 4).

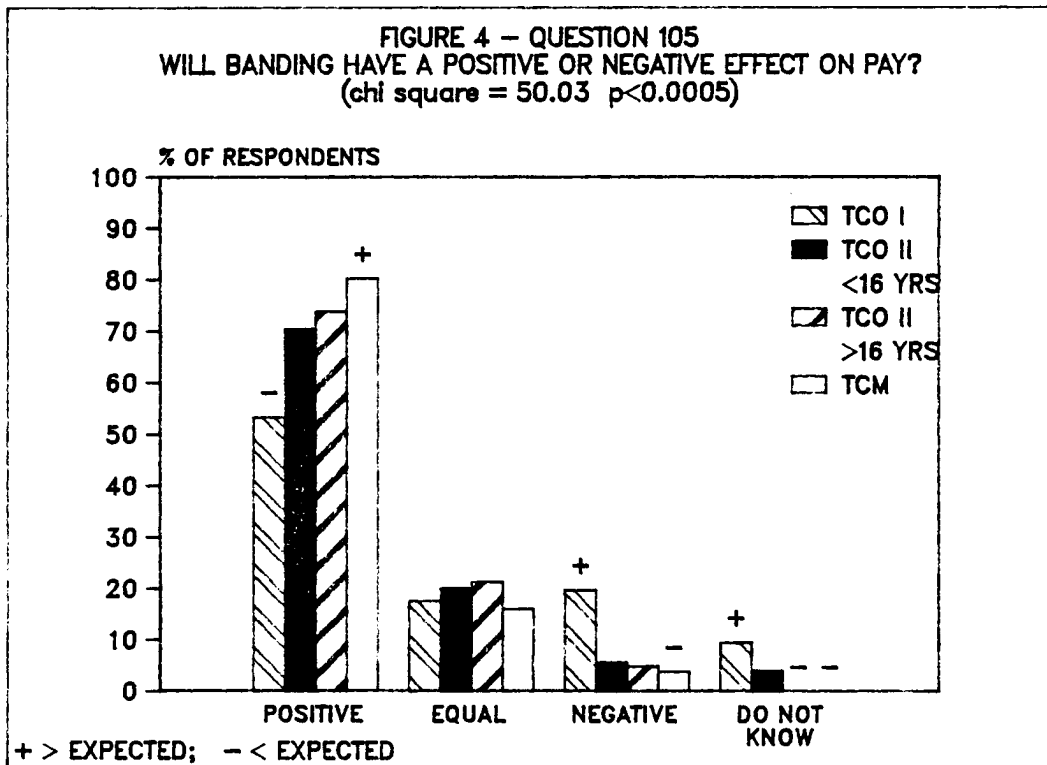
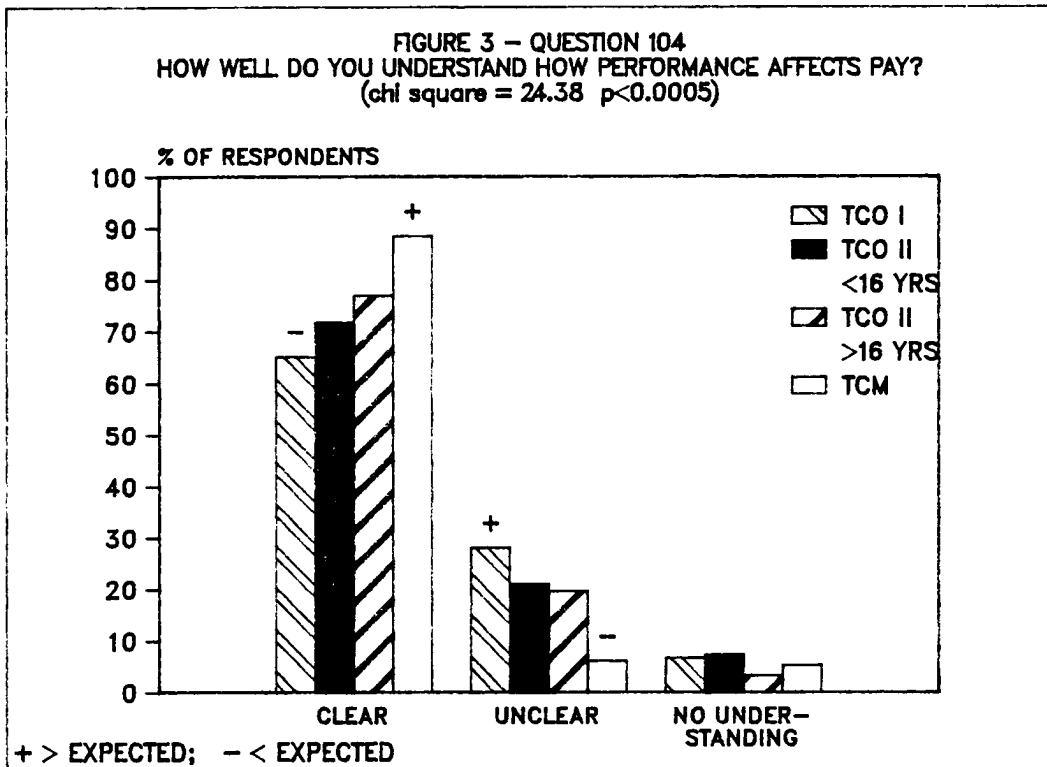
An often repeated comment on the preliminary banding EPS questionnaire was that banding would affect the degree of performance motivation. While the majority of respondents reported their own motivation to perform as about equal to that prior to EPS (57.4%) when asked about the long range effects of EPS on motivation, 65.6% reported an expected increase in motivation. On the same set of questions 4.0% of the respondents felt that their personal motivation had decreased under EPS, and 7.5% felt that the overall effect over time would be a decrease in motivation.

Bonus Questions

There were five questions on the survey relating to the bonus system in EPS. The first asked for the degree of understanding the respondent felt they had about the bonus system. Four other questions addressed the effects of the bonus on efficiency, on morale, on retention of TCOs and on TCOs in general over several years.

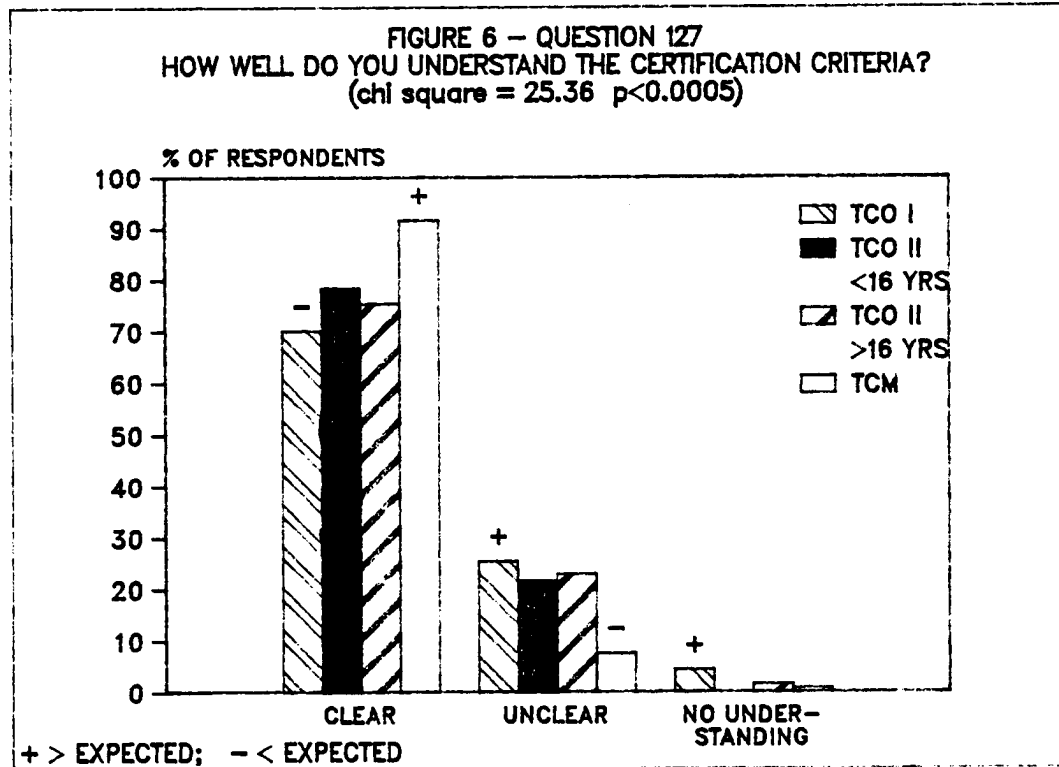
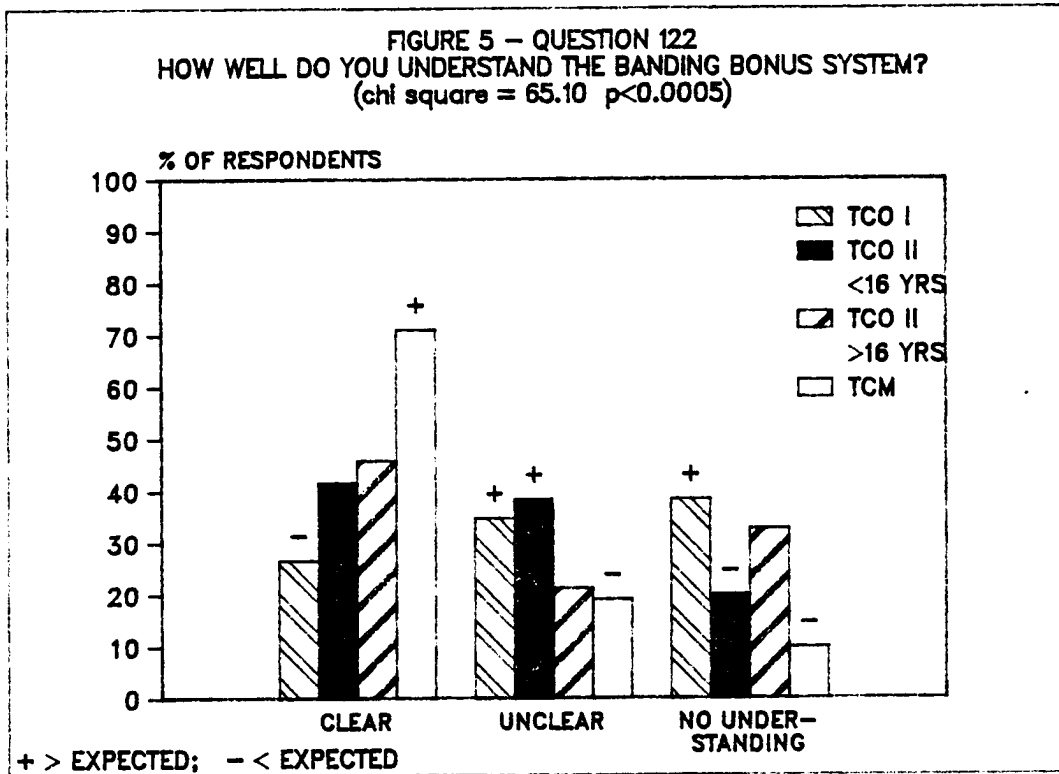
Less than half of the respondents (46.2%) claimed to understand the bonus system. The majority, therefore, were either unclear about how the bonus system works (29.4%) or did not understand the bonus system (24.3%). The TCO I respondents to this questionnaire were more apt to report that they do not understand or did not know there was such a system, and TCM respondents were more apt to report a complete understanding or an understanding of the major points (Figure 5).

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Since fewer than half of the respondents claimed to understand the bonus system, it is not surprising that less than half also reported that bonuses have had a positive effect on morale (43.6%), that bonuses have had a positive effect on efficiency (31.6%), that bonuses will increase retention (32.9%), or that bonuses will have a positive overall effect (46.7%). For each of these questions over 31% of the responding sample choose to respond with "I don't know." Again differences that exist among band level groups are largely attributable to the fact that TCO I employees were more apt to respond with "I don't know," and TCM employees were more apt to respond that bonuses will have neither a positive nor negative effect.

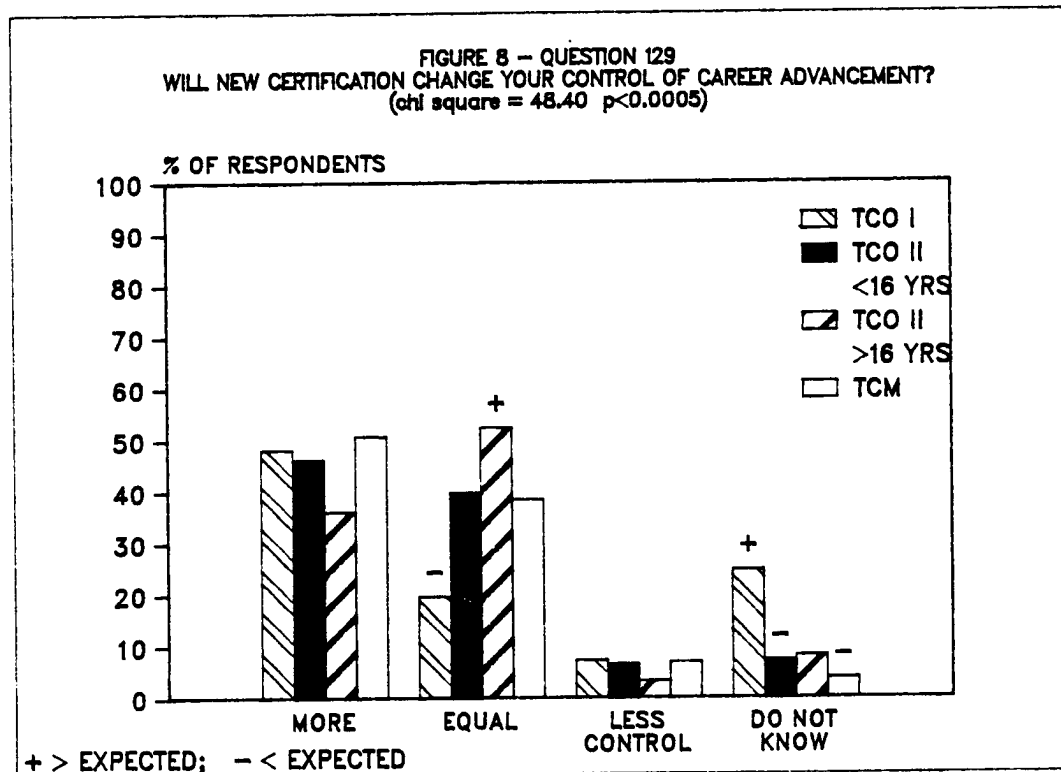
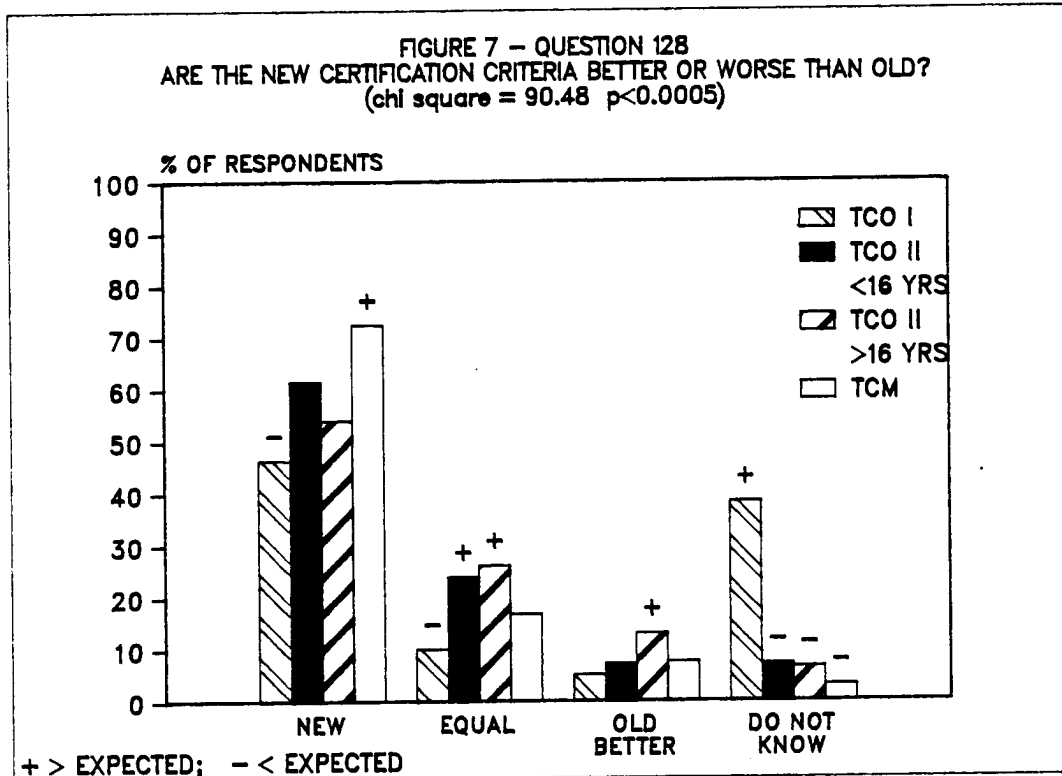
Certification Criteria Questions

Three questions on the survey addressed the new certification criteria for TCO promotion. The first two asked respondents how well they felt they understood the new criteria and whether the criteria are better or worse than the old criteria. On the initial survey many respondents indicated that the new certification criteria would allow them to have more control over their own career progression. The third question on certification referenced these comments and asked about an increase or decrease in perceived control over career advancement.

The majority of the respondents (79.3%) to the questionnaire felt they understood the new certification criteria, and only 1.8% reported no understanding or knowledge of the criteria. Differences among band level groups indicated that TCO I employees were more apt to respond that they were unclear about the criteria, and TCM employees were more apt to respond that the criteria were completely or mostly understood (Figure 6).

The majority of respondents (59.1%) also reported the new criteria as better than the old with only 7.5% responding that the new criteria were worse than the old criteria. TCO I employees were, however, more apt to respond that they did not know whether the new criteria were better or worse than the old, and TCM employees were more apt to respond that the new were better (Figure 7). In response to the question on control over career development, less than half of the sample (46.8%) responded that they felt they would have more control. Over 11% of the sample choose the response "I don't know." Analyzed by the band level of the respondent, TCO I employees were more apt to choose the latter response, and TCM employees were less apt to do so (Figure 8).

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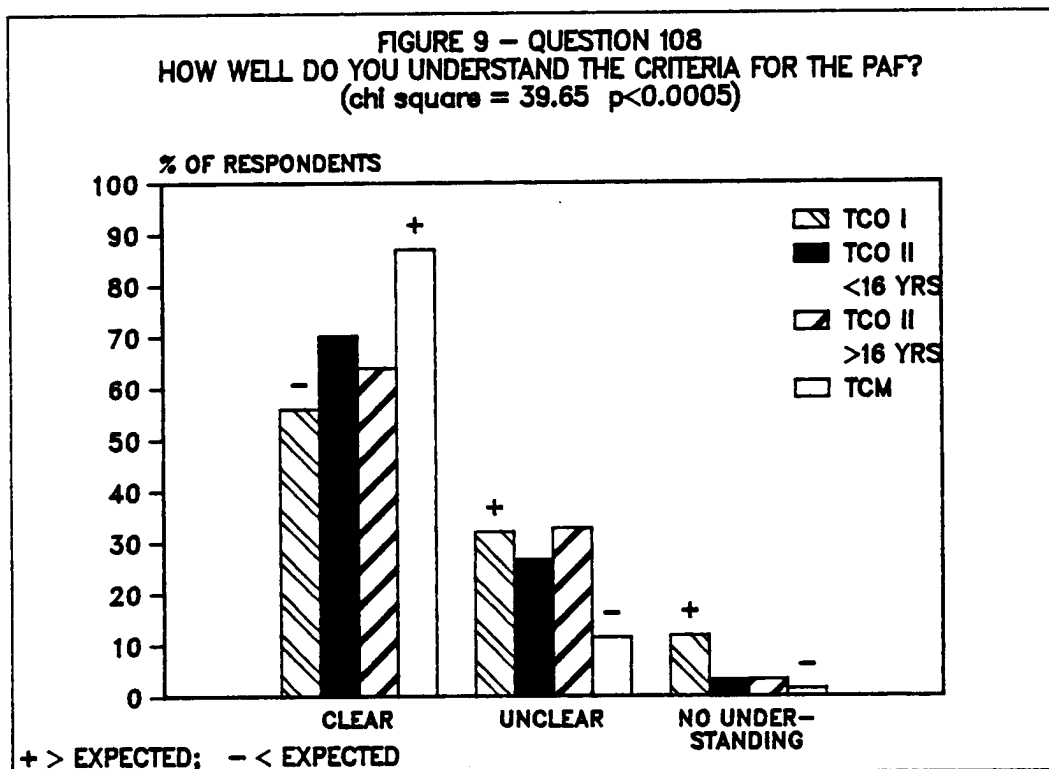
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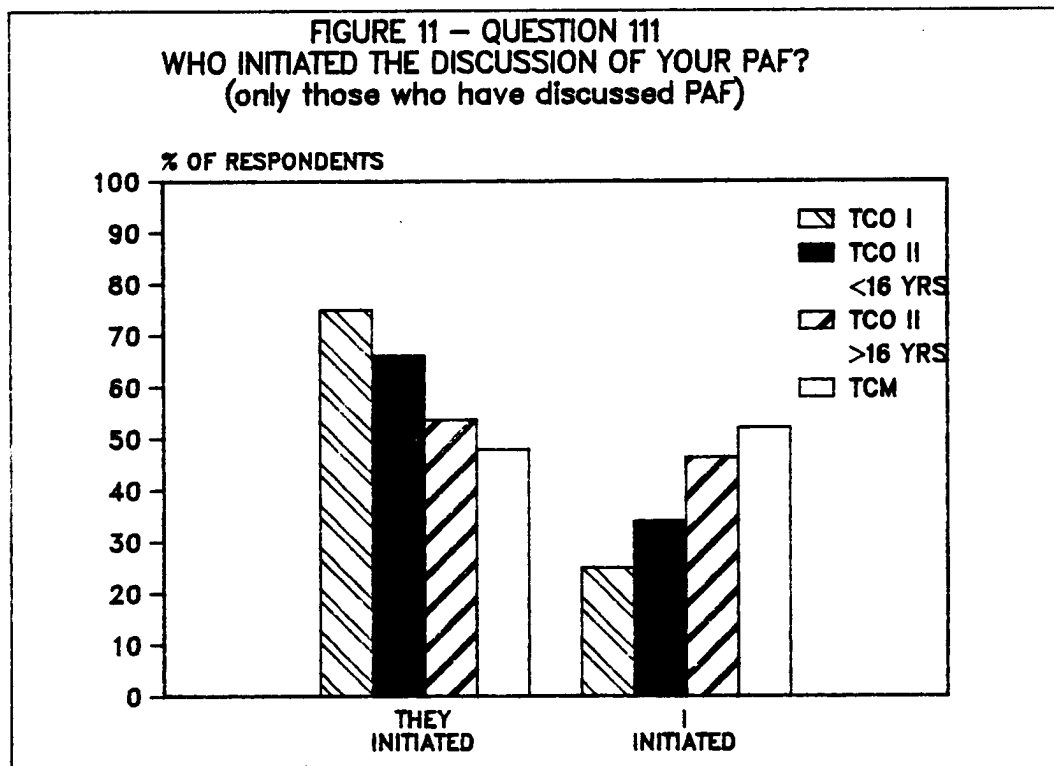
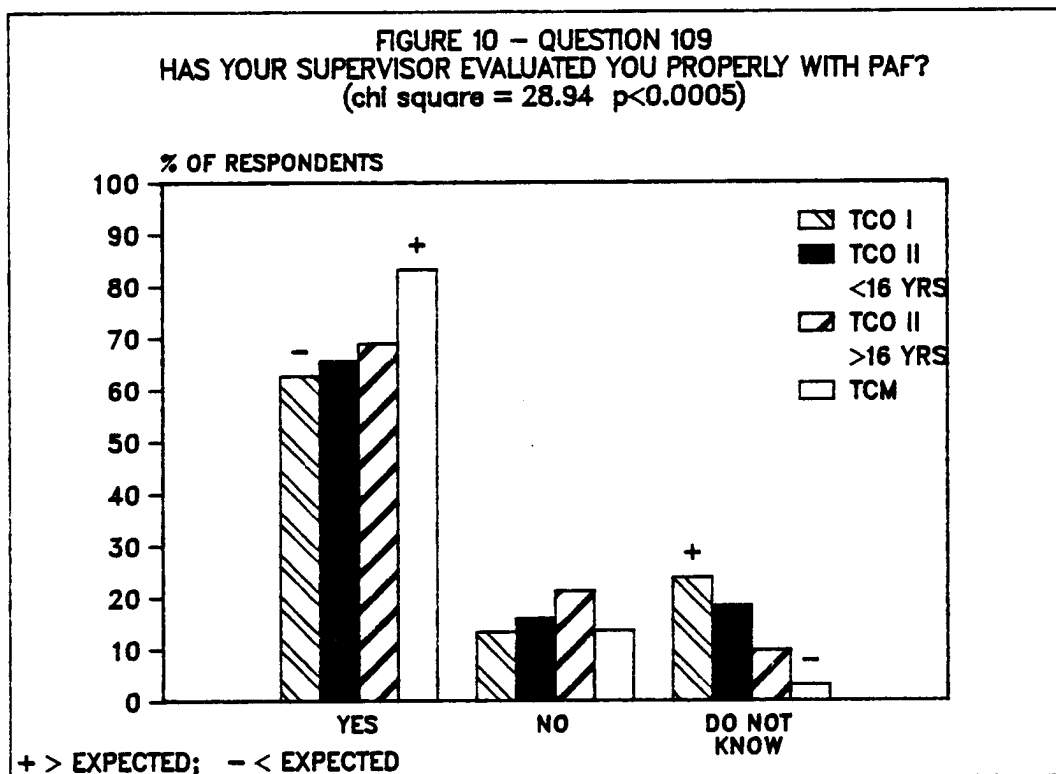
PAF Questions

There were several questions on the survey addressing the Performance Assessment Form (PAF). One asked for the degree of understanding the respondent has concerning the PAF. A second asked if the respondent's supervisor was able to evaluate the respondent properly with the PAF. Two questions asked about employee/supervisor discussions of the PAF, and six questions asked about changes in the quality and quantity of counseling attributable to the PAF. The final two questions asked about the value of the PAF as a tool in employee career planning.

The majority of individuals responding to the survey (70%) reported that they completely understood or understood the major points of the PAF. Only 5.3% reported that they had no understanding of or did not know there was a PAF. TCO I employees were more apt to report either some confusion about the PAF or no understanding of the PAF. The TCM group, however, was more apt to report complete understanding or understanding of the major points (Figure 9).



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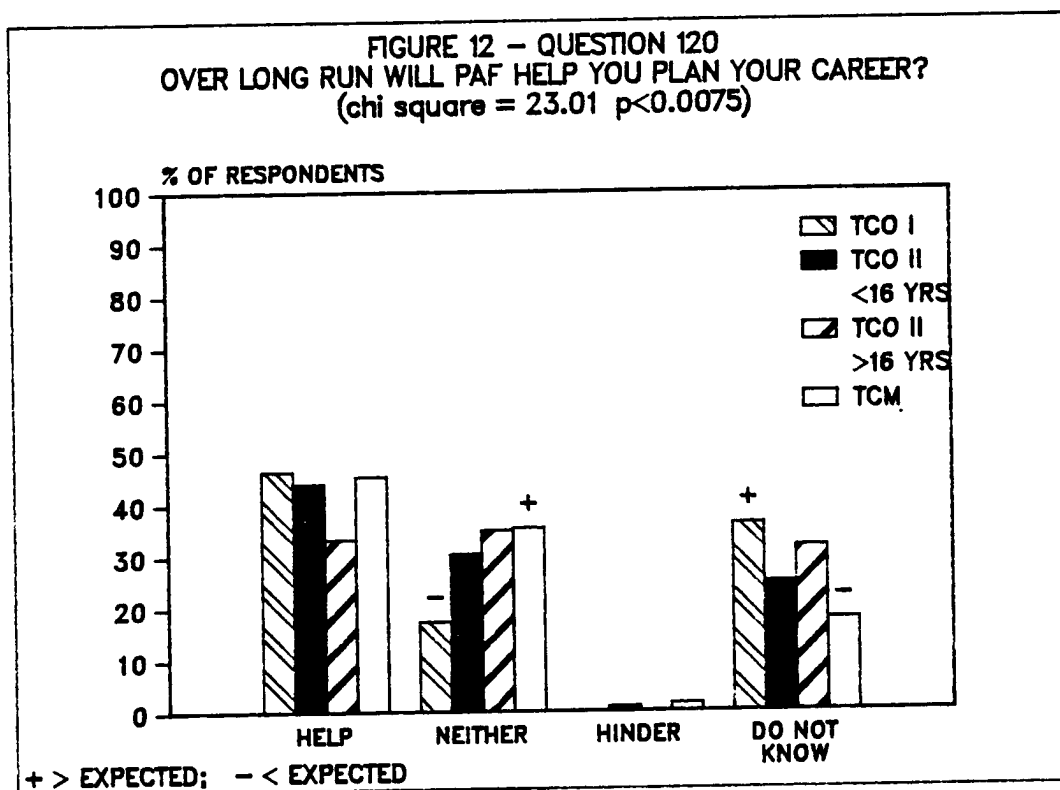
On a question concerning the supervisor's ability to evaluate properly using the PAF, the majority of individuals in the sample (70.3%) responded either "definitely" or "probably." Again group differences were basically restricted to the TCO I and TCM group with TCO I employees more apt to respond "I don't know" and TCM employees more apt to respond with "definitely" or "probably" (Figure 10).

There were two questions on the survey that asked about discussions on individual performance via the PAF with line supervisors and/or other managers. Overall, 48.1% of the respondents discussed their PAFs with either a supervisor, an area operations officer or with someone at AMD. Of these 216 individuals at least 29 (13.4%) discussed their PAFs with more than one person. The remaining 51.9% of the respondents did not discuss their PAFs with anyone, although 18% of these 233 individuals did see their PAF. In 62.8% of the PAF discussions the someone other than the employee AMD initiated the discussion. TCO I employees more often had the discussions of PAFs when someone else initiated the discussions, while TCO II employees with more than 16 years experience and TCM employees more often initiated the discussions themselves (Figure 11).

There were six questions asking respondents about the quality and quantity of career counseling provided by using the PAF as a management counseling tool. Because less than half of the sample respondents were able to discuss their PAFs with someone, the majority answer to each question was "I have not discussed my PAF." Increases in the amount of career counseling received were reported by 8.4% of the respondents where discussions were held with supervisors, 3.7% of the respondents where discussions were held with Area Personnel, and 1.8% where discussions were held with AMD. The percentage of employees who reported an increase in the quality of counseling was similar. That is, 7.9% reported an increase in quality of career counseling received from supervisors, 3.9% reported an increase in quality of career counseling received from Area Personnel, and 1.4% reported an increase in the quality of career counseling received from AMD. These low percentage figures are partially a function of the low number of employees who have received counseling via the PAF from any of these sources. **However, across all questions the majority response for those who have received career counseling using the PAF was "neither increase no decrease."**

The final two questions on the PAF section of the questionnaire addressed the use of the PAF as a career planning tool for the employee. One of these two questions asked if reviewing the PAF has helped the respondent to better plan his/her career. Here again, very few respondents had access to their PAFs so the majority response was "I haven't seen my PAF." Of the 236 individuals who reported access to their PAF, 36% said that the PAF would help, and 62.7% said that there would be no change. The second career planning question asked about the usefulness of the PAF in the long run. On this question 32.8% responded that they felt the PAF would increase their ability to plan their careers, 35% felt there would be no change, 1.1% felt the PAF would hinder their planning, and 31.1% said it was too early to tell. TCO I employees were more apt to respond with "I don't know," and TCM employees were more apt to respond that the PAF would neither help nor hinder (Figure 12).

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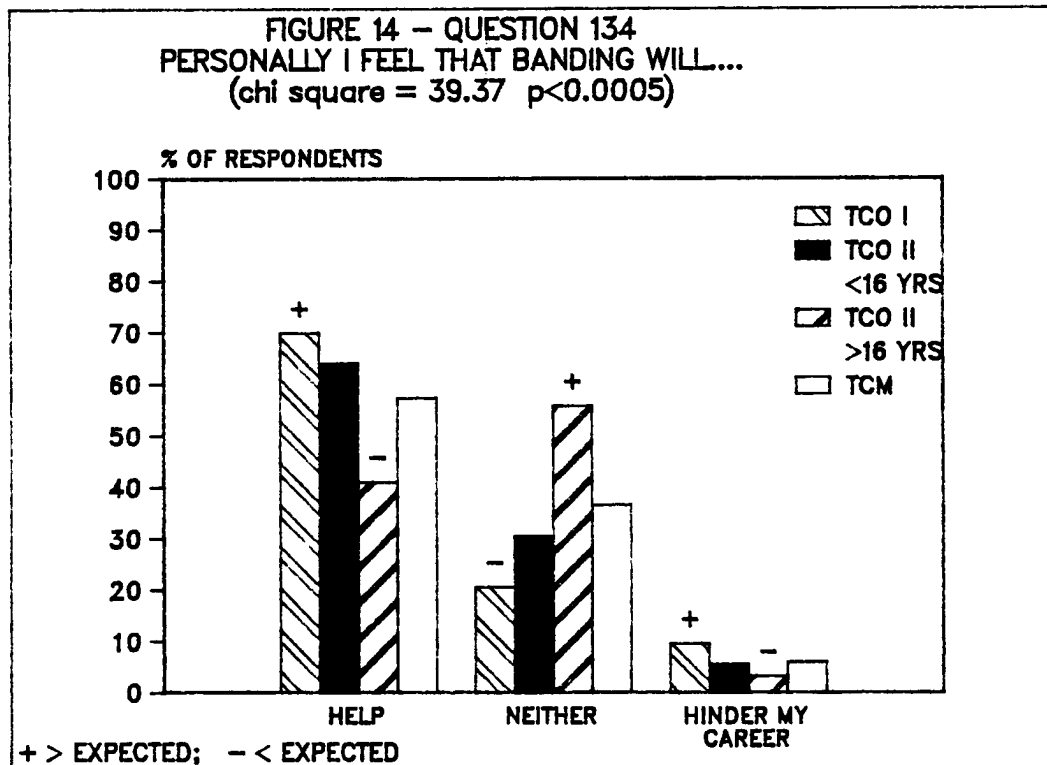
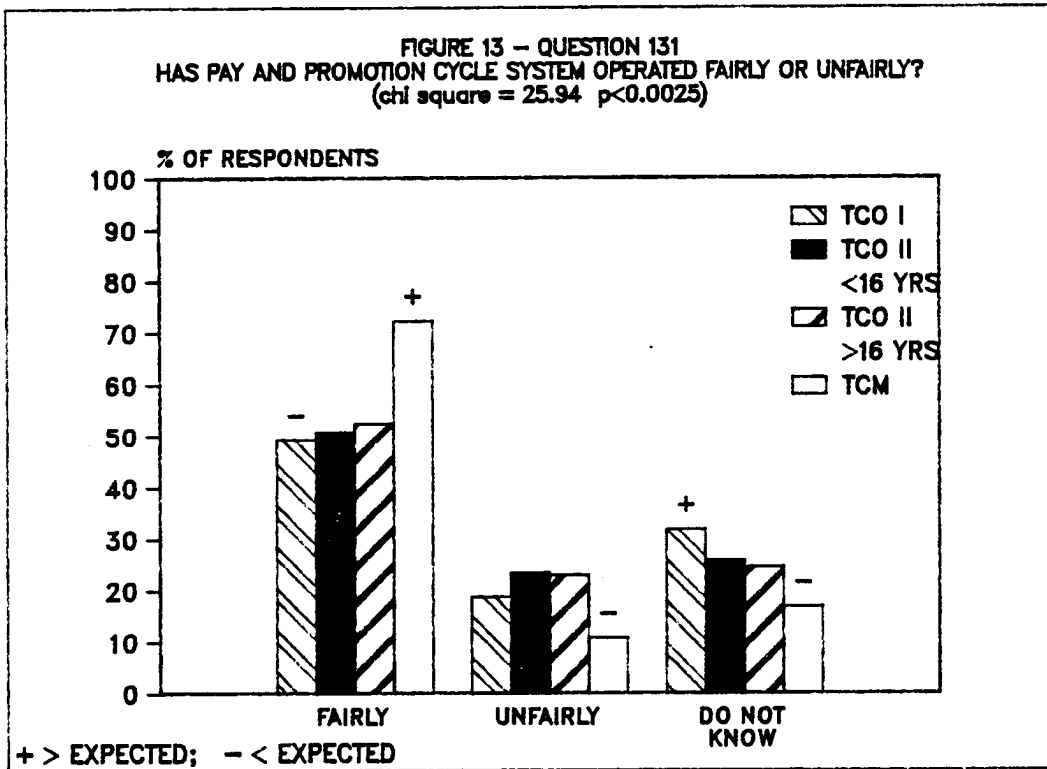
Summation Questions

There were three summation questions that appeared on this EPS survey. The first was a reaction to comments made on the first survey cycle, which indicated a concern on the part of many that the system could not be operated fairly over such a large number of people in so many different places. The second question asked how well (fairly) the system had worked in the first promotion cycle. Respondents were also asked whether they believed that the EPS would improve their own careers and would improve most careers in OC.

The majority of respondents (56.7%) felt that the system had been fairly administered during the first pay cycle. Only 18.3% felt that the system had operated unfairly, and 24.3% chose to respond "I don't know." Differences across band levels indicated that TCM employees were more apt to respond that the system had operated fairly (Figure 13).

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When asked if EPS would improve their personal careers with OC, 60.7% responded that it would help, 32.7% felt Banding would make little difference and only 6.6% felt that Banding would hurt their careers. Considered by band level, TCO I employees were less apt to respond in the "neither help nor hinder" category. TCO II employees with sixteen or more years experience were less apt to report that EPS would help their careers and more apt to report that it would neither help nor hinder their careers (Figure 14).

The vast majority of respondents to this questionnaire (75.7%), however, felt that EPS would help most careers in OC. Only 20.1% felt there would have no effect, and 4.2% felt that it would hinder their careers. There were no differences in this opinion when the data were considered by band level.

Discussion

On this iteration of the EPS questionnaire the respondents appeared to have a good grasp of the EPS system and to favor it over GS. The majority were clear on EPS concepts, felt EPS pays more fairly, felt it was a good idea to switch from GS, understood the link between performance and pay, felt EPS would have a positive effect on pay, felt it has operated fairly, felt it will help their own careers and the careers of others. Respondents also reported both understanding the new certification criteria and a feeling that the new criteria are preferable to the old. They did not, however, feel that the new criteria would necessarily give them better control over their careers.

There were only two places where this positive feedback from the questionnaire deteriorated. The OC respondents still did not have a good grasp of the bonus system. As a consequence they did not really feel it would improve OC careers very much. The second area deals with the PAF. While the majority of respondents reported an understanding of the PAF, at the time of the survey few had discussed their individual PAFs with supervisors or other managers. Even those who had access to the counseling were not convinced that the PAF procedure would help them in career planning or career development, nor did those with access to their PAF feel that either the quality or quantity of counseling had improved by using the PAF.

Differences between groups based on their band level were much more in line with expectations for this iteration of the questionnaire. Consistently TCO I respondents reported less understanding and more confusion. While it is true that OC should target this group for information, it is also true that TCO Is are by definition going to understand less than individuals who have been in the system for several years. Consistent responses were also made throughout this survey by TCM employees. In all cases these managers reported a better understanding of the system, were more positive about the benefits and reported that the system worked well during the first pay and promotion cycle.

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There is one indicator that EPS is currently accepted in OC and that the first pay and promotion cycle worked well: TCO II respondents with more than 16 years of experience were not as negative about the system as they were on the preliminary questionnaire. While there were multiple items on which this group differed from other groups last year, there are only two areas this year. TCO II respondents with 16 or more years experience more often than others needed to seek out discussions of their PAFs with a supervisor or other managers. They were also less apt to report that EPS banding would help their personal careers in OC, but they were not more apt to feel it would hurt them. Of course there is always the possibility that those TCO IIs with 16 years experience who were most negative on the first questionnaire are no longer in the sample (they may have retired, quit or simply failed to respond to this survey). Since there is no real way of testing this, however, it seems reasonable to assume that EPS is working in OC and that responses from these senior TCO IIs are a positive sign.

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RESULTS - COMMENTS

In addition to the objective items contained in the Phase II EPS questionnaire, three open-ended questions were also included. These questions were incorporated to elicit comments regarding various aspects of the EPS system. An analysis of the content of the employees' responses suggested four common factors associated with each of the three questions.

Question 121 asked respondents how the PAF will help or hinder career planning. The majority of the respondents (43%) made favorable comments regarding this item. Specifically, they stated that the PAF would help planning by identifying strong areas and areas that need improvement. This would allow the employee to take appropriate action to remedy deficiencies and would provide motivation. Another 27% of the sample made comments that indicated the PAF would help in planning and defining goals, would set out contingencies for promotion, and would clarify job responsibilities. Concerns about the administration of the PAF accounted for 20% of the respondents' comments. These generally fell into one of two themes: (1) that the PAF had not been discussed or that the PAF should be discussed and (2) that the respondent didn't know what a PAF was or didn't know if one had been written for him/her. The smallest percentage of respondents (10%) made negative comments such as (1) the PAF was too late for planning purposes or (2) the respondent was dissatisfied with his rating.

Question 130 asked respondents to comment on the degree of control the new certification criteria gave them in terms of career advancement. The largest number of comments (35%) outlined problem areas associated with the new criteria. Specifically they noted problems associated with training availability in the field, administrative problems associated with meeting criteria and the supervisory control of certification. A similar percentage of respondents (33%) suggested that the new criteria would clarify OC expectations and requirements for advancement. The third collection of comments (22% of the respondents) dealt with the positive aspects of control. Comments such as "now its up to the individual" and "personal initiative now a factor" were common. Finally, 10% of the employees commented that the new criteria allowed choices of specialization, flexibility and progress at one's own rate.

Question 132 asked if the first Annual Evaluation and Pay Adjustment Cycle under banding was fair or unfair. The first factor, which represented 43% of the written responses, was favorable. It contained comments such as "new system is fair because it is based on performance," "I got a larger increase than I would have under GS," "individuals got what they deserved," "supervisors made an honest effort to be fair," and "people received a pay increase under banding when there was no headroom under GS." Negative comments accounted for 22% of the responses. Individuals whose comments fell into this group said that the system is still too political, that the new system favors senior employees, that the new

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system favors newer employees, that the respondent was generally unhappy with the increase, and that the supervisor has yet to discuss the PAF with them. Comments that it was too soon to tell if the system was fair or unfair accounted for 19% of the responses. Another 16% of the respondents were unsure whether the system was fair or not because they no longer knew how they compared to their peers and because OC had stopped distributing promotion lists.

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RESULTS - ATTITUDE QUESTIONS

Twenty questions were added to this survey from the Department of the Navy Personnel Management Demonstration Project survey. All were selected based on their applicability and apparent response change over the period of that project. These items are in the form of a statement to which the respondent stated his/her agreement or disagreement. The 20 questions were factor analyzed to put them into groups for result presentation. This factor analysis produced five groupings of variables (see Appendix A). The first contained items relating to direct performance feedback. The second contained items related to pay and promotion. Motivation and money were issues addressed in the third factor, work enjoyment in the fourth, and system flaws in the fifth factor.

Direct Performance Feedback

Four statements addressed the interaction between the employee and his/her supervisor on the employee's performance. They are summarized below.

Statement	Response Percentage		
	Agree	Undecided	Disagree
I have sufficient feedback from my supervisor to understand the performance evaluation I received.	54.3	23.1	22.6
My supervisor discusses with me the specific reasons for the performance rating I received.	56.4	21.6	22.0
My supervisor and I agree on what "good performance" on my job means.	67.7	25.1	7.3
I feel that my supervisor will rate my performance (and set my pay) in a fair, impartial manner.	59.5	31.7	8.8

The majority of respondents to these questions agreed that they had sufficient feedback on performance -- particularly about what good performance is. Although as many as 22.6% felt they had insufficient information to understand their performance ratings, very few believed their supervisors will be less than fair or impartial when making performance evaluations. On these four statements there were no differences between individuals based on their band level.

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Pay and Promotion

Seven statements addressed the issues of pay and performance.

Statement	Response Percentage		
	Agree	Undecided	Disagree
Considering my skills and the effort I put into my work, I am satisfied with my pay.	44.7	17.7	37.6
I will be promoted or given a better job if I perform especially well.	52.9	24.6	22.6
When I compare my performance and the rating I received to performance and ratings of other people doing similar work in OC, I feel that I have been rated and rewarded in a fair and equitable manner.	42.8	32.2	25.1
Promotions and awards are fair and impartial in this organization.	23.3	41.2	35.5
Under the present system, financial rewards are seldom related to employee performance. *	16.9	38.4	44.7
I am not sure what determines how I get a promotion in this organization. *	32.7	13.8	53.4
Under the present system it is very difficult to motivate employees with financial rewards. *	22.8	36.0	41.2

* Statements worded negatively

These seven statements, overall, were less heartily endorsed by the respondents than were the preceding four items. The analysis was complicated by the fact that on five of these seven statements there were differences between TCO respondents and TCM respondents. When these differences between samples are taken into account, the percentages of responses to each statement are as follows:

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Statement	Response Percentage					
	Agree		Undecided		Disagree	
	TCO	TCM	TCO	TCM	TCO	TCM
Considering my skills and the effort I put into my work, I am satisfied with my pay.	43.0	48.9	18.1	16.8	38.9	34.4
I will be promoted or given a better job if I perform especially well.	50.0	60.0	25.0	23.4	25.0	16.4
When I compare my performance and the rating I received to performance and ratings of other people doing similar work in OC, I feel that I have been rated and rewarded in a fair and equitable manner.	35.9 -	59.6 +	36.2	22.1 -	27.8	18.3-
Promotions and awards are fair and impartial in this organization.	17.3 -	38.5 +	46.3 +	28.5 -	38.5	33.1
I am not sure what determines how I get a promotion in this organization. *	40.4 +	13.7 -	15.1	10.7	44.4 -	75.6 +
Under the present system, financial rewards are seldom related to employee performance. *	18.8	14.5	47.4 +	16.0 -	34.8 -	69.5 +
Under the present system it is very difficult to motivate employees with financial rewards. *	20.9	27.7	41.4 +	22.3 -	37.7	50.0 +

* Statements worded negatively

+ significantly greater than expected number of respondents

- significantly fewer than expected number of respondents

ALL OTHER CELL PERCENTAGES NON-SIGNIFICANT

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With the exception of the second statement in the table ("I will be promoted or given a better job if I perform especially well"), less than half the TCO sample agreed with any of the positive statements or disagreed with any of the negative statements. TCOs were less apt than expected to agree that compared to others they had been rated and rewarded fairly and that promotions and awards were fair and impartial. In addition TCOs were more apt than expected to agree that they were unsure what determines promotions. On the last two negative statements TCOs were more apt than expected to choose the response "undecided" and less apt to disagree. TCM respondents in general were more apt than expected to endorse positive statements and disagree with negative statements. From the supervisor's point of view the system appears to be fair and impartial. However, according to the respondents who are not in management, the system appeared hazy at best (they were undecided whether it is fair and impartial) or at worst they felt the systems was less than equitable on pay and promotion issues.

Money and Motivation

Three statements from this questionnaire addressed motivation and monetary reward.

Statement	Response Percentage		
	Agree	Undecided	Disagree
A bonus or increase in my salary is more important to me than a high performance rating.	19.1	58.3	22.6
A bonus or increase in my salary is more important to me than organizational recognition of my performance (a non-monetary reward).	25.7	48.9	25.4
For me, additional money is a significant motivator to increase my performance.	58.6	11.0	30.5

More than half of the respondents to this survey agreed that money was a significant motivator to performance and there were differences between TCOs and TCMs indicating that TCOs endorsed this idea (63.1%) more often than expected. For the TCM sample almost as many respondents disagreed with this statement (41.2%) as agreed (47.3%). However, the majority response on both questions comparing monetary reward to other rewards (performance ratings or organizational recognition) was "undecided." While money was seen as important, few are willing to say that it was more important than other rewards.

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Work Enjoyment

There were also three statements that were loosely associated with work preference or work enjoyment.

Statement	Response Percentage		
	Agree	Undecided	Disagree
What happens to OC is really important to me.	89.3	7.2	3.5
In general I like working for OC.	85.6	10.3	4.2
Performance appraisals do influence personnel actions taken in this organization.	69.5	22.2	8.4

Obviously the vast majority of individuals working in OC who responded to this questionnaire liked their job and cared about the organization. Fewer than 5% of the entire sample disagreed with either of the first two statements in the table above. The statement on working for OC had significantly different response patterns for TCOs and TCMs: TCM respondents were more likely than expected to agree (96.9%) and TCO respondents were slightly more neutral than expected (13.5%).

The inclusion of the statement on the influence of performance appraisals on personnel actions is curious. The analysis indicates that individuals who endorsed liking their work and caring about OC also tended to feel that performance appraisals do affect personnel actions. There is no causality implied here. Instead the finding is that these items are somehow related from the perspective of the respondents. An additional item of note on this last question relates to differences between groups. TCM employees were more apt to respond that performance appraisals and personnel actions are related, while TCO respondents were more apt to be undecided.

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System Flaws

The fifth factor contained three items which related to how management responds to unsatisfactory performance.

Statement	Response Percentage		
	Agree	Undecided	Disagree
This organization moves its marginal and unsatisfactory workers to positions where they can be ignored. *	22.0	33.4	44.6
Supervisors in this organization take the time to help marginal and unsatisfactory employees improve their performance.	45.3	31.6	23.1
There is a tendency for supervisors here to give the same performance ratings regardless of how well people perform their jobs. *	30.5	26.4	43.1

* Statements worded negatively

There were differences for each of these statements between TCO and TCM respondents. TCO respondents were more apt to be undecided (38.0%) and less apt to disagree with the statement on moving marginal employees and ignoring them, while TCM respondents were more apt to disagree with the statement (56.5%).

There were also differences of opinion between TCO and TCM respondents on how well supervisors relate to marginal employees and on the accuracy of supervisor performance ratings. TCO respondents were less apt to agree that supervisors take time to help marginal employees improve (38.6%), and TCM respondents were more apt to agree (61.8%). Responses to the statement about similarity of ratings regardless of performance was less often disagreed with by TCO employees (37.0%) and more often disagreed with by TCM employees (58.0%).

These three sets of responses again indicate a disparity between what managers believe is happening in the system and what the employees believe is happening. Although TCOs were not overwhelmingly negative about management response to marginal employees and performance ratings, less than 40% of them believed that marginal employees aren't moved and forgotten, that supervisors take the time to help marginal employees improve, and that real differences in performance are actually reflected in performance ratings. The majority of

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managers, on the other hand, feel they are coping with marginal employees and similarity of ratings.

Discussion

Results from this section of the EPS questionnaire indicated few differences that would lead one to assume OC is anything but a typical organization. A consistent 40% to 50% of the sample agreed with all positive statements and disagreed with all negative statements. An equally consistent 10% to 30% were unhappy with some aspect of their employment. The true value of this section will be its change or lack thereof over time. All areas chosen for this questionnaire are those that should be most affected by EPS if EPS alone can actually modify an employee's perception of his or her job.

OC may wish to attend to the differences between the perceptions of management and the perceptions of TCOs. It would appear that while OC managers believe they are providing adequate counseling, help and performance feedback; the recipients of that counseling, help and feedback are less convinced that all that can be done is being done.

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RESULTS - RECENT PARS

There were two additional questions on the survey that asked about the ratings used in the past year. The first referred to the accuracy of the last PAR. Over 76% of the sample felt that their most recent PAR had accurately represented their actual performance. Of the remaining respondents 14.8% felt that the PAR was inaccurate, and 9.0% fell into either the "not applicable" or "unknown" categories. There were, however, differences between the perceptions of TCO and TCM employees on this issue. TCM employees were much more apt to report that their PAR was accurate (90.0%). TCO respondents were less apt to believe their PAR was accurate (70.7%) and more apt to respond with either "no" (17.9%) or "unknown" (11.4%).

The second question on ratings requested information on what categories of information from the PAF were reflected in the last PAR. The table below presents this information.

Rating Areas	Response Percentage		
	ALL	TCO	TCM
Leadership	41.4	34.4	58.8
Interpersonal Relations	57.1	53.7	65.6
Creativity	35.2	31.6	44.3
Dedication	54.0	51.2	61.1
Judgment	51.4	48.2	59.5
Initiative	55.8	54.6	58.8
Self Expression (written and oral)	43.1	35.9	61.1
Not Applicable	12.5	15.6	4.6

If it is the intent of OC that all employees under the EPS will have these particular items from the PAF within their PARs, clearly the intent is not being translated into action. Initiative, interpersonal relations and dedication are reported as PAF elements by half of the TCO respondents. More TCM respondents reported some mention of these elements in their last PAR, but even for this group the percentages are far short of those anticipated were this is a matter of OC policy.

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RESULTS - COMPARISON OF PHASE I AND PHASE II QUESTIONNAIRES

There were 19 questions that were virtually identical on the Phase I and Phase II EPS questionnaires. In each case the wording from Phase I was modified slightly to reflect the fact that participants now have some experience in EPS. A good example of this type of change is item 13 from the first questionnaire which became item 109 on the second:

Phase I item 13 . Do you think your supervisor will be able to evaluate you properly using the new personnel evaluation criteria?

Phase II item 109 . Do you think your supervisor has been able to evaluate you properly using the new personnel evaluation criteria?

Each question is addressed for the sample of respondents as a whole and also for subgroups based on the respondent's band level. The TCO II group was split with TCO IIs reporting 15 or fewer years experience versus TCO IIs reporting 16 or more years experience. A complete set of tables for all comparisons appears in Appendix A.

Understanding the Banding Concept

The Phase II questionnaire duplicated five of the original six questions requesting respondents to rate their level of understanding on major EPS concepts. There was one question on EPS as a whole (question 101), one on how performance affects pay (question 104), one on the PAF (question 108); one on the Bonus System (question 122), and one on the new certification criteria for promotion (question 127). The exact wording for each of these questions can be found in Appendix B.

There were significant differences on all five questions regarding how well respondents understood EPS. For four of these questions the shift on responses from Phase I to Phase II was towards better understanding. For the other question the shift was divided with some individuals moving towards greater understanding and some individuals moving towards less understanding.

Question 101 addressed the overall Banding pay system. Responses to this question reflected a shift towards greater understanding. Specifically, significantly more respondents than expected responded with "I understand it completely" and fewer than expected responded "I am unclear about most of the major points". The analysis based on band level revealed a significant trend towards greater understanding only for the TCMs. On Phase I, 81% of the TCM

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group responded that they understood banding either "completely" or "the major points." For Phase II over 90% of the TCMs selected one of these two responses.

The response pattern to this question is easily explained. After a year of working under the new system, most people have gained at least a little more understanding about the system. Those most affected by the new system and most likely to gain greater understanding, however, are the managers. Not only have they been rated under the new system, but they have had to exercise the system to provide performance ratings for those that they supervise.

Question 104 addressed the issue of the effects of performance on pay. Significant changes in responses on Phase II for this question were towards the two extreme points. That is, significantly fewer individuals than expected responded that they were unclear about the effects of performance on pay, and significantly more respondents than expected chose either "understand completely" or "I don't understand it at all." This same pattern of responses was significant for TCO IIs with 15 or fewer years experience and for TCMs. Although not statistically significant, the trend was apparent for TCO IIs with 16 or more years experience.

Several analyses were performed to investigate this response pattern further. First the Phase II sample was divided into subgroups based on whether the individual responding had discussed his/her PAF with a supervisor, an Ops officer or someone from Headquarters AMD or had not discussed their PAF with anyone. This analysis did not result in significant differences between the subgroups. Another analysis divided the total sample from Phase II based on pay increase expectations. That is, those individuals who received at least what they expected (or felt they deserved) were compared to those who felt they had received less than they deserved. In this analysis, significantly more individuals whose pay increase expectations were met responded that they understood how their performance was related to their pay, and significantly fewer whose pay expectations had not been met responded that they understood.

There were more individuals across the board who understood the relationship between their performance and their pay on the Phase II. Those respondents who reported a lack of understanding on the relationship of performance and pay were more often than not the same individuals who received a smaller pay increase than they felt they deserved. The fact that the opportunity to discuss their own performance (PAF) with someone in authority made no difference in how well they understood raises some questions about how pay and performance were explained in discussions on their PAFs.

Question 108 addressed the issue of understanding the personnel evaluation criteria on the Performance Assessment Form (PAF). For the entire group of Phase II respondents, there were significantly fewer than expected responding "I didn't know that there were banding criteria" and significantly more than expected responding "I understand it completely." When analyzed by band

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level, the only group with a significantly different response pattern from Phase I to Phase II was the TCM group. For TCMs over 87% now respond either "I understand it completely" or "I understand the major points involved." For both groups of TCO IIs the response distribution on Phase II was virtually identical to the response distribution on Phase I.

Further analyses were performed to investigate the reasons why more TCO I and TCO II employees did not report a greater understanding of the new evaluation criteria on the PAF. Individuals who reported being in OC less than one year were dropped from the analysis. Further analyses revealed that those individuals who had an opportunity to see and discuss their own PAFs were significantly more apt to respond that they understood the new criteria (78% of those who had discussed their PAFs responded that they understood compared to 55% of those who had not discussed their PAFs). It was also the case that those who had not discussed their PAFs were significantly over represented in response categories indicating a lack of understanding (17.2% compared to 4.6% of those who had discussed their PAFs).

When responses to this question were analyzed by pay increment expectations (those who received at least what they had expected versus those who had received less than they had expected), there were no significant differences in the response patterns. Fulfillment of pay increase expectations, therefore, did not influence understanding of the criteria used to rate performance.

Again these analyses support common sense predictions. Individuals in management now understand the evaluation criteria better. Not only were these managers rated on the criteria themselves, they also rated others with the criteria. Regardless of the band level, those who have had the opportunity to discuss the criteria with themselves as the reference point understood the criteria better than those who had not discussed them. This was true regardless of whether they received pay increases greater than or equal to what they had expected or pay increases that were less than they had expected.

Question 122 addressed the issue of the bonus system. Although the overall chi square was significant and the change was towards greater understanding, the change in response patterns from Phase I to Phase II was subtle. More individuals than expected on Phase II responded "I am unclear about some of the major points," and fewer than expected responded "I am unclear about most of the major points" and "I don't understand it at all." Although not significant, this trend was apparent for TCO Is, and both groups of TCO IIs. The TCM group was significantly more apt to respond that they understood all of the major points of the bonus system and less apt to respond that they didn't know there was such a system.

For the non-management employee the bonus system is still confusing. Well over 50% of the TCO Is and TCO IIs claim to be unclear about some aspect of

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the system and of that 50% a large number reported that they did not know there was such a system. Management respondents claimed a better understanding, but even for this group almost 10% responded that they were unaware of the bonus system. Clearly, the bonus system has not been used often enough yet to provide a clear understanding of how it works.

Question 127 addressed the issue of the new certification criteria for promotion. This system was introduced at the same time as the EPS and has an effect on the promotion rate. The chi square analysis was significant for the whole sample of Phase II respondents compared to Phase I respondents: significantly more individuals than expected responded that they understood the criteria completely and significantly fewer than expected responded that they were unclear on most of the major points. This trend was apparent for all groups, but only statistically significant for the TCM group.

Attitudes towards Aspects of Banding

The remaining 14 questions that appeared on both Phase I and Phase II EPS questionnaires were designed to check on respondents' attitudes towards certain aspects of banding. Six make reference specifically to the PAF, and these six will be discussed together. The remaining eight will be discussed individually.

Question 102 requested respondents to judge whether EPS or GS paid them more fairly for their work. The chi square analysis comparing distribution of responses for Phase I and Phase II was significant with more individuals than expected responding "Banding more fair than GS" and fewer than expected responding "I don't know" on Phase II. The analysis remained significant when only TCM respondents were analyzed and when all but TCM respondents were analyzed. In both cases the same trend was apparent. On Phase II there were fewer respondents who chose to respond "I don't know" (overall 11.2% on Phase II compared to 22.6% on Phase I) and the number of individuals choosing EPS over GS increased (overall 61.7% on Phase II compared to 52.4% on Phase I).

Question 103 asked respondents whether it was a good idea to switch to a pay scale based on performance rather than one based on tenure. The significant chi square analysis for this question showed fewer respondents than expected choosing "I don't know" or "bad idea" and a greater than expected number of respondents choosing "very good idea." This trend was apparent for the groups of TCO I and TCO II respondents and for the group of TCM respondents, although only the chi square for the TCM group was judged significant. Even on Phase I it was the case that the majority felt switching to a performance system was better. Phase II responses simply show this opinion to be more widely held this year with fewer people choosing not to judge and some who felt it was a bad idea reporting in a more positive attitude.

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Question 105 asked respondents whether EPS would have a positive or negative effect on pay opportunities. The chi square analysis for the entire sample showed a significantly larger number of individuals than expected choosing the responses "very positive" and "very negative" with a smaller number than expected choosing "I don't know." Analyzing the responses by band level isolated the group moving towards the negative responses: TCO IIs on Phase II were significantly less apt to respond "I don't know" and significantly more apt to respond "very negative" compared to Phase I distributions. In all other groups the response trend was away from "I don't know" and towards "very positive," and this change in distribution was significant for both TCO IIs with 16 or more years experience and for TCMs.

Three questions (Numbers 123, 124 and 125) addressed the effects that the bonus system would have on morale, efficiency and TCO retention. Of these only the question on efficiency had a significant change in distribution from Phase I to Phase II. For this question a significantly smaller number of respondents chose "positive," and a significantly larger number chose "neither positive nor negative." Although not at a significant level, this trend was apparent for all groups except TCO IIs with less than 16 years experience where the significant chi square indicated that this group was less likely to respond "positive" and more likely to respond "negative." On all three questions over 33% of the sample continues to respond most often in the category "I don't know." Given the fact that the bonus system is still not well understood, responses to these questions are easily interpreted. Until the Panel D respondents see the results of bonuses, they will probably choose to remain neutral, if a little less positive than they were initially.

Question 128 asked for a comparison of the new certification criteria for promotions to the old certification system. On this question there was a significant shift towards choosing the new criteria as better and away from choosing the old criteria as better or choosing "I don't know." This trend was apparent for all groups but significantly for only TCO I and TCM respondents.

Question 134 was on the overall banding system and its effects on the respondents' careers. A chi square analysis on this set of distributions was not significant. However, for both Phase I and Phase II over 55% of respondents felt EPS will help their personal careers, and another 33% felt it will neither help nor hurt their careers.

Of the six questions addressing the PAF (Numbers 109, 112, 114, 115, 117 and 119) one was worded exactly as it was on Phase I (Question 109). The remaining five were changed so that the final alternative read "I have not discussed my PAF with supervisor/HQ" rather than "I don't know." For statistical purposes individuals who selected these alternatives were deleted from the analyses. This had the effect of reducing both groups rather dramatically. Between 19% and 25% of Phase I respondents were dropped from the analysis. For Phase II 262 individuals (approximately 54%) were dropped on questions

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relating to counseling from supervisors, and 442 (approximately 90%) were dropped on questions relating to counseling from headquarters sources. The fact that the majority of the sample would not have had access to a headquarters counselor was anticipated; however, it was not anticipated that such a large number of individuals would have missed the opportunity to discuss their PAFs with their direct supervisor. As a consequence it is difficult to decide how much reliable information is represented in the analyses. They will be reviewed here with the caution that they should not be overinterpreted.

Question 109 requested respondents to judge whether their supervisors were able to evaluate them properly using the evaluation criteria on the PAF. The significant chi square analysis reflected a shift away from the response "probably" and towards more dichotomous responses of "definitely" and "definitely not." This pattern was the same in an analysis using only TCO I and TCO II respondents. The pattern for TCM respondents was significant, but slightly different. TCM respondents tended to chose "definitely not" significantly more often than expected and "I don't know" significantly less often. There were slight increases to the responses "definitely" and "probably not," but they were not significant.

In an effort to investigate the apparent shift towards the negative end of the scale for this question, Phase II respondents were subdivided on the basis of having discussed their PAFs with someone (supervisor, Ops or headquarters) versus not having had an opportunity to discuss their PAFs. The chi square analysis was significant. Those who have had the opportunity to discuss their PAFs were significantly more likely to chose "definitely" or "probably" and less likely to chose "probably not" and "I don't know." Those who had not discussed their PAFs were significantly less likely to choose the positive end of the scale and more likely to chose either "probably not" or "I don't know." Clearly, being able to discuss the PAF not only influences how well one understands it, but one's attitude towards how it is used to set one's pay.

Questions 112, 114 and 117 asked respondents whether discussing their PAFs with their supervisor or with someone from headquarters AMD increased or decreased the quantity and quality of career counseling. Another question asked respondents whether discussing their PAFs helped their own career planning. The small number of respondents for the items on supervisor discussions and career counseling quality made analysis impossible.

For the three questions that were analyzed all were significant, and all showed an identical trend in response distribution. Individuals responding to Phase II were significantly more apt to choose response "no change" or "neither help nor hinder" and less likely to choose either a positive or negative response. On Phase I the clear majority of respondents felt that the PAF would not improve career counseling (over 67%) but had felt that the PAF would help career planning (58%). On Phase II, 80% of the respondents **who have discussed their PAFs** with their supervisor now say that such discussions will have no effect on the quantity

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or quality of counseling, and 62% feel the PAF will have neither a positive nor negative effect on their own career planning.

Discussion

It would appear from these analyses on Phase I and Phase II responses that Panel D employees are moving towards a better understanding of the EPS in general. Of serious concern, however, is the apparent lack of understanding by TCO level employees on the link between performance and pay. EPS is a "pay for performance" system. It should allow OC to reward employees based on their productivity and motivate the employees to increase their productivity levels. To the extent that such a system provides adequate and useful performance feedback to employees, both goals can be met. **BUT**, if feedback is less than adequate, the system will never be able to address employee motivation. At present it would appear (from the employees' perspective) that EPS has improved pay ceilings within OC and little else. This negates the major advantages of a "pay for performance" system and only encourages a lack of employee enthusiasm for future management promises in other areas of human resource management.

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CONCLUSIONS AND RECOMMENDATIONS

The results of data analyses performed for this iteration of the EPS questionnaires allow some general statements to be made on how well the system is working within OC. Overall understanding about the concepts and mechanics of the pay system has increased, and respondents continue to be optimistic. The majority of comments made on the open-ended questions, for instance, reflect a belief that the system will be better, provide more control to the employee and be more equitable than the GS system. The majority also reported that the first pay and promotion cycle was fair. The two areas where additional management effort would improve the system relate to the bonus system and to the PAF.

The way that the bonus system will work and whether it will in fact enhance employee perceptions of pay ceilings are still areas where the respondents reported a lack of clarity. It may well be that no amount of written information to Panel D employees will explain this system until they begin to see the system operate. However, some additional clarification about the mechanics of the bonuses and their value may be helpful.

Clarification of the role of the PAF and its value to both the organization and its employees would also be appropriate. In this instance it is highly probable that no amount of advertising will explain the system until and unless employees see the PAF as an integral part of their feedback and career planning system. There are several indicators throughout these results that would suggest the system was not functioning correctly at the time of this questionnaire. There are also indications that using the PAF as part of the feedback system can enhance employee understanding of and satisfaction with the pay system. Any and all efforts made to improve upon the PAF system (including both the PAF format and its utility) will serve to improve the entire pay system and the OC human resource management system.

As an additional incentive, a fully functioning performance feedback system will serve OC well in future pay and promotion cycles. This cycle was fairly easy; most people were awarded increases in their salaries that were as good as or better than what they might have expected under GS. If OC can continue to be as generous in awarding pay increases to the majority of employees, the feedback system on performance can afford to be less than optimal. Should OC, however, find themselves in a situation where pay increases and promotions can not be so generous, a good explanation of monetary rewards based on comparative **performance** evaluations will be imperative to maintain any employee support for EPS. Without the assistance of good human resource management OC could actually find that EPS has deteriorated both employee attitudes and performance within Panel D. Expectation levels remain high within Panel D even though many employees question the improvements in their own careers on any level other than monetary. Future expectations on monetary increases that are not met and that

- 35 -

CONFIDENTIAL

CONFIDENTIAL

can not be understood by the employee based on his/her own performance level can produce a significantly negative reaction at great cost to the organization.

The analysis of the attitude questions within this survey present an additional interest area for OC. There is a fairly clear difference between the responses of managers and the responses of employees on several key areas all indicating significant differences in perceptions. Managers as a group seem to feel they are providing the support and feedback necessary for their employees, and employees as a group seem to feel that they are not receiving the necessary support and feedback. A result like this is not highly unusual in any organization because realistically there is always a continuing need to evaluate human resource management systems. This information can be used, however, as a part of a test-evaluate-test system that constantly works to bridge the gap between management perception and employee perception of the organization.

There are only two major recommendations from this study other than a recommendation to continue testing the system at intervals over several more years of the pay experiment.

Recommendation 1: Some effort should be made to clarify the bonus system for employees. This should include a more detailed explanation of when and how bonuses will be used and their intended effects.

Recommendation 2: Some effort must be made to deliver useful performance feedback to the employees so that they can become an integral part of this pay experiment. This reworking of the system should include both an evaluation of the validity and utility of the current PAF and PAR system and an evaluation of the existing employee feedback mechanisms.

CONFIDENTIAL

APPENDIX A
Tables for Technical Support

CONFIDENTIAL

CONFIDENTIAL

LIST OF TABLES

	Page
Table 1 - Demographic Characteristics of OC Communicators Phase II EPS Banding Questionnaire	41
Table 2 - Phase II Response Percentages on EPS Questions for Total Sample, TCO I Sample, TCO II Sample and TCM Sample.	59
Table 3 - Phase II Response Percentages for Questions 135 through 154 for Total Sample	67
Table 4 - Phase II Response Percentages for Questions 135 through 154 for TCO Sample and TCM Sample	69
Table 5 - Factor Analysis of EPS Attitude Questions	73
Table 6 - Comparison of Common Questions from Phase I and Phase II Banding - Total Sample	74
Table 7 - Comparison of Common Questions from Phase I and Phase II Banding - TCO I Sample.	79
Table 8 - Comparison of Common Questions from Phase I and Phase II Banding - TCO II Sample with Less than 16 Years Experience.	84
Table 9 - Comparison of Common Questions from Phase I and Phase II Banding - TCO II Sample with 16 or More Years Experience.	89
Table 10 - Comparison of Common Questions from Phase I and Phase II Banding - TCM Sample	94

CONFIDENTIAL

LIST OF FIGURES

	Page
Figure A - Question 101 How well do you understand the banding pay system	42
Figure B - Question 102 Which system pays you more fairly for your work?	42
Figure C - Question 103 Was it a good idea to switch to pay for performance.	43
Figure D - Question 104 Do you understand how performance affected your pay?	43
Figure E - Question 105 Did banding have a positive or negative effect on pay?	44
Figure F - Question 106 Has your motivation increased or decreased in last year?.	44
Figure G - Question 107 Will banding increase or decrease motivation over long run?	45
Figure H - Question 108 Do you understand the criteria used on PAF?	45
Figure I - Question 109 Did your supervisor evaluate you properly with PAF?	46
Figure J - Question 110 What was your experience with PAF this year?	46
Figure K - Question 111 How did PAF discussions take place?	47
Figure L - Question 112 Did PAF increase quantity supervisor counseling?	47
Figure M - Question 113 Did PAF increase quantity area counseling?	48
Figure N - Question 114 Did PAF increase quantity AMD counseling?	48
Figure O - Question 115 Did PAF increase quality supervisor counseling?	49

CONFIDENTIAL

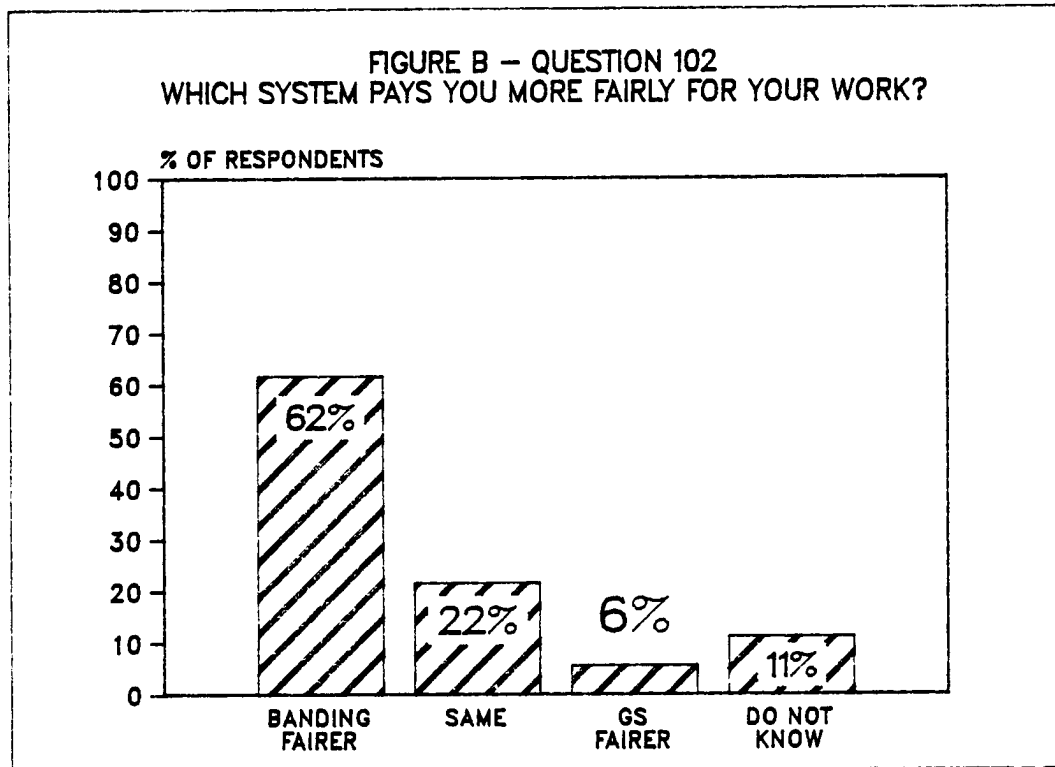
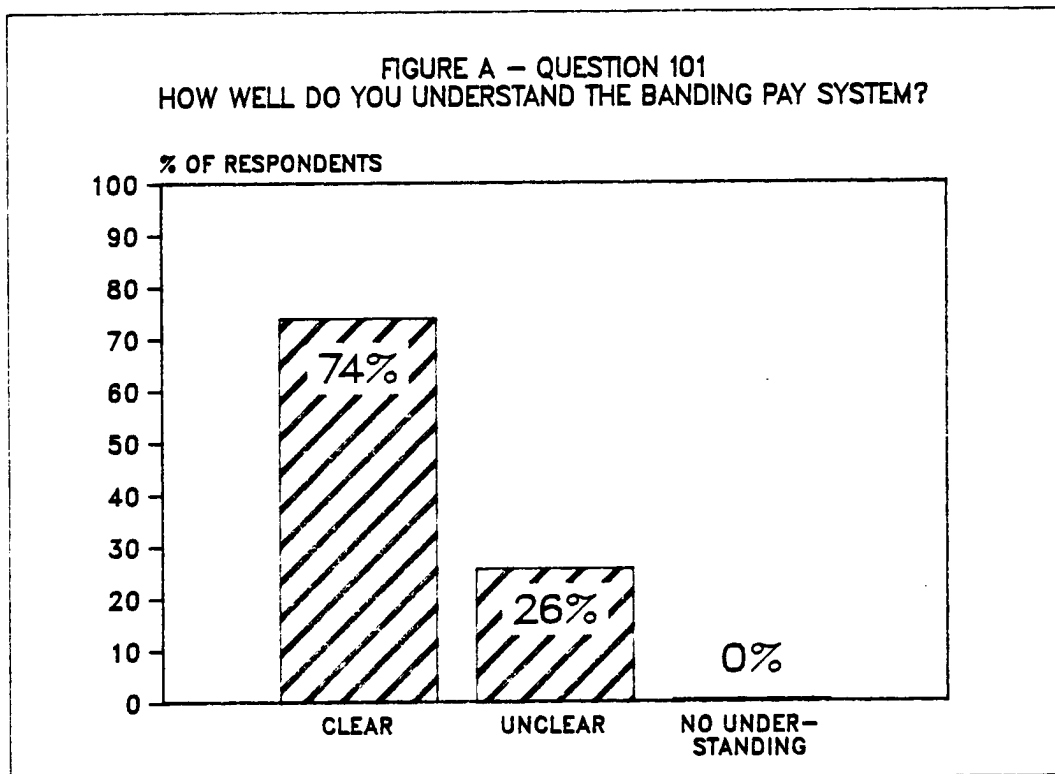
	Page
Figure P - Question 116 Did PAF increase quality area counseling?	49
Figure Q - Question 117 Did PAF increase quality AMD counseling?	50
Figure R - Question 118 Over time will PAF effect counseling?	50
Figure S - Question 119 Has PAF helped your career planning?	51
Figure T - Question 120 Over time will PAF effect career planning.	51
Figure U - Question 122 Do you understand the banding bonus system?	52
Figure V - Question 123 Has bonus system had an effect on morale?	52
Figure W - Question 124 Has the bonus system haad an effect on efficiency?	53
Figure X - Question 125 Will bonus system encourage TCO retention?	53
Figure Y - Question 126 What effect will bonus system have on TCO?	54
Figure Z - Question 127 How well do you understand certification criteria?	54
Figure AA - Question 128 Are new certification criteria better than old?	55
Figure BB - Question 129 Will certification criteria provide personal career control?	55
Figure CC - Question 131 Has the system operated fairly during this cycle?	56
Figure DD - Question 133 Overall, I think that banding will.... ..	56
Figure EE - Question 134 Personally, I think that banding will... ..	57

CONFIDENTIAL

**Table 1. Demographic Characteristics of OC Communicators
Phase II EPS Banding Questionnaire (Total Sample - 506 Respondents)**

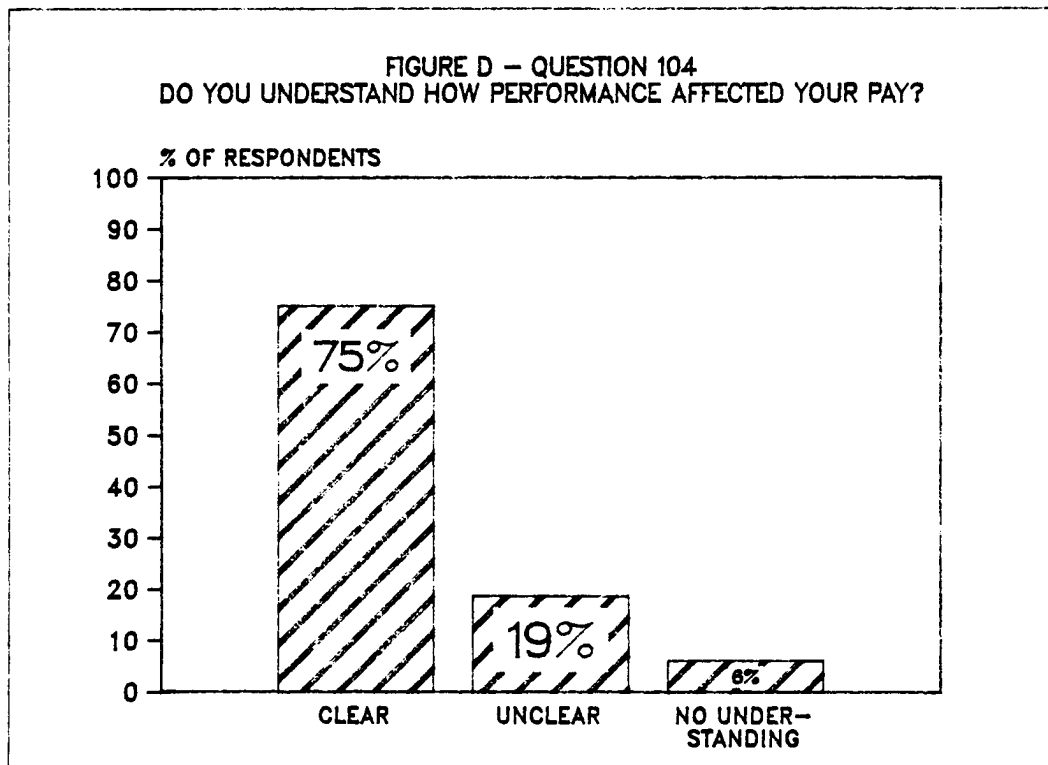
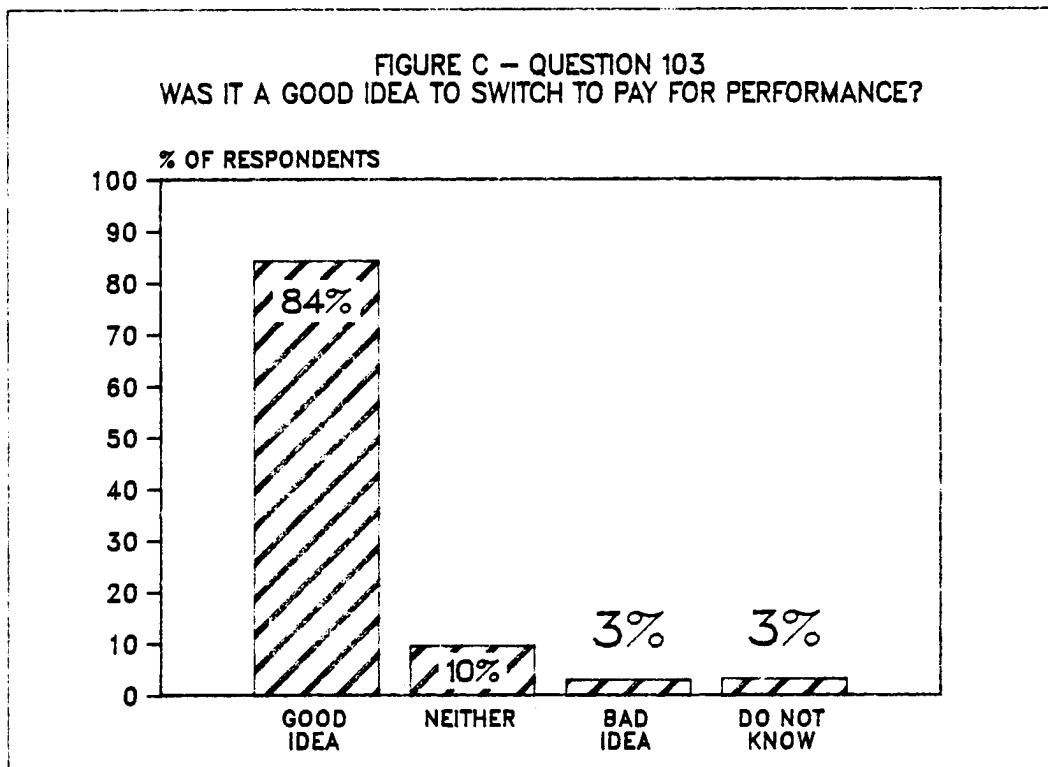
<i>Demographic Characteristic</i>	<i>N</i>	<i>% of Sample</i>
<i>BAND</i>		
- TCO I	138	30.2%
- TCO II	188	41.1%
- TCM III	112	24.5%
- TCM IV	19	4.2%
<i>SEX</i>		
- Male	440	89.8%
- Female	46	9.4%
<i>AGE</i>		
- 20 to 25	22	4.5%
- 26 to 30	86	17.6%
- 31 to 40	157	32.0%
- 41 to 50	206	42.0%
- 51 and older	18	3.7%
<i>EXPERIENCE - Years with OC</i>		
- less than 1	12	2.4%
- 1 to 2 years	77	15.7%
- more than 2 less than 5	110	22.4%
- more than 5 less than 11	84	17.1%
- more than 11 less than 16	27	5.5%
- 16 or more years	180	36.7%
<i>NUMBER SUPERVISED</i>		
- None	268	55.0%
- 1 to 5	172	35.3%
- 6 to 15	29	6.0%
- 16 to 30	11	2.3%
- more than 31	7	1.4%

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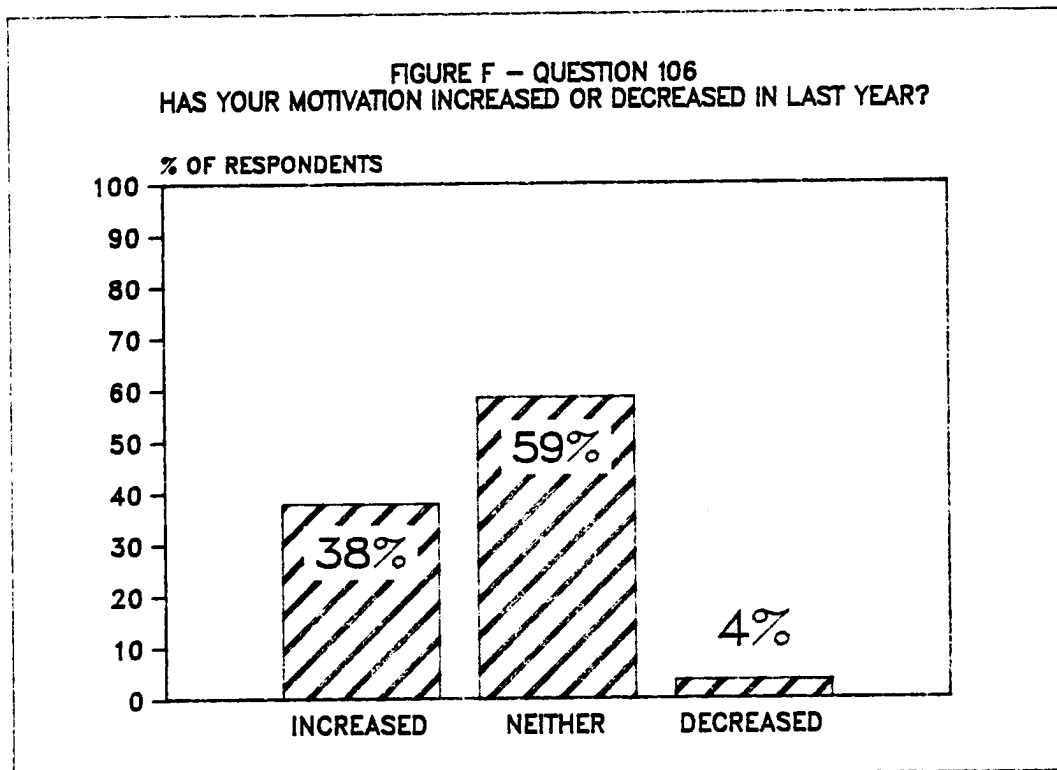
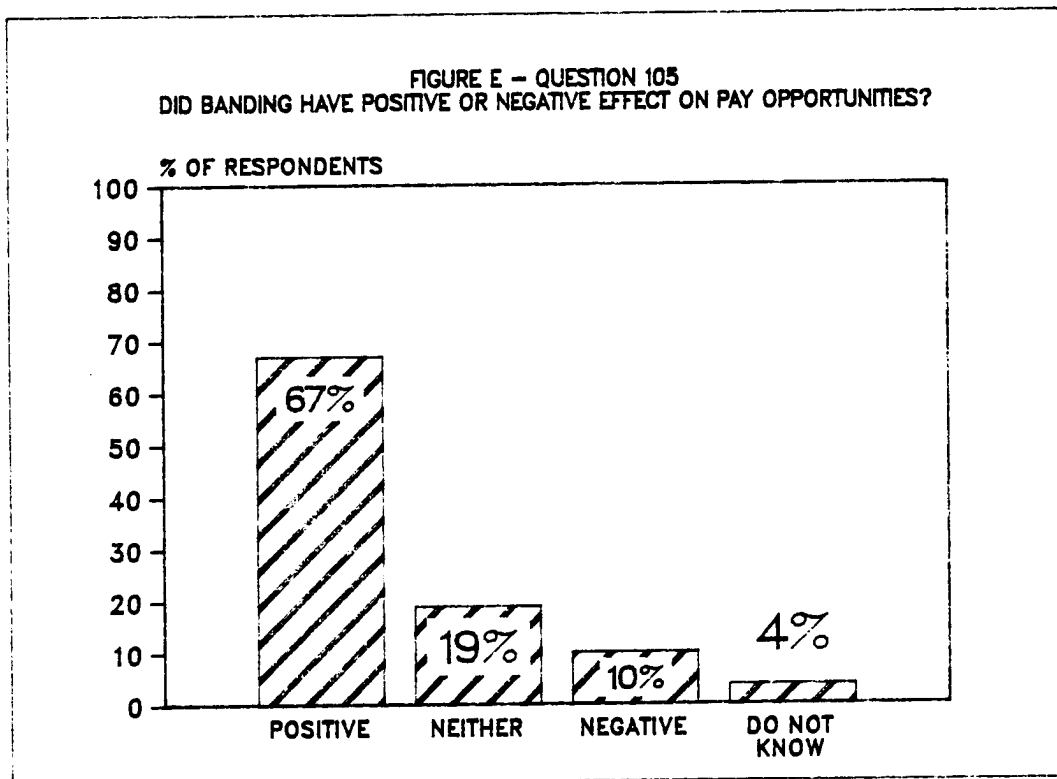
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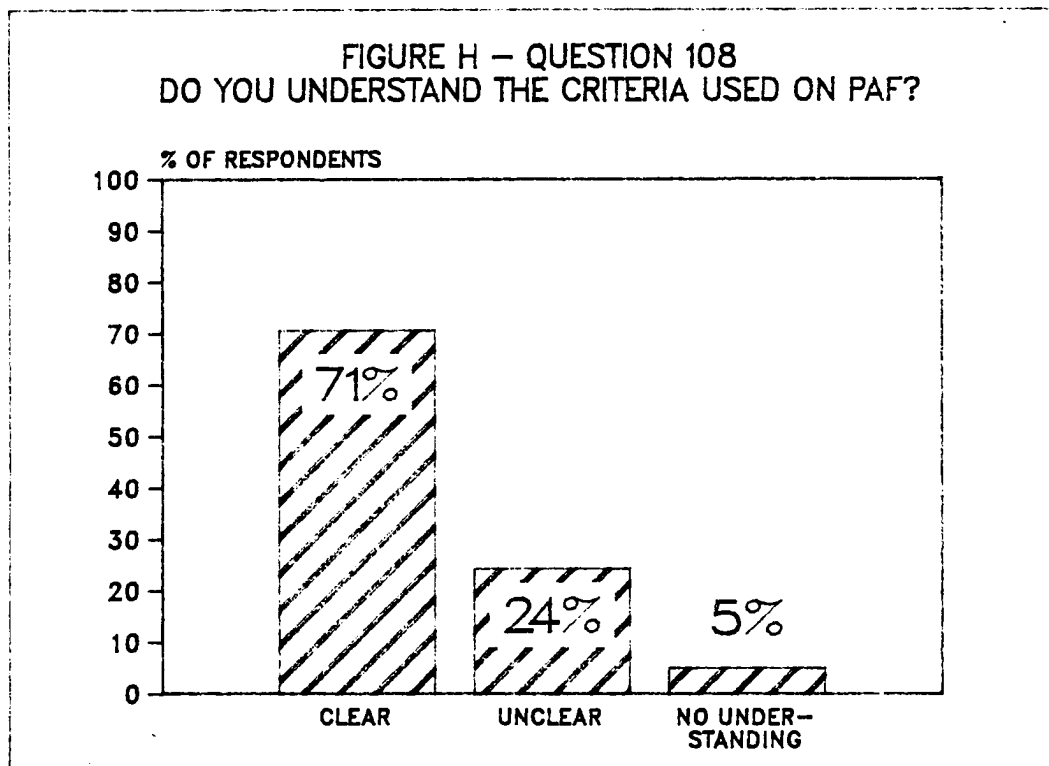
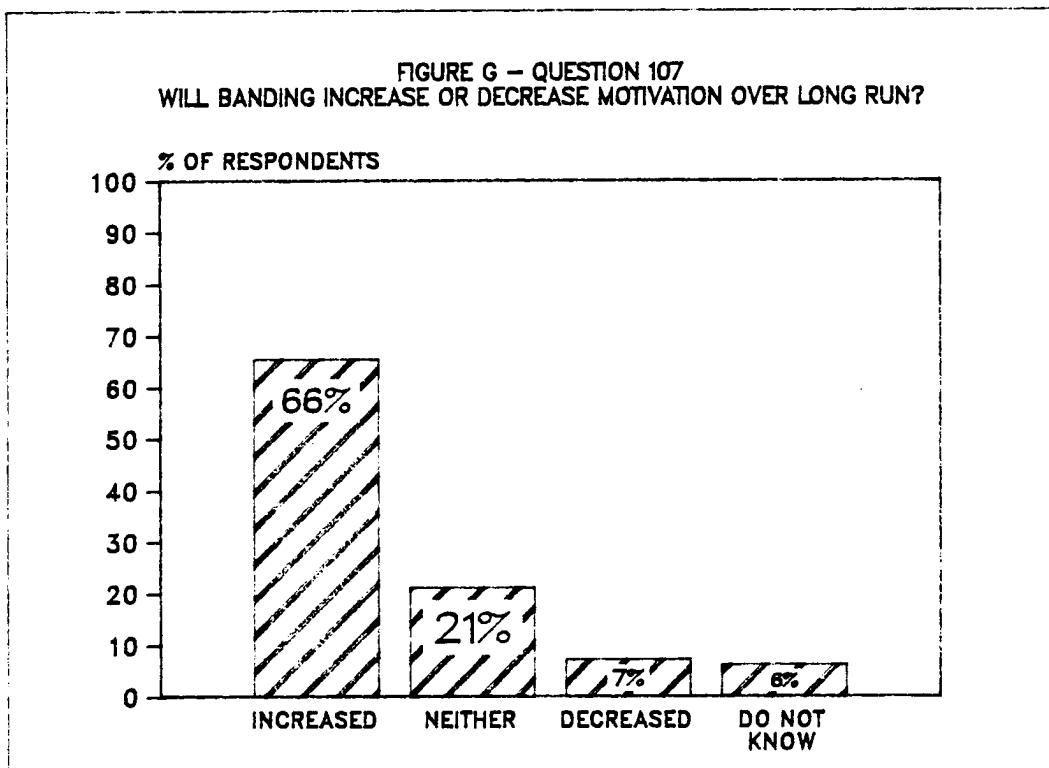
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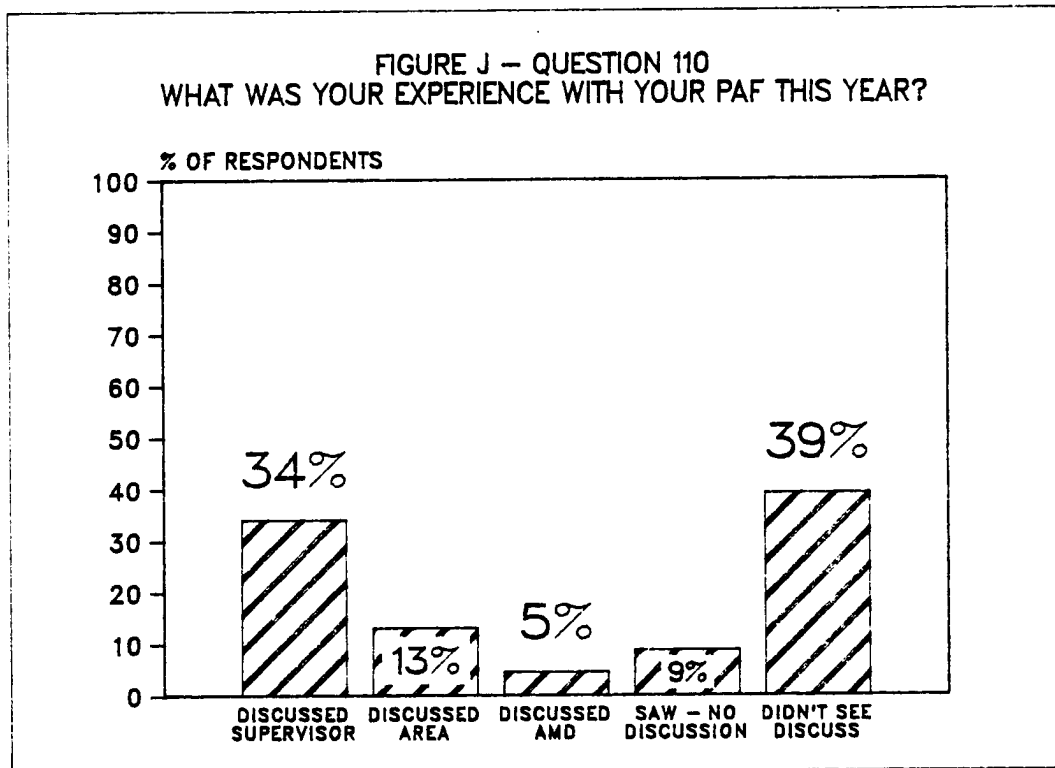
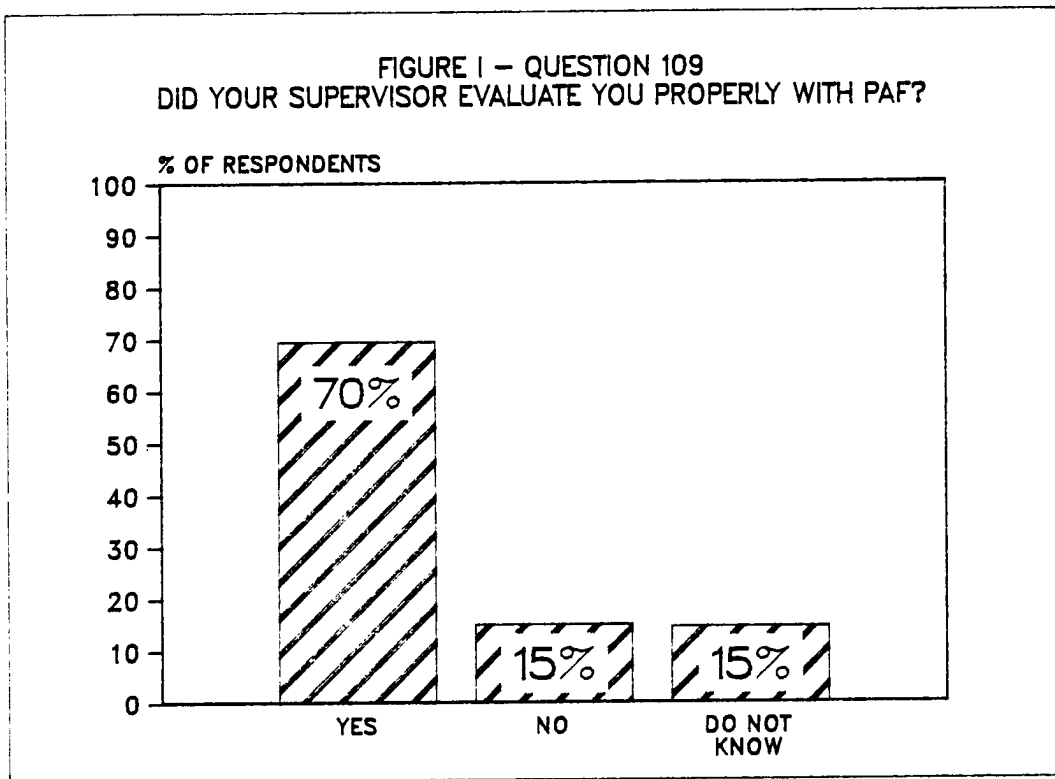
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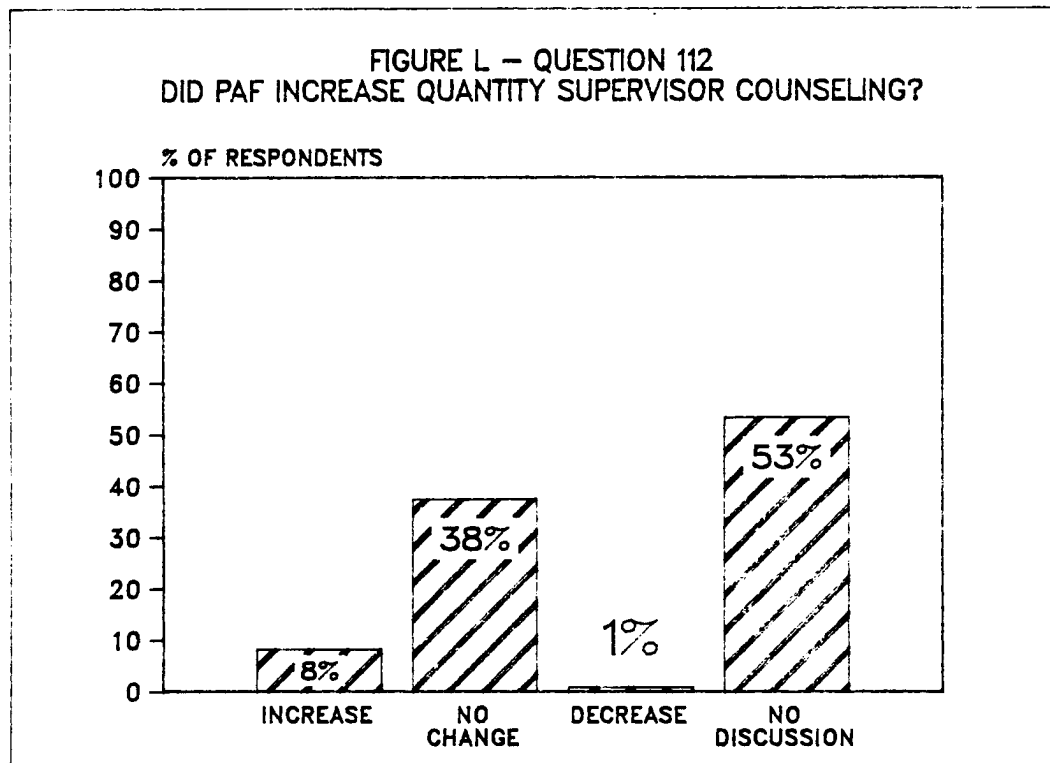
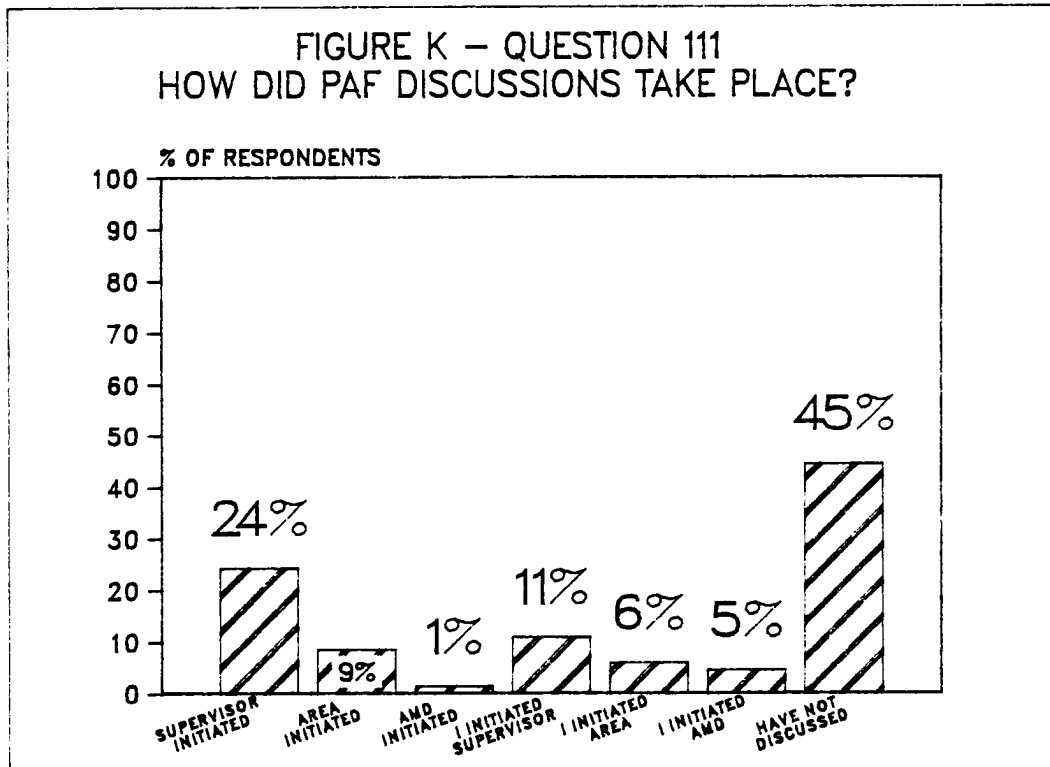
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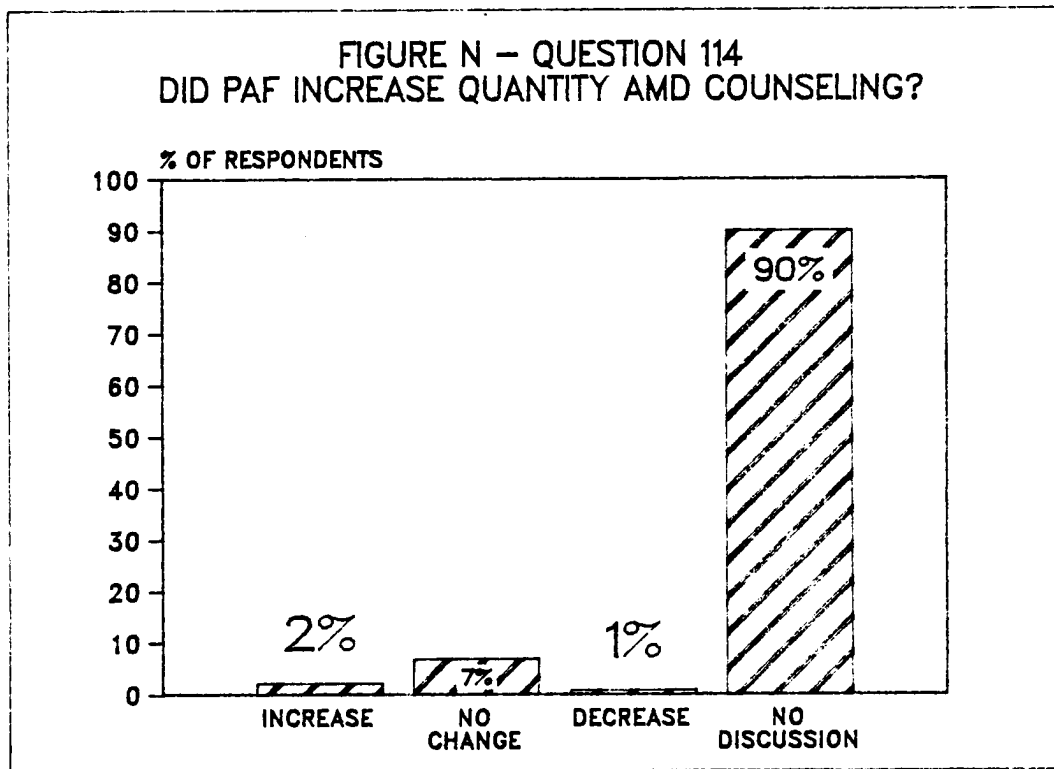
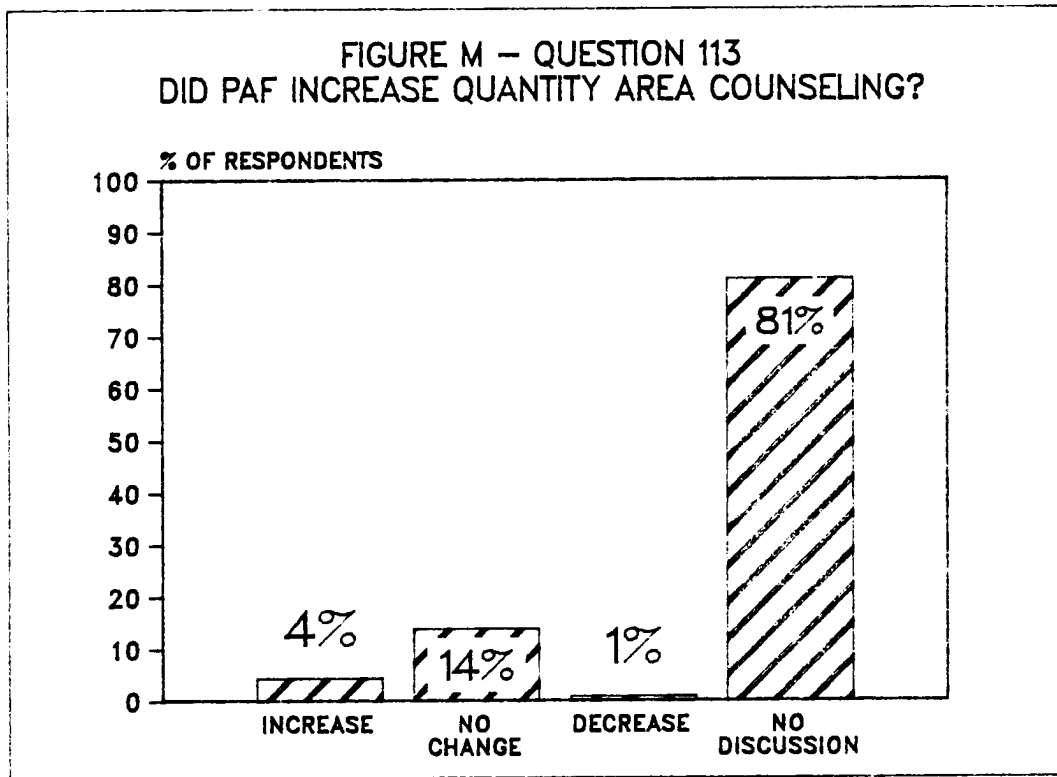
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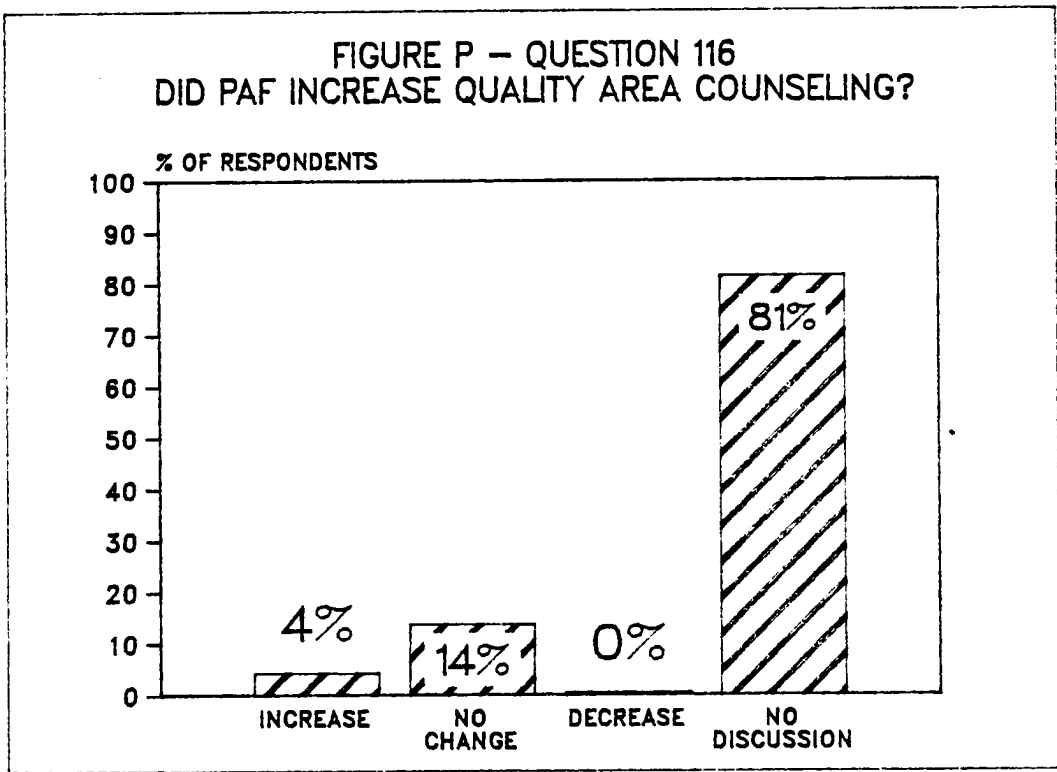
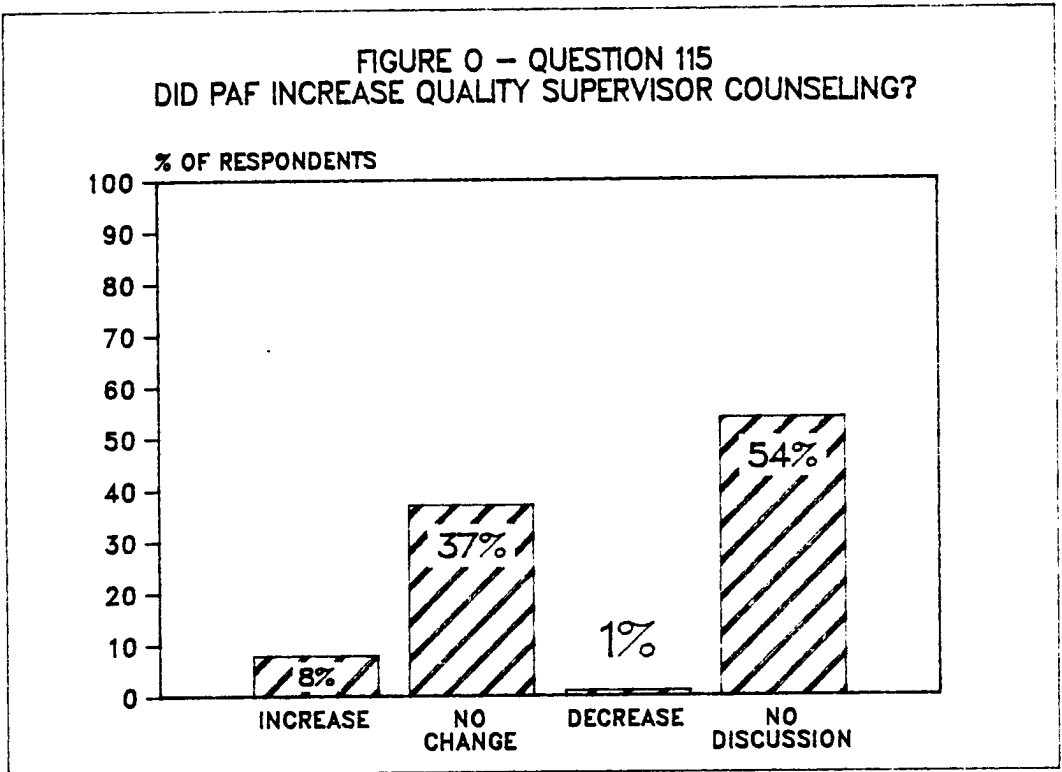
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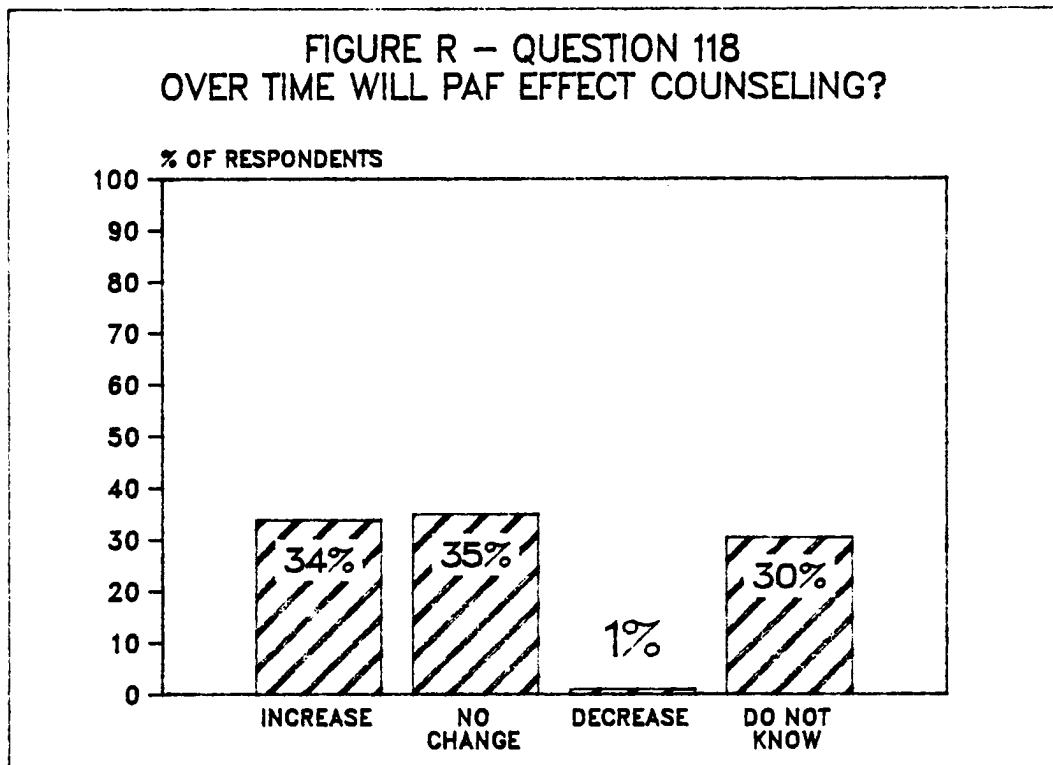
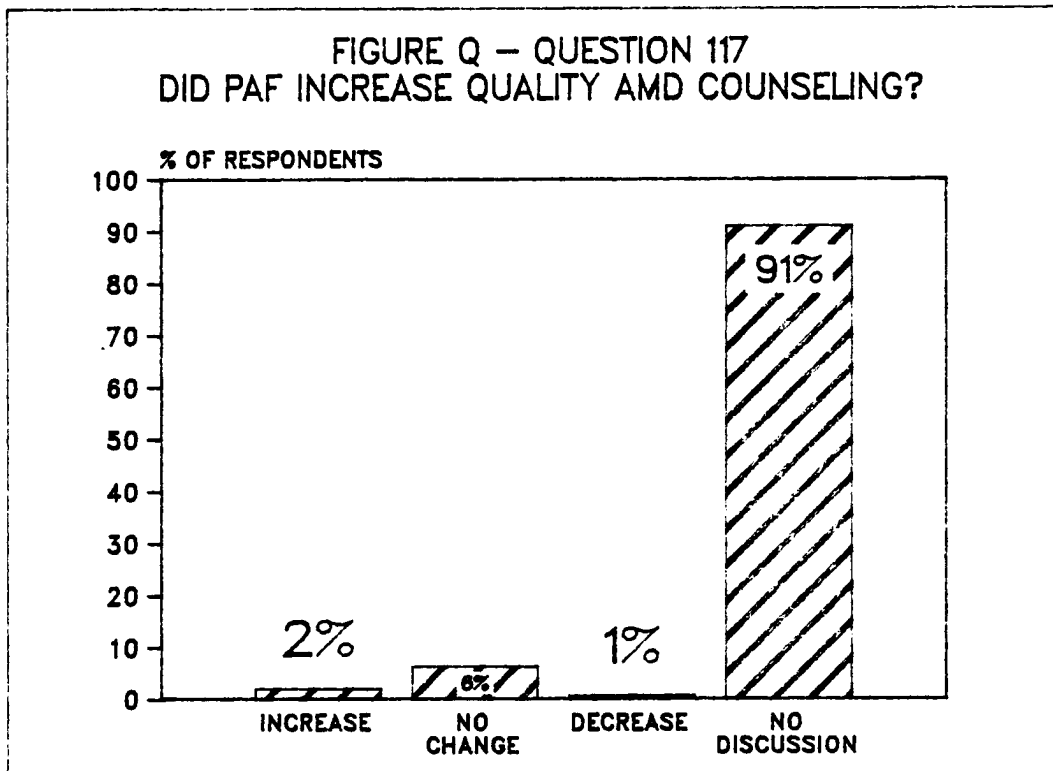
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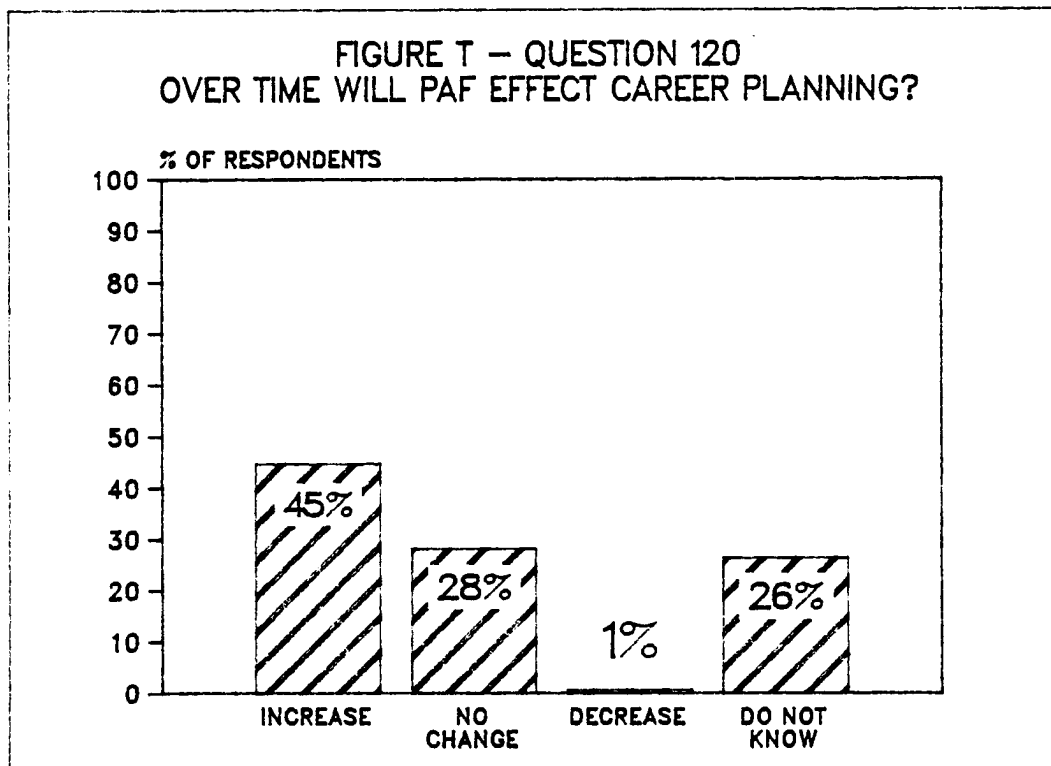
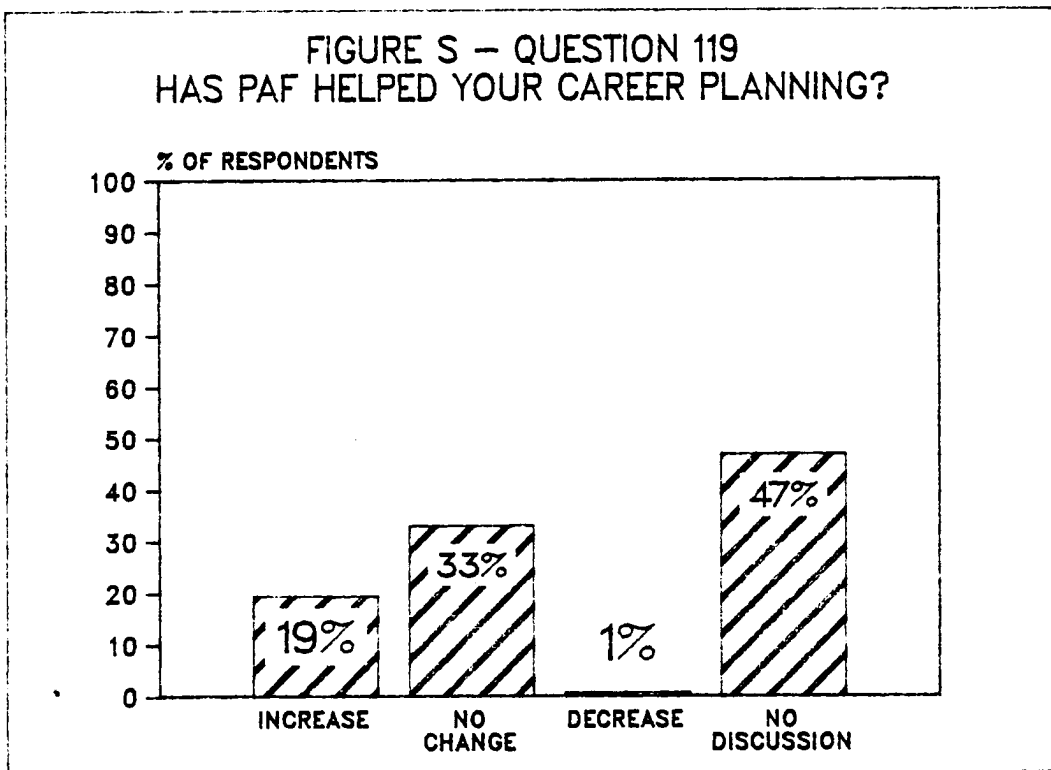
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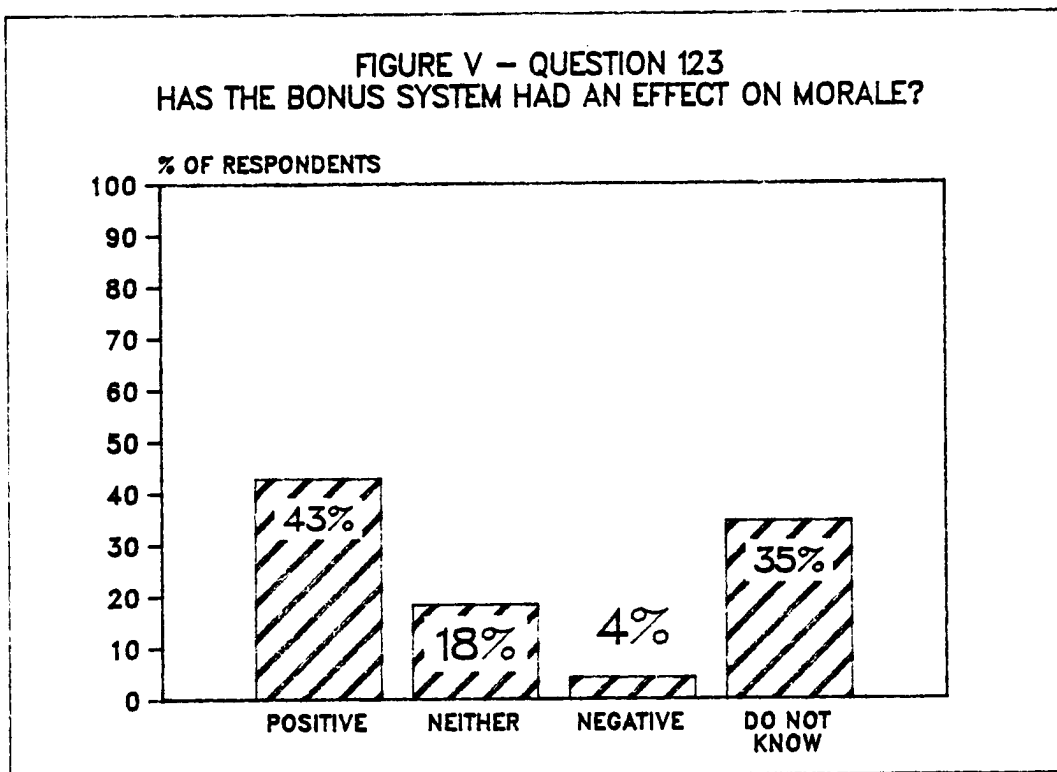
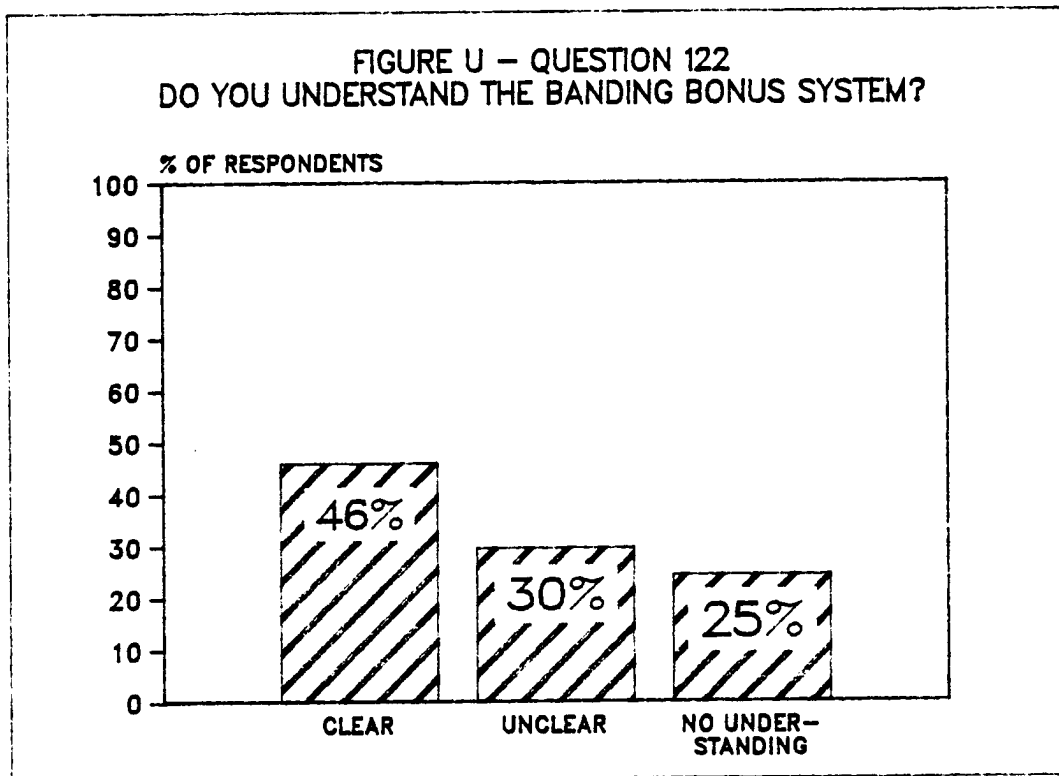
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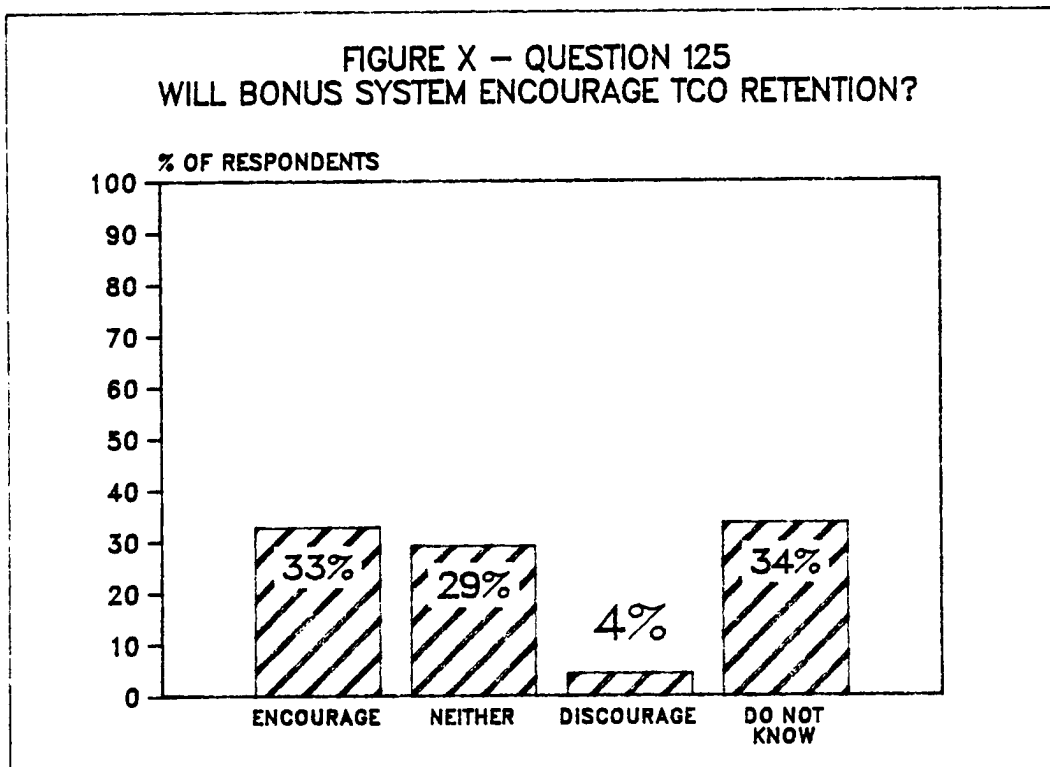
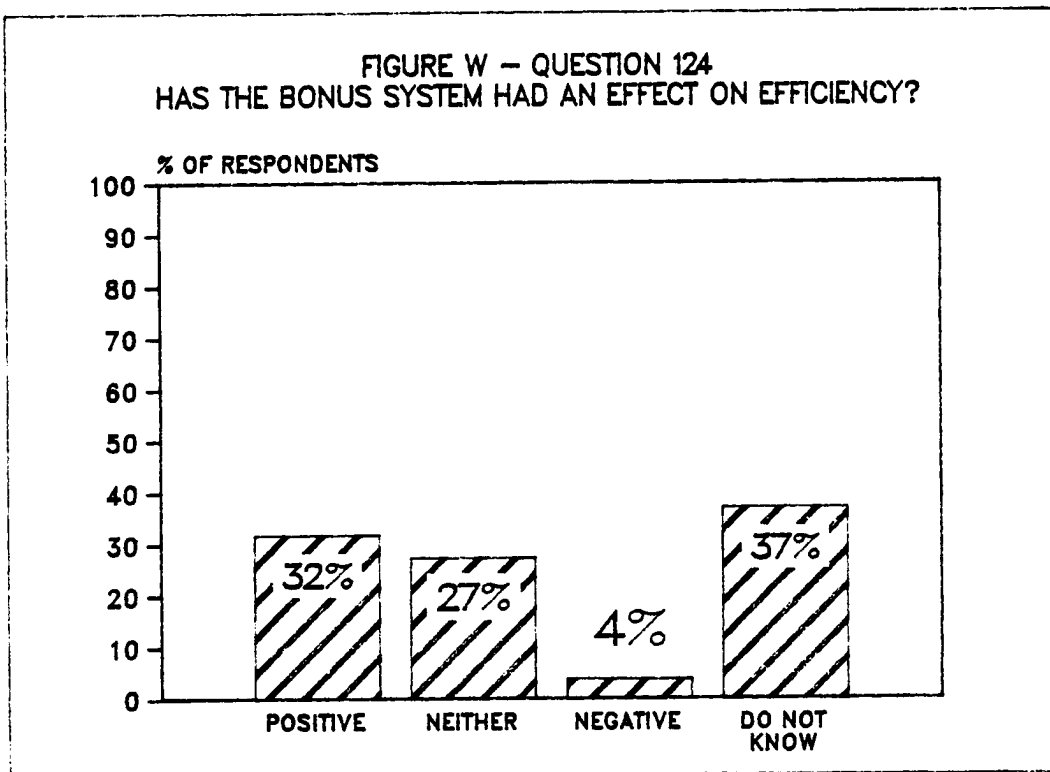
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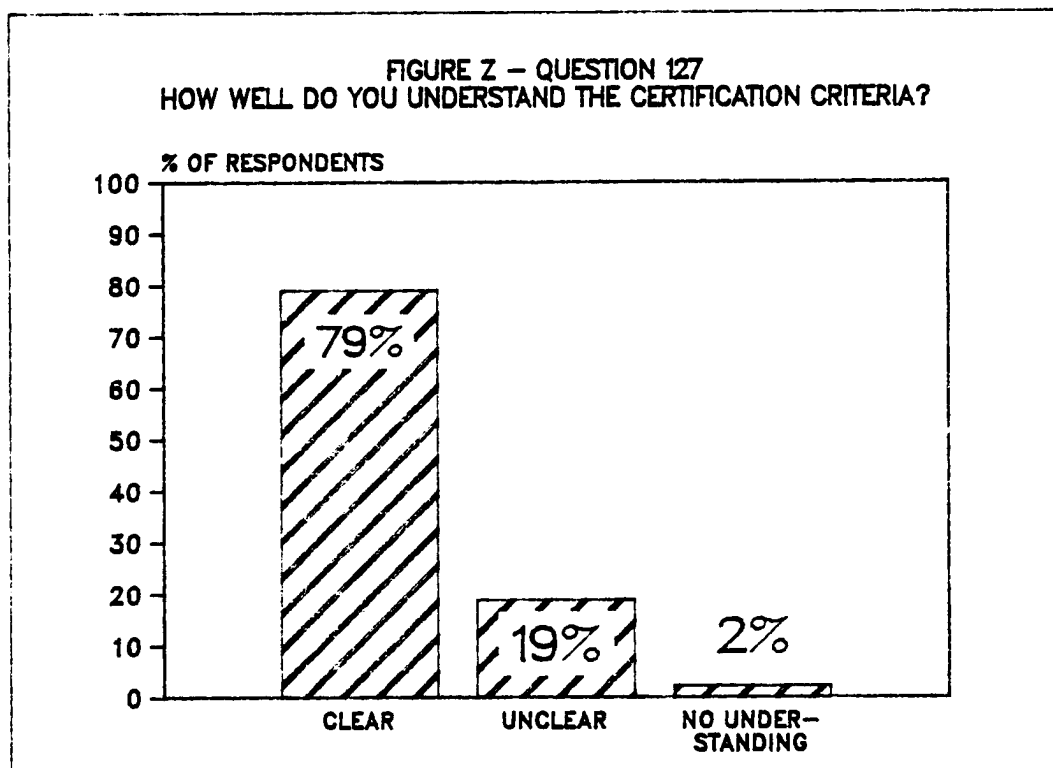
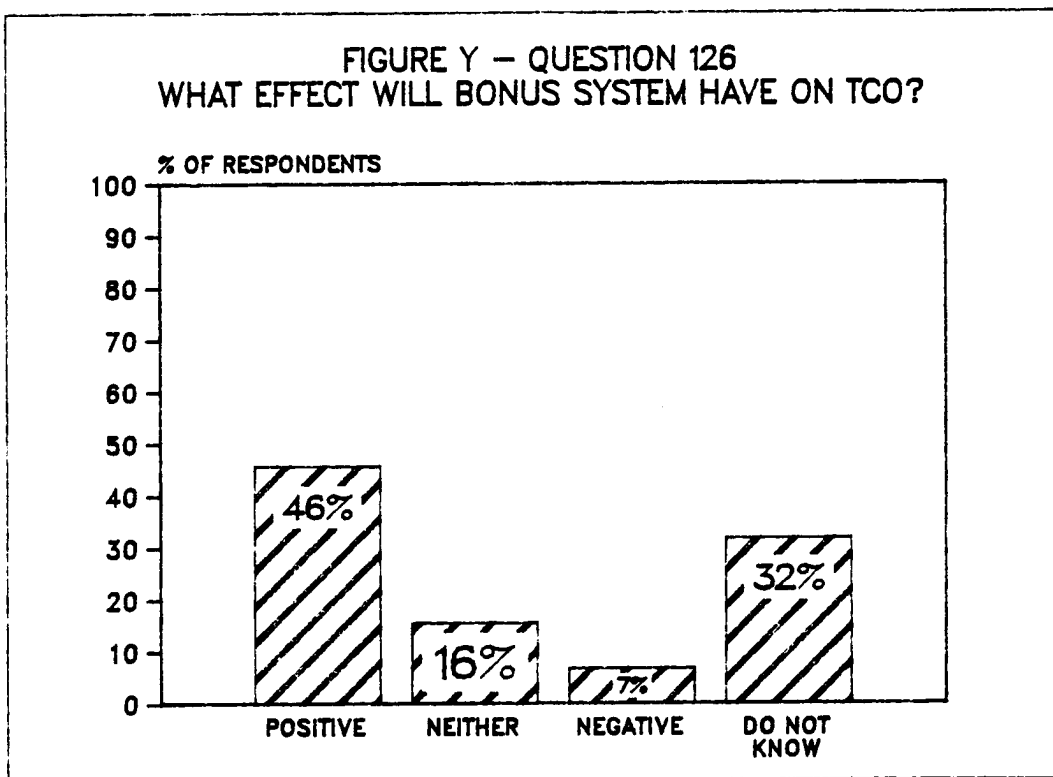
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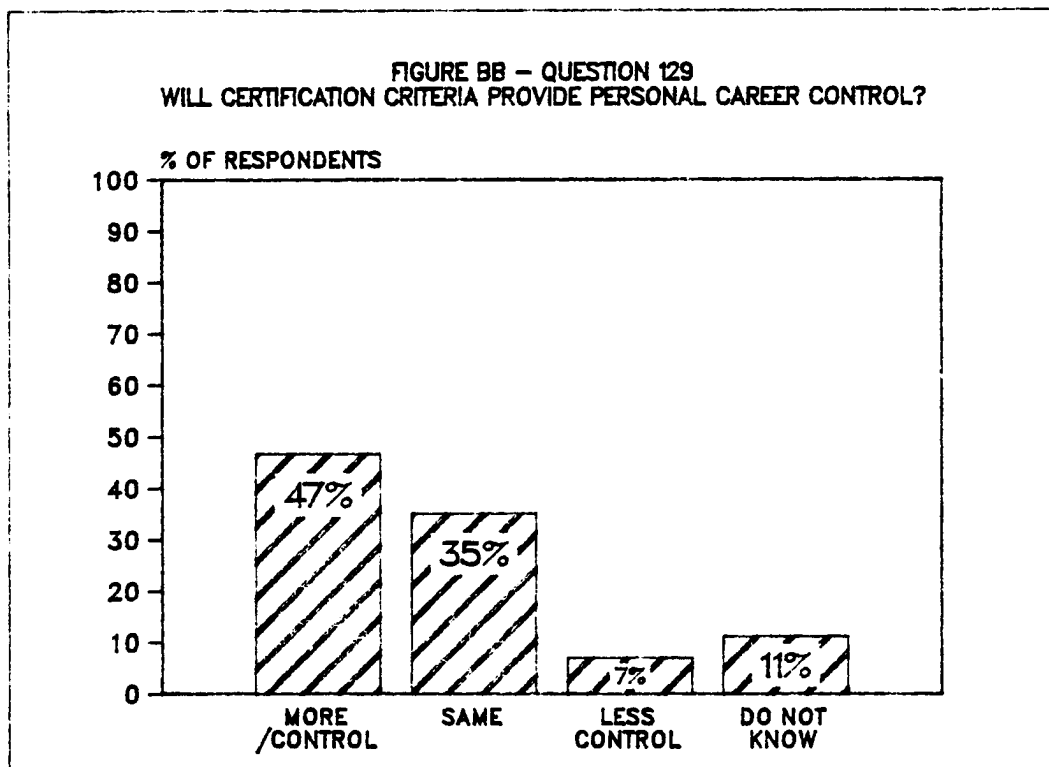
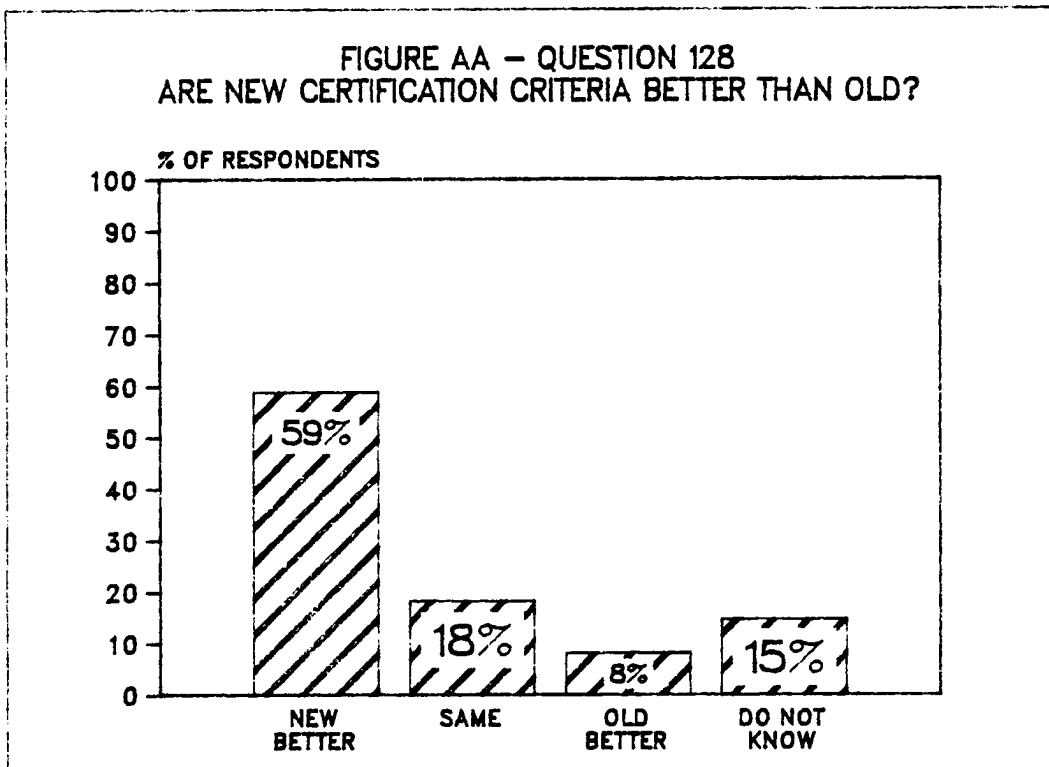
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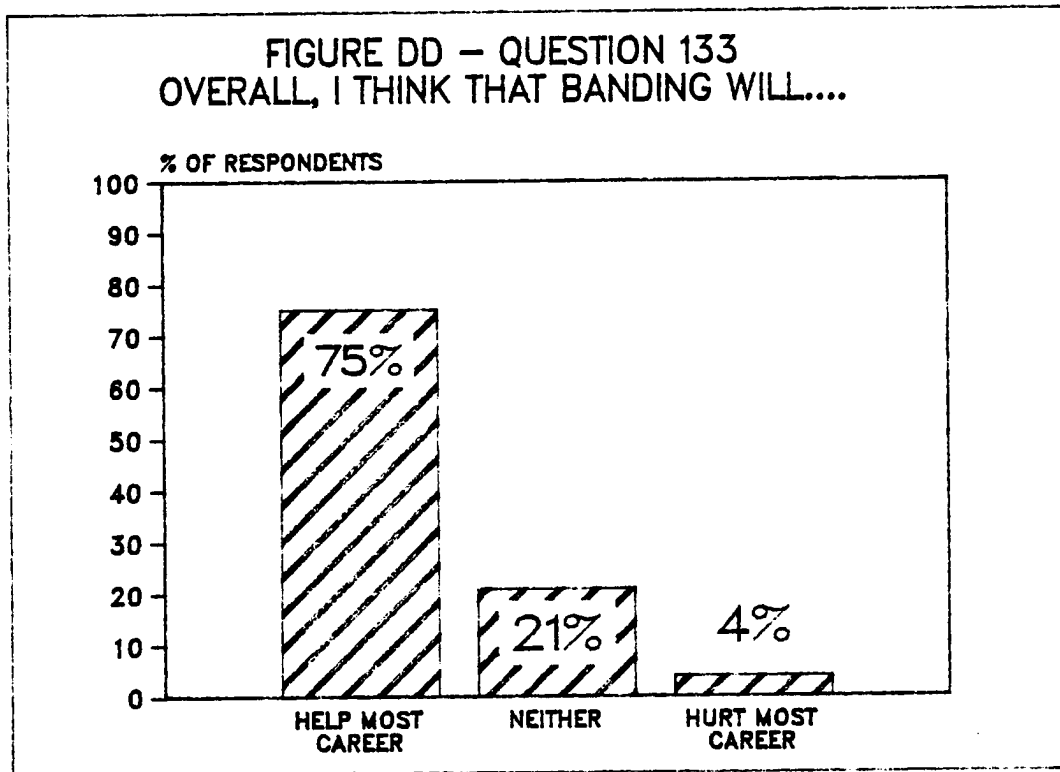
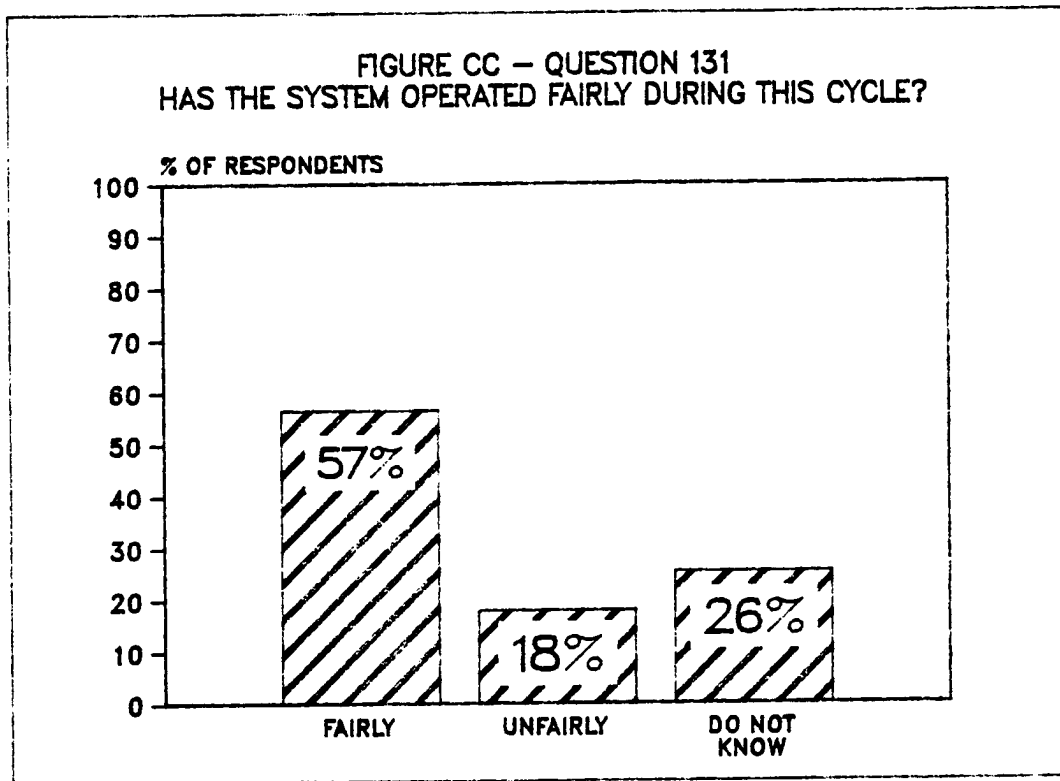
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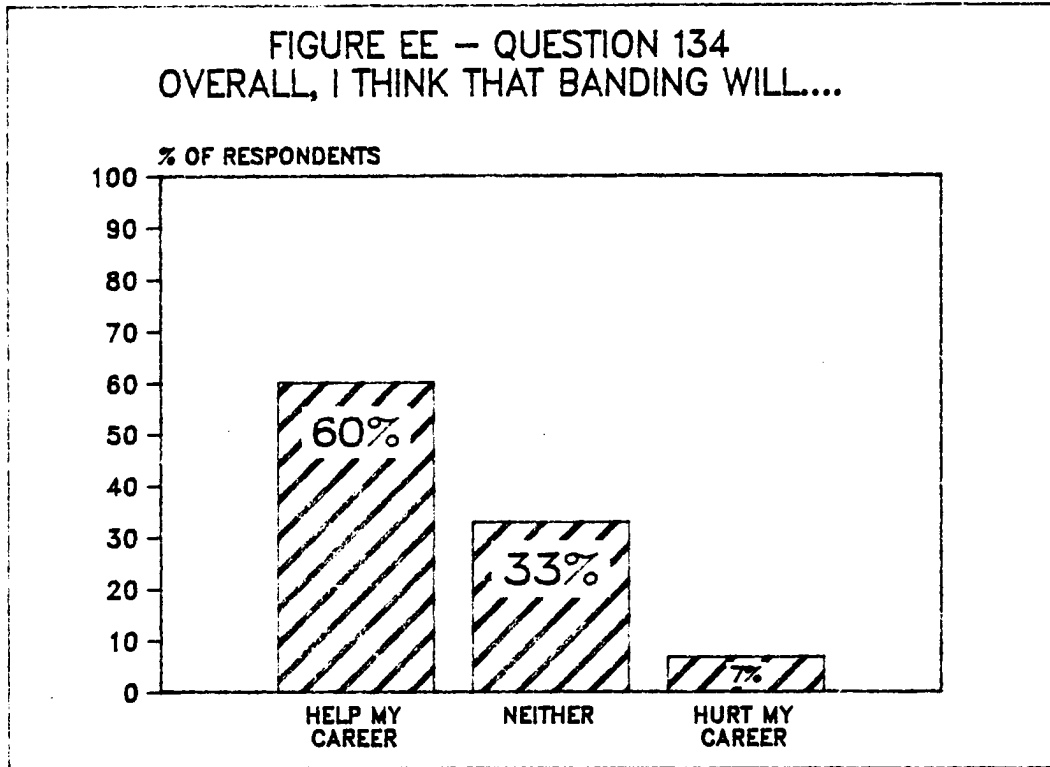
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**Table 2. Phase II Response Percentages on EPS Questions
for Total Sample, TCO I Sample, TCO II Sample and TCM Sample**

Question and Responses	Total Sample	TCO I Sample	TCO II Sample	TCM Sample
<i>101. How well do you think you understand the Banding pay system?</i>				
Understand completely	14.6	3.6	9.0	33.6
Understand major points	59.3	54.3	65.4	57.3
Unclear some	22.7	34.8	23.4	8.4
Unclear most	3.6	6.5	2.1	0.8
Do not understand	0.4	0.7	0.0	0.0
<i>102. Are you being paid more fairly for your work under banding than you were under GS?</i>				
Banding much fairer than GS	11.0	5.9	9.7	17.7
Banding fairer than GS	50.7	43.4	54.8	54.6
Banding and GS equally fair	21.6	19.1	24.2	19.2
GS fairer than Banding	4.0	8.1	1.6	3.1
GS much fairer than Banding	1.6	3.7	0.5	0.8
Do not know	11.2	19.9	9.1	4.6
<i>103. Was it a good idea to switch to a pay scale based on performance rather than tenure?</i>				
Very good idea	36.9	40.6	27.3	45.3
Good idea	47.4	43.5	56.1	43.0
Neither a good nor bad idea	9.6	7.2	10.2	10.2
Bad idea	2.0	3.6	1.1	0.8
Very bad idea	1.0	1.4	1.1	0.0
Do not know	3.2	3.6	4.3	0.8
<i>104. Do you understand how your performance affected your pay increase in the past year?</i>				
Understand completely	26.9	15.6	18.7	51.1
Understand major points	48.2	49.6	55.1	37.4
Unclear some	16.9	25.2	18.7	5.3
Unclear most	1.8	3.0	1.6	0.8
Do not understand	6.2	6.7	5.9	5.3

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**Table 2. Phase II Response Percentages on EPS Questions
for Total Sample, TCO I Sample, TCO II Sample and TCM Sample
(Continued)**

Question and Responses	Total Sample	TCO I Sample	TCO II Sample	TCM Sample
<i>105. Do you think the Banding pay system had a positive or negative effect on your opportunities for pay increases in the past year?</i>				
Very positive	19.0	8.0	15.4	36.6
Positive	48.1	45.3	56.4	43.5
Neither positive nor negative	19.0	17.5	20.2	16.0
Negative	6.5	10.9	3.2	3.1
Very negative	3.6	8.8	2.1	0.8
Do not know	3.8	9.5	2.7	0.0
<i>106. On the previous questionnaire many of you said you would be more motivated to perform under Banding than under GS. Has your motivation increased or decreased in this last year?</i>				
Much increased under Banding	3.8	2.2	4.3	5.4
Increased under Banding	34.1	43.1	34.4	25.4
About the same as before Banding	58.5	48.2	58.6	66.2
Decreased under Banding	2.8	4.4	2.7	2.3
Much decreased under Banding	0.8	2.2	0.0	0.8
<i>107. In the long run over several years of the Banding program, do you think Banding will increase or decrease motivation?</i>				
Very much increase	3.6	3.6	2.1	5.4
Increase	61.9	65.9	59.0	62.3
Neither increase nor decrease	21.2	17.4	22.9	20.0
Decrease	5.0	5.1	5.3	4.6
Very much decrease	2.2	2.2	2.7	2.3
Do not know	6.2	5.8	8.0	5.4
<i>108. Do you understand the personnel evaluation criteria that were used in your Performance Assessment Form?</i>				
Understand completely	21.4	10.4	12.8	42.0
Understand major points	49.2	45.5	55.6	45.0
Unclear some	18.0	24.6	20.9	8.4
Unclear most	6.4	7.5	7.5	3.1
Do not understand	3.8	9.0	2.1	1.5
Did not know there were criteria	1.2	3.0	1.1	0.0

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**Table 2. Phase II Response Percentages on EPS Questions
for Total Sample, TCO I Sample, TCO II Sample and TCM Sample
(Continued)**

Question and Responses	Total Sample	TCO I Sample	TCO II Sample	TCM Sample
<i>109. Do you think your supervisor has been able to evaluate you properly using the new personnel criteria on the PAF?</i>				
Definitely	16.4	16.4	12.2	22.1
Probably	53.1	46.3	54.8	61.1
Probably not	11.2	11.2	11.2	9.9
Definitely not	4.8	2.2	6.4	3.8
Do not know	14.6	23.9	15.4	3.1
<i>110. Which of the following statements are true based on your experience with this years PAF evaluation?</i>				
Discussed with supervisor	34.2	41.1	32.5	25.5
Discussed with area personnel	13.2	11.6	13.9	15.6
Discussed with AMD	4.5	2.1	3.6	7.8
No discussion - have seen	8.8	9.6	10.8	5.7
I have not seen my PAF	39.3	35.6	39.2	45.4
<i>111. If you discussed you PAF, who initiated the discussion?</i>				
Supervisor	24.3	33.3	23.9	14.4
Area personnel	8.5	8.2	8.6	9.4
AMD	1.3	1.4	1.0	0.7
I initiated with supervisor	10.9	8.8	10.2	11.5
I initiated with area	5.9	4.1	6.6	7.2
I initiated with AMD	4.5	0.7	4.1	9.4
Have not discussed my PAF	44.5	43.5	45.7	47.5
<i>112. Did discussing your PAF with your immediate supervisor change the amount of career counseling you normally receive from him?</i>				
Very much increased	0.6	1.5	0.5	0.0
Increased	7.7	14.5	6.6	2.3
No change	37.5	32.1	40.4	34.4
Decreased	0.4	0.8	0.5	0.0
Very much decreased	0.4	0.0	0.5	0.8
Have not discussed with supervisor	53.4	51.1	51.4	62.5

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**Table 2. Phase II Response Percentages on EPS Questionnaire
for Total Sample, TCO I Sample, TCO II Sample and TCM Sample
(Continued)**

Question and Responses	Total Sample	TCO I Sample	TCO II Sample	TCM Sample
<i>113. Did discussing your PAF with an area ops officer change the amount of career counseling you normally receive from him?</i>				
Very much increase	0.6	1.5	0.5	0.0
Increase	3.7	3.8	2.7	2.5
Neither increase nor decrease	13.9	16.0	12.4	17.5
Decrease	0.2	0.8	0.0	0.0
Very much decrease	0.6	0.0	0.5	0.8
Have not discussed PAF with Area	81.0	77.9	83.8	79.2
<i>114. Did discussing your PAF with someone from AMD change the amount of career counseling you normally receive from AMD?</i>				
Very much increase	0.2	0.0	0.5	0.0
Increased	2.0	1.5	1.1	2.4
No change	6.9	3.8	7.0	10.5
Decreased	0.2	0.0	0.0	0.8
Very much decreased	0.6	0.8	0.5	0.8
Have not discussed PAF with AMD	90.0	93.9	90.9	85.5
<i>115. Did discussing your PAF with your immediate supervisor change the quality of career counseling you normally receive from him?</i>				
Very much increased	0.2	0.8	0.0	0.0
Increased	7.7	11.5	7.0	4.7
No change	37.1	36.6	39.5	30.5
Decreased	0.2	0.0	0.0	0.0
Very much decreased	0.8	0.8	0.5	0.8
Have not discussed with supervisor	54.0	50.4	53.0	64.1
<i>116. Did discussing your PAF with an area ops officer change the quality of career counseling you normally receive from him?</i>				
Very much increased	0.4	0.8	0.5	0.0
Increased	3.9	3.8	2.2	5.0
Neither increased nor decreased	13.8	14.4	14.6	15.0
Decreased	0.0	0.0	0.0	0.0
Very much decreased	0.4	0.0	0.5	0.8
Have not discussed PAF with Area	81.4	81.1	82.2	79.2

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**Table 2. Phase II Response Percentages on EPS Questionnaire
for Total Sample, TCO I Sample, TCO II Sample and TCM Sample
(Continued)**

Question and Responses	Total Sample	TCO I Sample	TCO II Sample	TCM Sample
<i>117. Did discussing your PAF with someone from AMD change the quality of career counseling you normally receive from AMD?</i>				
Very much increased	0.2	0.0	0.5	0.0
Increased	1.8	0.8	1.1	1.6
No change	6.3	3.0	5.9	11.3
Decreased	0.2	0.0	0.0	0.8
Very much decreased	0.4	0.0	0.5	0.8
Have not discussed PAF with AMD	91.0	96.2	91.9	85.5
<i>118. In the long run do you think that using a system like the PAF will have an effect on the career counseling you receive?</i>				
Very much increase	2.8	2.9	3.2	0.8
Increase	31.0	32.6	26.7	32.8
Neither increase nor decrease	34.9	21.0	37.4	46.6
Decrease	0.2	0.7	0.0	0.0
Very much decrease	0.8	0.7	1.1	0.8
Do not know	30.4	42.0	31.6	19.1
<i>119. Has discussing the PAF helped you in planning your career?</i>				
Helped very much	3.8	5.2	3.2	4.6
Helped somewhat	15.6	17.8	13.4	13.1
Neither helped nor hindered	33.1	27.4	36.0	34.6
Hindered somewhat	0.2	0.0	0.5	0.0
Hindered very much	0.4	0.0	0.5	0.8
Have not discussed my PAF	46.9	49.6	46.2	46.9
<i>120. In the long run will using a system like the PAF help you in planning your career?</i>				
Help very much	8.5	8.7	10.2	5.4
Help	36.2	37.7	29.9	40.0
Neither help nor hinder	28.2	17.4	32.1	35.4
Hinder	0.2	0.0	0.0	0.8
Very much hinder	0.4	0.0	0.5	0.8
Do not know	26.4	36.2	27.3	17.7

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**Table 2. Phase II Response Percentages on EPS Questions
for Total Sample, TCO I Sample, TCO II Sample and TCM Sample
(Continued)**

Question and Responses	Total Sample	TCO I Sample	TCO II Sample	TCM Sample
<i>122. Do you understand the Banding bonus system?</i>				
Understand completely	8.0	3.0	4.8	14.5
Understand major points	38.0	23.7	38.3	56.5
Unclear some	22.5	27.4	25.5	13.0
Unclear most	7.2	7.4	7.4	6.1
Do not understand	5.0	7.4	6.9	0.0
Did not know of bonuses	19.5	31.1	17.0	9.9
<i>123. Do you think the bonus system has had a positive or negative effect on morale?</i>				
Very positive	5.0	3.6	4.9	7.7
Positive	37.9	33.6	37.8	43.8
Neither positive nor negative	18.4	13.1	16.2	24.6
Negative	3.4	2.9	3.2	3.8
Very negative	0.8	2.2	0.0	0.8
Do not know	34.5	44.5	37.8	19.2
<i>124. Do you think the bonus system has had a positive or negative effect on efficiency?</i>				
Very positive	2.6	2.2	2.7	3.1
Positive	29.2	27.0	27.8	32.8
Neither positive nor negative	27.4	19.7	27.3	35.9
Negative	3.2	2.2	3.2	3.8
Very negative	0.6	1.5	0.0	0.8
Do not know	37.1	47.4	39.0	23.7
<i>125. Do you think the bonus system will encourage or discourage TCOs to remain with OC?</i>				
Very much encourage	1.2	2.2	0.0	2.3
Encourage	31.6	28.5	34.2	31.3
Neither encourage nor discourage	29.2	20.4	29.9	38.9
Discourage	3.6	2.2	2.7	5.3
Very much discourage	0.8	1.5	0.5	0.0
Do not know	33.6	45.3	32.6	22.1

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**Table 2. Phase II Response Percentages on EPS Questionnaire
for Total Sample, TCO I Sample, TCO II Sample and TCM Sample
(Continued)**

Question and Responses	Total Sample	TCO I Sample	TCO II Sample	TCM Sample
<i>126. In the long run do you think the bonus system will have a positive or negative effect on TCOs?</i>				
Very positive effect	1.2	0.0	0.5	3.1
Positive effect	44.5	38.7	46.8	51.2
Neither positive nor negative	15.6	14.6	15.1	17.1
Negative effect	5.4	2.9	4.3	8.5
Very negative	1.4	1.5	1.1	1.6
Do not know	31.9	42.3	32.3	18.6
<i>127. Do you understand the new certification criteria for promotions?</i>				
Understand completely	23.2	16.1	18.6	36.6
Understand major points	55.8	54.0	59.0	55.0
Unclear some	15.1	18.2	18.1	7.6
Unclear most	3.8	7.3	3.7	0.0
Do not understand	1.8	2.9	0.5	0.8
Did not know of criteria	0.4	1.5	0.0	0.0
<i>128. Do you think that the new certification criteria are better or worse than the old criteria?</i>				
New much better than old	9.9	7.2	7.4	16.8
New better than old	49.0	39.1	52.1	55.7
New and old the same	18.3	10.1	24.5	16.8
Old better than new	6.0	2.2	7.4	5.3
Old much better than new	2.2	2.9	1.6	2.3
Do not know	14.7	38.4	6.9	3.1
<i>129. Do you feel that the new certification criteria and the Banding pay system provide you with more or less control over your own career advancement?</i>				
Much more control	4.2	5.8	2.2	5.4
More control	42.5	42.3	40.9	45.4
Neither more nor less	35.1	19.7	44.1	38.5
Less control	5.6	5.8	3.8	6.9
Much less control	1.4	1.5	1.6	0.0
Do not know	11.2	24.8	7.5	3.8

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**Table 2. Phase II Response Percentages on EPS Questionnaire
for Total Sample, TCO I Sample, TCO II Sample and TCM Sample
(Continued)**

Question and Responses	Total Sample	TCO I Sample	TCO II Sample	TCM Sample
<i>131. On the last questionnaire many of you expressed concerns about how the Banding system would work in an organization as large and spread out as OC Panel D. Now that OC has completed an annual evaluation and pay adjustment cycle, do you think that the system has operated fairly or unfairly?</i>				
Very fairly	5.6	1.4	4.3	12.3
Fairly	50.6	47.8	47.6	60.0
Unfairly	12.5	10.1	19.3	7.7
Very unfairly	5.4	8.7	3.7	3.1
Do not know	25.9	31.9	25.1	16.9
<i>133. Overall, I think that Banding will...</i>				
Improve most OC careers	19.6	18.2	18.3	25.6
Moderately improve most careers	55.5	57.7	54.8	52.7
Have little effect on careers	21.0	17.5	23.1	19.1
Moderately hinder most careers	2.4	2.9	2.7	1.5
Hinder most OC careers	1.6	3.6	1.1	0.8
<i>134. Personally I feel that Banding will...</i>				
Help my career a great deal	14.5	21.3	10.6	13.0
Moderately help my career	45.7	48.5	45.7	44.3
Neither help nor hurt career	33.0	20.6	38.8	36.6
Moderately hurt my career	4.4	5.1	3.2	4.6
Hurt my career	2.4	4.4	1.6	1.5

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**Table 3. Phase II Response Percentages
for Questions 135 through 154 for Total Sample**

Statement	Response Percentage		
	Agree	Undecided	Disagree
In general I like working for OC	85.6	10.3	4.2
What happens to OC is really important to me	89.3	7.2	3.5
Under the present system it is very difficult to motivate employees with financial rewards *	22.8	36.0	41.2
I am not sure what determines how I get a promotion in this organization *	32.7	13.8	53.4
This organization moves its marginal and unsatisfactory workers to positions where they can be ignored *	22.0	33.4	44.6
Supervisors in this organization take the time to help marginal and unsatisfactory employees improve their performance	45.3	31.6	23.1
Performance appraisals do influence personnel actions taken in this organization	69.5	22.2	8.4
Promotions and awards are fair and impartial in this organization	23.3	41.2	35.5
There is a tendency for supervisors here to give the same performance ratings regardless of how well people perform their jobs *	30.5	26.4	43.1
Under the present system, financial rewards are seldom related to employee performance *	16.9	38.4	44.7
I will be promoted or given a better job if I perform especially well	52.9	24.6	22.6
For me, additional money is a significant motivator to increase my performance	58.6	11.0	30.5

* Statements worded negatively

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**Table 3. Phase II Response Percentages
for Questions 135 through 154 for Total Sample
(Continued)**

Statement	Response Percentage		
	Agree	Undecided	Disagree
My supervisor and I agree on what 'good' performance on my job means	67.7	25.1	7.3
My supervisor discusses with me the specific reasons for the performance rating I receive	56.4	21.6	22.0
I have sufficient feedback from my supervisor to understand the performance evaluation I received	54.3	23.1	22.6
I feel that my supervisor will rate my performance (and set my pay) in a fair, impartial manner	59.5	31.7	8.8
When I compare my performance and the rating I received to the performance and ratings of other people doing similar work in OC, I feel that I have been rated and rewarded in a fair and equitable manner	42.8	32.2	25.1
Considering my skill and the effort I put into my work, I am satisfied with my pay	44.7	17.1	37.6
A bonus or increase in my salary is more important to me than a high performance rating	19.1	58.3	22.6
A bonus or increase in my pay is more important to me than organizational recognition of my performance (a non-monetary reward)	25.7	48.9	25.4

* Statements worded negatively

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Table 4. Phase II Response Percentages for Questions 135 through 154 for TCO Sample and TCM Sample

Statement	Response Percentage					
	Agree		Undecided		Disagree	
	TCO	TCM	TCO	TCM	TCO	TCM
In general I like working for OC chi square = 19.28 p<0.0005	81.0	96.9 +	13.5 +	2.3 -	5.5	0.8 -
What happens to OC is really important to me chi square = 4.87 Non-significant	87.4	93.8	8.9	3.1	3.7	3.1
Under the present system it is very difficult to motivate employees with financial rewards * chi square = 14.73 p<0.0015	20.9	27.7	41.4 +	22.3 -	37.7 -	50.0 +
I am not sure what determines how I get a promotion in this organization * chi square = 38.55 p<0.0005	40.4 +	13.7 -	15.1	10.7	44.4 -	75.6 +
This organization moves its marginal and unsatisfactory workers to positions where they can be ignored * chi square = 12.84 p<0.0025	22.2	21.4	38.0 +	22.1 -	39.8 -	56.5 +
Supervisors in this organization take the time to help marginal and unsatisfactory employees improve their performance chi square = 25.39 p<0.0005	38.6 -	61.8 +	38.0 +	16.0 -	23.5	22.1
Performance appraisals do influence personnel actions taken in this organization chi square = 14.02 p<0.0015	64.5 -	81.7 +	26.5 +	11.5 -	9.0	6.9
Promotions and awards are fair and impartial in this organization chi square = 25.28 p<0.0005	17.3 -	38.5 +	46.3 +	28.5 -	36.4	33.1

* Statements worded negatively

+ Significantly greater than expected number of respondents

- Significantly fewer than expected number of respondents

ALL OTHER CELL PERCENTAGES NON-SIGNIFICANT

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Table 4. Phase II Response Percentages for Questions 135 through 154 for TCO Sample and TCM Sample
(Continued)

Statement	Response Percentage					
	Agree		Undecided		Disagree	
	TCO	TCM	TCO	TCM	TCO	TCM
There is a tendency for supervisors here to give the same performance ratings regardless of how well people perform their jobs * chi square = 17.66 p<0.0005	32.7	25.2	30.2 +	16.8 -	37.0 -	58.0 +
Under the present system, financial rewards are seldom related to employee performance * chi square = 49.66 p<0.0005	17.8	14.5	47.4 +	16.0 -	34.8 -	69.5 +
I will be promoted or given a better job if I perform especially well chi square = 4.88 Non-significant	50.0	60.2	25.0	23.4	25.0	16.4
For me, additional money is a significant motivator to increase my performance chi square = 10.95 p<0.0045	63.1 +	47.3 -	10.8	11.5	26.2 -	41.2 +
My supervisor and I agree on what 'good' performance on my job means chi square = 3.23 Non-significant	65.2	73.8	26.8	20.8	8.0	5.4
My supervisor discusses with me the specific reasons for the performance rating I receive chi square = 0.15 Non-significant	56.6	56.2	21.9	20.8	21.6	23.1
I have sufficient feedback from my supervisor to understand the performance evaluation I received chi square = 3.11 Non-significant	52.3	59.2	25.2	17.7	22.4	23.1

* Statements worded negatively

+ Significantly greater than expected number of respondents

- Significantly fewer than expected number of respondents

ALL OTHER CELL PERCENTAGES NON-SIGNIFICANT

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Table 4. Phase II Response Percentages for Questions 135 through 154 for TCO Sample and TCM Sample
(Continued)

Statement	Response Percentage					
	Agree		Undecided		Disagree	
	TCO	TCM	TCO	TCM	TCO	TCM
I feel that my supervisor will rate my performance (and set my pay) in a fair, impartial manner chi square = 0.44 Non-significant	58.6	61.5	32.1	30.8	9.3	7.7
When I compare my performance and the rating I received to the performance and ratings of other people doing similar work in OC, I feel that I have been rated and rewarded in a fair and equitable manner chi square = 21.21 0 p<0.0005	35.9 -	59.5 +	36.2 +	22.1 -	27.8 +	18.3 -
Considering my skill and the effort I put into my work, I am satisfied with my pay chi square = 1.32 Non-significant	43.0	48.9	18.1	16.8	38.9	34.4
A bonus or increase in my salary is more important to me than a high performance rating chi square = 5.90 p<0.050	19.3	18.5	61.0	51.5 -	19.6	30.0 +
A bonus or increase in my pay is more important to me than organizational recognition of my performance (a non-monetary reward) chi square = 4.97 Non-significant	25.5	26.0	51.7	42.0	22.8	32.1

* Statements worded negatively

+ Significantly greater than expected number of respondents

- Significantly fewer than expected number of respondents

ALL OTHER CELL PERCENTAGES NON-SIGNIFICANT

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Factor Analysis of the Attitude Questions

One of the ways in which the "goodness" of a factor analysis is determined is the amount of variance (differences in the responses to the original variables based on individual responses) explained by the analysis. In general a factor analysis accounting for 40% to 50% of the variance is considered significant. The factor analysis performed on the EPS attitude questions accounted for 57.1% of the variance in the original data and is, therefore, significant.

Factors resulting from this analysis appear in Table 5. When derived, factors are merely a representation of the statistical interrelatedness of variables. Once factors are computed the analyst must try to identify the underlying issue addressed by each factor. This is done by analyzing the variables that were clustered and naming the concept identified by these clusters.

Factor 1 contains items relating to direct performance feedback. These feedback statements are directly related to the interaction between the employee and his or her immediate supervisor. Factor 2 contains a large number of items, but all relate in some way to pay (or other monetary reward) and promotions. Motivation and money were key issues in Factor 3. Factor 4 involved work enjoyment and Factor 5 had items relating to system flaws or problems.

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**Table 5. Factor Analysis of EPS Attitude Questions
(Varimax Rotation)
Factor Sum of Squares = 1.6030; Cumulative Percentage = 62.3**

<i>Item</i>	<i>EPS Attitude Factors</i>				
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
149. sufficient feedback from supervisor	80				
148. supervisor discusses ratings	79				
147. agree on "good performance"	74				
150. supervisor will rate fairly	70	30			
152. satisfied with pay		71			
151. rated and rewarded fairly	38	66			
142. promotions are fair & impartial		63			
145. will be promoted if I perform		62			
144. rewards unrelated to performance *		-51			45
138. not sure how I get promotions *		-44		-36	
137. difficult to motivate monetarily *		-41	-34		36
153. bonus more important than rating			85		
154. bonus more important than recognition			85		
146. money is a significant motivator			74		
136. OC really important to me				86	
135. I like working for OC				78	
141. PARs do influence personnel actions				43	-36
139. move and ignore marginals *					74
140. supervisors take time to help	46				-51
143. supervisors give same PARs *	-30			-34	43

* Statements worded negatively

Factor Names: Factor 1 - Direct Performance Feedback
 Factor 2 - Pay and Promotion
 Factor 3 - Motivation and Money
 Factor 4 - Work Enjoyment
 Factor 5 - System Flaws

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**Table 6. Comparison of Common Questions* from
Phase I and Phase II Banding - Total Sample**

Question Responses	Phase I	Phase II	Chi Square	p
<i>101. How well do you think you understand the Banding pay system?</i>				
Understand completely	8.9	14.6 +	17.77	<0.0015
Understand major points	57.0	59.3		
Unclear some	26.6	22.7		
Unclear most	6.5	3.6 -		
Do not understand	1.0	0.4		
<i>102. Are you being paid more fairly for your work under banding than you were under GS?</i>				
Banding much fairer than GS	12.8	11.0	30.03	<0.0005
Banding fairer than GS	39.6	50.7 +		
Banding and GS equally fair	18.3	21.6		
GS fairer than Banding	4.6	4.0		
GS much fairer than Banding	2.1	1.6		
Do not know	22.6	11.2		
<i>103. Was it a good idea to switch to a pay scale based on performance rather than tenure?</i>				
Very good idea	27.9	36.9 +	17.88	<0.0035
Good idea	48.7	47.4		
Neither a good nor bad idea	11.6	9.6		
Bad idea	4.5	2.0 -		
Very bad idea	1.1	1.0		
Do not know	6.3	3.2 -		
<i>104. Do you understand how your performance affected your pay increase in the past year?</i>				
Understand completely	19.6	26.9 +	25.40	<0.0005
Understand major points	52.4	48.2		
Unclear some	21.3	16.9 -		
Unclear most	4.4	1.8 -		
Do not understand	2.3	6.2 +		

* QUESTION WORDING FROM PHASE II SURVEY. FOR PHASE I WORDING SEE APPENDIX B

+ significantly greater than expected number of respondents

- significantly fewer than expected number of respondents

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**Table 6. Comparison of Common Questions* from
Phase I and Phase II Banding - Total Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<p><i>105. Do you think the Banding pay system had a positive or negative effect on your opportunities for pay increases in the past year?</i></p> <p>Very positive Positive Neither positive nor negative Negative Very negative Do not know</p>	<p>9.1 53.8 16.8 4.5 1.4 14.5</p>	<p>19.0 + 48.1 19.0 6.5 3.6 + 3.8 -</p>	61.54	<0.0005
<p><i>108. Do you understand the personnel evaluation criteria that were used in your Performance Assessment Form?</i></p> <p>Understand completely Understand major points Unclear some Unclear most Do not understand Did not know there were criteria</p>	<p>15.0 50.2 21.7 6.9 2.5 3.9</p>	<p>21.4 + 49.2 18.0 6.4 3.8 1.2 -</p>	16.83	<0.0055
<p><i>109. Do you think your supervisor has been able to evaluate you properly using the new personnel criteria on the PAF?</i></p> <p>Definitely Probably Probably not Definitely not Do not know</p>	<p>10.9 61.5 11.8 0.9 14.9</p>	<p>16.4 + 53.1 - 11.2 4.8 + 14.6</p>	24.35	<0.0005
<p><i>112. Did discussing your PAF with your immediate supervisor change the amount of career counseling you normally receive from him?</i></p> <p>Very much increased Increased No change Decreased Very much decreased</p>	<p>1.7 27.3 67.2 3.5 0.2</p>	<p>1.3 16.6 - 80.3 + 0.9 0.9</p>	16.74	<0.0025

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+ significantly greater than expected number of respondents

- significantly fewer than expected number of respondents

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**Table 6. Comparison of Common Questions* from
Phase I and Phase II Banding - Total Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<p><i>114. Did discussing your PAF with someone from AMD change the amount of career counseling you normally receive from AMD?</i></p> <p>Very much increase Increased No change Decreased Very much decreased</p>	0.7 14.7 77.0 6.5 1.2	2.0 20.4 69.4 2.0 - 6.1 +	10.21	<0.0390
<p><i>115. Did discussing your PAF with your immediate supervisor change the quality of career counseling you normally receive from him?</i></p> <p>Very much increased Increased No change Decreased Very much decreased</p>	1.8 26.1 69.6 2.0 0.4	0.4 - 16.7 - 80.6 + 0.4 - 1.8 +	15.72	<0.0045
<p><i>117. Did discussing your PAF with someone from AMD change the quality of career counseling you normally receive from AMD?</i></p> <p>Very much increased Increased No change Decreased Very much decreased</p>	0.7 15.5 79.0 3.6 1.2	2.3 20.5 70.5 2.3 4.5	5.25	ns
<p><i>119. Has discussing the PAF helped you in planning your career?</i></p> <p>Helped very much Helped somewhat Neither helped nor hindered Hindered somewhat Hindered very much</p>	16.1 42.0 38.7 2.7 0.4	7.2 - 29.4 - 62.3 + 0.4 - 0.8	43.29	<0.0005

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+ significantly greater than expected number of respondents
- significantly fewer than expected number of respondents

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**Table 6. Comparison of Common Questions* from
Phase I and Phase II Banding - Total Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>122. Do you understand the Banding bonus system?</i>				
Understand completely	6.2	8.0	11.80	<0.0390
Understand major points	36.0	38.0		
Unclear some	17.6	22.5 +		
Unclear most	10.0	7.2 -		
Do not understand	7.9	5.0 -		
Did not know of bonuses	22.3	19.5		
<i>123. Do you think the bonus system has had a positive or negative effect on morale?</i>				
Very positive	3.2	5.0 +	10.85	<0.0560
Positive	42.5	37.9		
Neither positive nor negative	13.1	18.4 +		
Negative	5.6	3.4 -		
Very negative	0.9	0.8		
Do not know	34.6	34.5		
<i>124. Do you think the bonus system has had a positive or negative effect on efficiency?</i>				
Very positive	2.5	2.6	15.82	<0.0085
Positive	40.1	29.2 -		
Neither positive nor negative	20.6	27.4 +		
Negative	2.2	3.2		
Very negative	0.5	0.6		
Do not know	34.1	37.1		
<i>125. Do you think the bonus system will encourage or discourage TCOs to remain with OC?</i>				
Very much encourage	0.5	1.2	4.64	ns
Encourage	30.1	31.6		
Neither encourage nor discourage	31.7	29.2		
Discourage	2.9	3.6		
Very much discourage	0.2	0.8		
Do not know	34.6	33.6		

* QUESTION WORDING FROM PHASE II SURVEY. FOR PHASE I WORDING SEE APPENDIX B

+ significantly greater than expected number of respondents

- significantly fewer than expected number of respondents

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**Table 6. Comparison of Common Questions* from
Phase I and Phase II Banding - Total Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>127. Do you understand the new certification criteria for promotions?</i>				
Understand completely	16.1	23.2 +	17.22	<0.0045
Understand major points	55.7	55.8		
Unclear some	18.0	15.1		
Unclear most	7.7	3.8 -		
Do not understand	1.4	1.8		
Did not know of criteria	1.1	0.4		
<i>128. Do you think that the new certification criteria are better or worse than the old criteria?</i>				
New much better than old	8.0	9.9	11.83	<0.0390
New better than old	41.0	49.0 +		
New and old the same	20.5	18.3		
Old better than new	8.7	6.0 -		
Old much better than new	2.7	2.2		
Do not know	19.3	14.7 -		
<i>134. Personally I feel that Banding will...</i>				
Help my career a great deal	11.8	14.5	6.41	ns
Moderately help my career	43.2	45.7		
Neither help nor hurt career	34.2	33.0		
Moderately hurt my career	6.8	4.4		
Hurt my career	3.9	2.4		

* QUESTION WORDING FROM PHASE II SURVEY. FOR PHASE I WORDING SEE APPENDIX B

+ significantly greater than expected number of respondents

- significantly fewer than expected number of respondents

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Table 7. Comparison of Common Questions* from Phase I and Phase II Banding - TCO I Sample

Question Responses	Phase I	Phase II	Chi Square	p
<i>101. How well do you think you understand the Banding pay system?</i>				
Understand completely	2.6	3.6		
Understand major points	51.3	54.3		
Unclear some	35.1	34.8	1.78	ns
Unclear most	9.1	6.5		
Do not understand	1.9	0.7		
<i>102. Are you being paid more fairly for your work under banding than you were under GS?</i>				
Banding much fairer than GS	7.3	5.9		
Banding fairer than GS	37.7	43.4		
Banding and GS equally fair	14.6	19.1	3.30	ns
GS faired than Banding	9.9	8.1		
GS much fairer than Banding	4.0	3.7		
Do not know	26.5	19.9		
<i>103. Was it a good idea to switch to a pay scale based on performance rather than tenure?</i>				
Very good idea	31.3	40.6		
Good idea	49.3	43.5		
Neither a good nor bad idea	7.3	7.2	3.23	ns
Bad idea	4.0	3.6		
Very bad idea	2.0	1.4		
Do not know	6.0	3.6		
<i>104. Do you understand how your performance affected your pay increase in the past year?</i>				
Understand completely	7.1	15.6		
Understand major points	53.2	49.6		
Unclear some	26.0	25.2	6.67	ns
Unclear most	6.5	3.0		
Do not understand	7.1	6.7		

* QUESTION WORDING FROM PHASE II SURVEY. FOR PHASE I WORDING SEE APPENDIX B

+ significantly greater than expected number of respondents

- significantly fewer than expected number of respondents

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**Table 7. Comparison of Common Questions* from
Phase I and Phase II Banding - TCO I Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<p><i>105. Do you think the Banding pay system had a positive or negative effect on your opportunities for pay increases in the past year?</i></p> <p>Very positive</p> <p>Positive</p> <p>Neither positive nor negative</p> <p>Negative</p> <p>Very negative</p> <p>Do not know</p>	<p>9.1</p> <p>47.4</p> <p>12.3</p> <p>7.8</p> <p>1.3</p> <p>22.1</p>	<p>8.00</p> <p>45.3</p> <p>17.5</p> <p>10.9</p> <p>8.8 +</p> <p>9.5 -</p>	17.76	<0.0035
<p><i>108. Do you understand the personnel evaluation criteria that were used in your Performance Assessment Form?</i></p> <p>Understand completely</p> <p>Understand major points</p> <p>Unclear some</p> <p>Unclear most</p> <p>Do not understand</p> <p>Did not know there were criteria</p>	<p>8.5</p> <p>44.4</p> <p>20.9</p> <p>12.4</p> <p>5.9</p> <p>7.8</p>	<p>10.4</p> <p>45.5</p> <p>24.6</p> <p>7.5</p> <p>9.0</p> <p>3.0</p>	6.42	ns
<p><i>109. Do you think your supervisor has been able to evaluate you properly using the new personnel criteria on the PAF?</i></p> <p>Definitely</p> <p>Probably</p> <p>Probably not</p> <p>Definitely not</p> <p>Do not know</p>	<p>11.1</p> <p>58.2</p> <p>13.1</p> <p>0.7</p> <p>17.0</p>	<p>16.4</p> <p>46.3</p> <p>11.2</p> <p>2.2</p> <p>23.9</p>	6.57	ns
<p><i>112. Did discussing your PAF with your immediate supervisor change the amount of career counseling you normally receive from him?</i></p> <p>INSUFFICIENT DATA FOR ANALYSIS</p>				

* QUESTION WORDING FROM PHASE II SURVEY. FOR PHASE I WORDING SEE APPENDIX B
+ significantly greater than expected number of respondents
- significantly fewer than expected number of respondents

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**Table 7. Comparison of Common Questions* from
Phase I and Phase II Banding - TCO I Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>114. Did discussing your PAF with someone from AMD change the amount of career counseling you normally receive from AMD?</i> INSUFFICIENT DATA FOR ANALYSIS				
<i>115. Did discussing your PAF with your immediate supervisor change the quality of career counseling you normally receive from him?</i> INSUFFICIENT DATA FOR ANALYSIS				
<i>117. Did discussing your PAF with someone from AMD change the quality of career counseling you normally receive from AMD?</i> INSUFFICIENT DATA FOR ANALYSIS				
<i>119. Has discussing the PAF helped you in planning your career?</i> INSUFFICIENT DATA FOR ANALYSIS				

* QUESTION WORDING FROM PHASE II SURVEY. FOR PHASE I WORDING SEE APPENDIX B

+ significantly greater than expected number of respondents

- significantly fewer than expected number of respondents

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**Table 7. Comparison of Common Questions* from
Phase I and Phase II Banding - TCO I Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>122. Do you understand the Banding bonus system?</i>				
Understand completely	2.6	3.0	8.33	ns
Understand major points	29.6	23.7		
Unclear some	17.1	27.4		
Unclear most	11.2	7.4		
Do not understand	13.2	7.4		
Did not know of bonuses	26.3	31.1		
<i>123. Do you think the bonus system has had a positive or negative effect on morale?</i>				
Very positive	4.6	3.6	4.44	ns
Positive	34.9	33.6		
Neither positive nor negative	6.6	13.1		
Negative	4.6	2.9		
Very negative	1.3	2.2		
Do not know	48.0	44.5		
<i>124. Do you think the bonus system has had a positive or negative effect on efficiency?</i>				
Very positive	4.6	2.2	1.32	ns
Positive	37.1	27.0		
Neither positive nor negative	8.6	19.7		
Negative	2.0	2.2		
Very negative	0.7	1.5		
Do not know	47.0	47.4		
<i>125. Do you think the bonus system will encourage or discourage TCOs to remain with OC?</i>				
Very much encourage	0.0	2.2	6.71	ns
Encourage	29.1	28.5		
Neither encourage nor discourage	17.9	20.4		
Discourage	4.0	2.2		
Very much discourage	0.0	1.5		
Do not know	49.0	45.3		

* QUESTION WORDING FROM PHASE II SURVEY. FOR PHASE I WORDING SEE APPENDIX B

+ significantly greater than expected number of respondents

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**Table 7. Comparison of Common Questions* from
Phase I and Phase II Banding - TCO I Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>127. Do you understand the new certification criteria for promotions?</i>				
Understand completely	8.5	16.1	5.24	ns
Understand major points	53.6	54.0		
Unclear some	24.2	18.2		
Unclear most	8.5	7.3		
Do not understand	2.6	2.9		
Did not know of criteria	2.6	1.5		
<i>128. Do you think that the new certification criteria are better or worse than the old criteria?</i>				
New much better than old	4.0	7.2	14.88	<0.0110
New better than old	28.9	39.1 +		
New and old the same	14.8	10.1		
Old better than new	10.7	2.2		
Old much better than new	0.7	2.9		
Do not know	40.9	38.4		
<i>134. Personally I feel that Banding will...</i>				
Help my career a great deal	14.3	21.3	4.28	ns
Moderately help my career	56.3	48.5		
Neither help nor hurt career	16.0	20.6		
Moderately hurt my career	8.4	5.1		
Hurt my career	5.0	4.4		

* QUESTION WORDING FROM PHASE II SURVEY. FOR PHASE I WORDING SEE APPENDIX B

+ significantly greater than expected number of respondents

- significantly fewer than expected number of respondents

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**Table 8. Comparison of Common Questions* from
Phase I and Phase II Banding -
TCO II Sample with Less than 16 Years Experience**

Question Responses	Phase I	Phase II	Chi Square	p
<i>101. How well do you think you understand the Banding pay system?</i>				
Understand completely	6.5	8.8	6.85	ns
Understand major points	56.5	66.4		
Unclear some	29.0	22.4		
Unclear most	6.5	2.4		
Do not understand	1.4	0.0		
<i>102. Are you being paid more fairly for your work under banding than you were under GS?</i>				
Banding much fairer than GS	11.6	7.3	7.31	ns
Banding fairer than GS	46.4	55.3		
Banding and GS equally fair	19.6	23.6		
GS faired than Banding	0.7	0.8		
GS much fairer than Banding	0.0	0.8		
Do not know	21.7	12.2		
<i>103. Was it a good idea to switch to a pay scale based on performance rather than tenure?</i>				
Very good idea	27.2	32.3	5.46	ns
Good idea	49.3	52.4		
Neither a good nor bad idea	11.0	9.7		
Bad idea	5.1	0.8		
Very bad idea	1.5	0.8		
Do not know	5.9	4.0		
<i>104. Do you understand how your performance affected your pay increase in the past year?</i>				
Understand completely	15.2	16.1	10.43	<0.0350
Understand major points	58.0	55.6		
Unclear some	20.3	19.4		
Unclear most	5.8	1.6 -		
Do not understand	0.7	7.3 +		

* QUESTION WORDING FROM PHASE II SURVEY. FOR PHASE I WORDING SEE APPENDIX B
+ significantly greater than expected number of respondents
- significantly fewer than expected number of respondents

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**Table 8. Comparison of Common Questions* from
Phase I and Phase II Banding -
TCO II Sample with Less than 16 Years Experience
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<p>105. Do you think the Banding pay system had a positive or negative effect on your opportunities for pay increases in the past year?</p> <p>Very positive</p> <p>Positive</p> <p>Neither positive nor negative</p> <p>Negative</p> <p>Very negative</p> <p>Do not know</p>	<p>8.7</p> <p>55.8</p> <p>19.6</p> <p>2.9</p> <p>1.4</p> <p>11.6</p>	<p>13.6</p> <p>56.8</p> <p>20.0</p> <p>4.0</p> <p>1.6</p> <p>4.0</p>	6.43	ns
<p>108. Do you understand the personnel evaluation criteria that were used in your Performance Assessment Form?</p> <p>Understand completely</p> <p>Understand major points</p> <p>Unclear some</p> <p>Unclear most</p> <p>Do not understand</p> <p>Did not know there were criteria</p>	<p>15.4</p> <p>52.2</p> <p>24.3</p> <p>5.1</p> <p>2.2</p> <p>0.7</p>	<p>13.7</p> <p>56.5</p> <p>18.5</p> <p>8.1</p> <p>2.4</p> <p>0.8</p>	2.19	ns
<p>109. Do you think your supervisor has been able to evaluate you properly using the new personnel criteria on the PAF?</p> <p>Definitely</p> <p>Probably</p> <p>Probably not</p> <p>Definitely not</p> <p>Do not know</p>	<p>9.5</p> <p>64.2</p> <p>10.2</p> <p>1.5</p> <p>14.6</p>	<p>12.0</p> <p>53.6</p> <p>11.2</p> <p>4.8</p> <p>18.4</p>	4.66	ns
<p>112. Did discussing your PAF with your immediate supervisor change the amount of career counseling you normally receive from him?</p> <p>INSUFFICIENT DATA FOR ANALYSIS</p>				

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+ significantly greater than expected number of respondents

- significantly fewer than expected number of respondents

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**Table 8. Comparison of Common Questions* from
Phase I and Phase II Banding -
TCO II Sample with Less than 16 Years Experience
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<p><i>114. Did discussing your PAF with someone from AMD change the amount of career counseling you normally receive from AMD?</i></p> <p>INSUFFICIENT DATA FOR ANALYSIS</p>				
<p><i>115. Did discussing your PAF with your immediate supervisor change the quality of career counseling you normally receive from him?</i></p> <p>INSUFFICIENT DATA FOR ANALYSIS</p>				
<p><i>117. Did discussing your PAF with someone from AMD change the quality of career counseling you normally receive from AMD?</i></p> <p>INSUFFICIENT DATA FOR ANALYSIS</p>				
<p><i>119. Has discussing the PAF helped you in planning your career?</i></p> <p>INSUFFICIENT DATA FOR ANALYSIS</p>				

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**Table 8. Comparison of Common Questions* from
Phase I and Phase II Banding -
TCO II Sample with Less than 16 Years Experience
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>122. Do you understand the Banding bonus system?</i>				
Understand completely	5.1	5.6	9.65	ns
Understand major points	40.1	36.0		
Unclear some	17.5	32.0		
Unclear most	8.0	6.4		
Do not understand	8.8	8.8		
Did not know of bonuses	20.4	11.2		
<i>123. Do you think the bonus system has had a positive or negative effect on morale?</i>				
Very positive	4.5	4.9	2.18	ns
Positive	47.0	38.2		
Neither positive nor negative	14.4	18.7		
Negative	4.5	4.9		
Very negative	0.0	0.0		
Do not know	29.5	33.3		
<i>124. Do you think the bonus system has had a positive or negative effect on efficiency?</i>				
Very positive	1.5	1.6	9.94	<0.0430
Positive	46.9	29.0 -		
Neither positive nor negative	21.5	29.8		
Negative	0.8	3.2 +		
Very negative	0.0	0.0		
Do not know	29.2	36.3		
<i>125. Do you think the bonus system will encourage or discourage TCOs to remain with OC?</i>				
Very much encourage	1.5	0.0	4.17	ns
Encourage	32.8	35.5		
Neither encourage nor discourage	34.4	31.5		
Discourage	0.8	3.2		
Very much discourage	0.0	0.0		
Do not know	30.5	29.8		

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**Table 8. Comparison of Common Questions* from
Phase I and Phase II Banding -
TCO II Sample with Less than 16 Years Experience
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>127. Do you understand the new certification criteria for promotions?</i>				
Understand completely	9.6	6.4	6.00	ns
Understand major points	45.6	55.2		
Unclear some	20.6	24.0		
Unclear most	7.4	5.6		
Do not understand	3.7	1.6		
Did not know of criteria	13.2	7.2		
<i>128. Do you think that the new certification criteria are better or worse than the old criteria?</i>				
New much better than old	9.6	6.4	6.00	ns
New better than old	45.6	55.2		
New and old the same	20.6	24.0		
Old better than new	7.4	5.6		
Old much better than new	3.7	1.6		
Do not know	13.2	7.2		
<i>134. Personally I feel that Banding will...</i>				
Help my career a great deal	23.9	12.8	7.29	ns
Moderately help my career	45.0	51.2		
Neither help nor hurt career	22.0	30.4		
Moderately hurt my career	6.4	3.2		
Hurt my career	2.8	2.4		

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**Table 9. Comparison of Common Questions* from
Phase I and Phase II Banding -
TCO II Sample with 16 or More Years Experience**

Question Responses	Phase I	Phase II	Chi Square	p
<i>101. How well do you think you understand the Banding pay system?</i>				
Understand completely	9.2	8.2	4.77	ns
Understand major points	55.2	65.6		
Unclear some	25.3	24.6		
Unclear most	9.2	1.6		
Do not understand	1.1	0.0		
<i>102. Are you being paid more fairly for your work under banding than you were under GS?</i>				
Banding much fairer than GS	8.2	13.1	9.81	ns
Banding fairer than GS	43.5	54.1		
Banding and GS equally fair	22.4	26.2		
GS faired than Banding	7.1	3.3		
GS much fairer than Banding	1.2	0.0		
Do not know	17.6	3.3		
<i>103. Was it a good idea to switch to a pay scale based on performance rather than tenure?</i>				
Very good idea	14.3	14.8	2.94	ns
Good idea	54.8	65.6		
Neither a good nor bad idea	20.2	11.5		
Bad idea	3.6	1.6		
Very bad idea	1.2	1.6		
Do not know	6.0	4.9		
<i>104. Do you understand how your performance affected your pay increase in the past year?</i>				
Understand completely	16.5	23.0	4.76	ns
Understand major points	55.3	54.1		
Unclear some	24.7	18.0		
Unclear most	3.5	1.6		
Do not understand	0.0	3.3		

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**Table 9. Comparison of Common Questions* from
Phase I and Phase II Banding -
TCO II Sample with 16 or More Years Experience
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<p><i>105. Do you think the Banding pay system had a positive or negative effect on your opportunities for pay increases in the past year?</i></p> <p>Very positive Positive Neither positive nor negative Negative Very negative Do not know</p>	<p>4.6 54.0 20.7 5.7 3.4 11.5</p>	<p>18.0+ 55.7 21.3 1.6 3.3 0.0 -</p>	14.92	<0.0120
<p><i>108. Do you understand the personnel evaluation criteria that were used in your Performance Assessment Form?</i></p> <p>Understand completely Understand major points Unclear some Unclear most Do not understand Did not know there were criteria</p>	<p>12.9 52.9 25.9 7.1 0.0 1.2</p>	<p>11.5 52.5 26.2 6.6 1.6 1.6</p>	1.53	ns
<p><i>109. Do you think your supervisor has been able to evaluate you properly using the new personnel criteria on the PAF?</i></p> <p>Definitely Probably Probably not Definitely not Do not know</p>	<p>4.7 57.6 17.6 2.4 17.7</p>	<p>11.5 57.4 11.5 9.8 9.8</p>	8.55	ns
<p><i>112. Did discussing your PAF with your immediate supervisor change the amount of career counseling you normally receive from him?</i></p> <p>INSUFFICIENT DATA FOR ANALYSIS</p>				

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- significantly fewer than expected number of respondents

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**Table 9. Comparison of Common Questions* from
Phase I and Phase II Banding -
TCO II Sample with 16 or More Years Experience
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>114. Did discussing your PAF with someone from AMD change the amount of career counseling you normally receive from AMD?</i> INSUFFICIENT DATA FOR ANALYSIS				
<i>115. Did discussing your PAF with your immediate supervisor change the quality of career counseling you normally receive from him?</i> INSUFFICIENT DATA FOR ANALYSIS				
<i>117. Did discussing your PAF with someone from AMD change the quality of career counseling you normally receive from AMD?</i> INSUFFICIENT DATA FOR ANALYSIS				
<i>119. Has discussing the PAF helped you in planning your career?</i> INSUFFICIENT DATA FOR ANALYSIS				

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**Table 9. Comparison of Common Questions* from
Phase I and Phase II Banding -
TCO II Sample with 16 or More Years Experience
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>122. Do you understand the Banding bonus system?</i>				
Understand completely	8.0	3.3	7.23	ns
Understand major points	29.9	42.6		
Unclear some	19.5	11.5		
Unclear most	11.5	9.8		
Do not understand	9.2	3.3		
Did not know of bonuses	21.8	29.5		
<i>123. Do you think the bonus system has had a positive or negative effect on morale?</i>				
Very positive	1.2	3.3	7.63	ns
Positive	41.7	38.3		
Neither positive nor negative	11.9	11.7		
Negative	7.1	0.0		
Very negative	2.4	0.0		
Do not know	35.7	46.7		
<i>124. Do you think the bonus system has had a positive or negative effect on efficiency?</i>				
Very positive	0.0	3.3	6.62	ns
Positive	38.1	26.2		
Neither positive nor negative	21.4	23.0		
Negative	3.6	3.3		
Very negative	2.4	0.0		
Do not know	34.5	44.3		
<i>125. Do you think the bonus system will encourage or discourage TCOs to remain with OC?</i>				
Very much encourage	0.0	0.0	2.67	ns
Encourage	24.7	31.1		
Neither encourage nor discourage	38.8	27.9		
Discourage	3.5	1.6		
Very much discourage	1.2	1.6		
Do not know	31.8	37.7		

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**Table 9. Comparison of Common Questions* from
Phase I and Phase II Banding -
TCO II Sample with 16 or More Years Experience
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>127. Do you understand the new certification criteria for promotions?</i>				
Understand completely	14.0	14.8	3.98	ns
Understand major points	54.7	60.7		
Unclear some	18.6	18.0		
Unclear most	12.8	4.9		
Do not understand	0.0	1.6		
Did not know of criteria	0.0	0.0		
<i>128. Do you think that the new certification criteria are better or worse than the old criteria?</i>				
New much better than old	4.6	9.8	5.21	ns
New better than old	46.0	44.3		
New and old the same	28.7	26.2		
Old better than new	5.7	11.5		
Old much better than new	6.9	1.6		
Do not know	8.0	6.6		
<i>134. Personally I feel that Banding will...</i>				
Help my career a great deal	3.7	4.9	4.03	ns
Moderately help my career	33.3	36.1		
Neither help nor hurt career	53.1	55.7		
Moderately hurt my career	3.7	3.3		
Hurt my career	6.2	0.0		

* QUESTION WORDING FROM PHASE II SURVEY. FOR PHASE I WORDING SEE APPENDIX B

+ significantly greater than expected number of respondents

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Table 10. Comparison of Common Questions* from Phase I and Phase II Banding - TCM Sample

Question Responses	Phase I	Phase II	Chi Square	p
<i>101. How well do you think you understand the Banding pay system?</i>				
Understand completely	17.0	33.6 +	13.75	<0.0035
Understand major points	64.3	57.3		
Unclear some	17.0	8.4 -		
Unclear most	1.0	0.8		
Do not understand	0.0	0.0		
<i>102. Are you being paid more fairly for your work under banding than you were under GS?</i>				
Banding much fairer than GS	19.8	17.7	25.78	<0.0001
Banding fairer than GS	32.9	54.6 +		
Banding and GS equally fair	19.8	19.2		
GS fairer than Banding	2.4	3.1		
GS much fairer than Banding	2.4	0.8		
Do not know	22.8	4.6 -		
<i>103. Was it a good idea to switch to a pay scale based on performance rather than tenure?</i>				
Very good idea	32.9	45.3 +	13.52	<0.0095
Good idea	44.9	43.0		
Neither a good nor bad idea	10.2	10.2		
Bad idea	4.8	0.8		
Very bad idea	0.0	0.0		
Do not know	7.2	0.8 -		
<i>104. Do you understand how your performance affected your pay increase in the past year?</i>				
Understand completely	36.4	51.1 +	22.78	<0.0005
Understand major points	45.1	37.4		
Unclear some	16.2	5.3		
Unclear most	2.3	0.8		
Do not understand	0.0	5.3		

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**Table 10. Comparison of Common Questions* from
Phase I and Phase II Banding - TCM Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<p><i>105. Do you think the Banding pay system had a positive or negative effect on your opportunities for pay increases in the past year?</i></p> <p>Very positive</p> <p>Positive</p> <p>Neither positive nor negative</p> <p>Negative</p> <p>Very negative</p> <p>Do not know</p>	<p>12.2</p> <p>57.0</p> <p>16.3</p> <p>2.9</p> <p>0.0</p> <p>11.6</p>	<p>36.6 +</p> <p>43.5 -</p> <p>16.0</p> <p>3.1</p> <p>0.8</p> <p>0.0 -</p>	38.68	<0.0005
<p><i>108. Do you understand the personnel evaluation criteria that were used in your Performance Assessment Form?</i></p> <p>Understand completely</p> <p>Understand major points</p> <p>Unclear some</p> <p>Unclear most</p> <p>Do not understand</p> <p>Did not know there were criteria</p>	<p>21.5</p> <p>55.2</p> <p>15.1</p> <p>2.9</p> <p>0.6</p> <p>4.7</p>	<p>42.0 +</p> <p>45.0</p> <p>8.4-</p> <p>3.1</p> <p>1.5</p> <p>0.0 -</p>	21.31	<0.0015
<p><i>109. Do you think your supervisor has been able to evaluate you properly using the new personnel criteria on the PAF?</i></p> <p>Definitely</p> <p>Probably</p> <p>Probably not</p> <p>Definitely not</p> <p>Do not know</p>	<p>15.7</p> <p>64.5</p> <p>8.1</p> <p>0.0</p> <p>11.6</p>	<p>22.1</p> <p>61.1</p> <p>9.9</p> <p>3.8 +</p> <p>3.1 -</p>	15.54	<0.0045
<p><i>112. Did discussing your PAF with your immediate supervisor change the amount of career counseling you normally receive from him?</i></p> <p>INSUFFICIENT DATA FOR ANALYSIS</p>				

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**Table 10. Comparison of Common Questions* from
Phase I and Phase II Banding - TCM Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>114. Did discussing your PAF with someone from AMD change the amount of career counseling you normally receive from AMD?</i> INSUFFICIENT DATA FOR ANALYSIS				
<i>115. Did discussing your PAF with your immediate supervisor change the quality of career counseling you normally receive from him?</i> INSUFFICIENT DATA FOR ANALYSIS				
<i>117. Did discussing your PAF with someone from AMD change the quality of career counseling you normally receive from AMD?</i> INSUFFICIENT DATA FOR ANALYSIS				
<i>119. Has discussing the PAF helped you in planning your career?</i> INSUFFICIENT DATA FOR ANALYSIS				

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**Table 10. Comparison of Common Questions* from
Phase I and Phase II Banding - TCM Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>122. Do you understand the Banding bonus system?</i>				
Understand completely	9.2	14.5 +	12.31	<0.0320
Understand major points	43.9	56.5 +		
Unclear some	15.6	13.0		
Unclear most	9.8	6.1		
Do not understand	1.2	0.0		
Did not know of bonuses	20.2	9.9 -		
<i>123. Do you think the bonus system has had a positive or negative effect on morale?</i>				
Very positive	2.4	7.7	7.95	ns
Positive	45.2	43.8		
Neither positive nor negative	19.0	24.6		
Negative	6.0	3.8		
Very negative	0.6	0.8		
Do not know	26.8	19.2		
<i>124. Do you think the bonus system has had a positive or negative effect on efficiency?</i>				
Very positive	3.0	3.1	3.49	ns
Positive	38.1	32.8		
Neither positive nor negative	29.8	35.9		
Negative	2.4	3.8		
Very negative	0.0	0.8		
Do not know	26.8	23.7		
<i>125. Do you think the bonus system will encourage or discourage TCOs to remain with OC?</i>				
Very much encourage	0.6	2.3	3.45	ns
Encourage	31.1	31.3		
Neither encourage nor discourage	37.7	38.9		
Discourage	3.0	5.3		
Very much discourage	0.0	0.0		
Do not know	27.5	22.1		

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**Table 10. Comparison of Common Questions* from
Phase I and Phase II Banding - TCM Sample
(Continued)**

Question Responses	Phase I	Phase II	Chi Square	p
<i>127. Do you understand the new certification criteria for promotions?</i>				
Understand completely	20.9	36.6 +	12.96	<0.0240
Understand major points	64.0	55.0		
Unclear some	10.5	7.6		
Unclear most	2.9	0.0 -		
Do not understand	1.2	0.8		
Did not know of criteria	0.6	0.0		
<i>128. Do you think that the new certification criteria are better or worse than the old criteria?</i>				
New much better than old	12.2	16.8	11.51	<0.0440
New better than old	44.8	55.7 +		
New and old the same	20.3	16.8		
Old better than new	10.5	5.3 -		
Old much better than new	1.7	2.3		
Do not know	10.5	3.1 -		
<i>134. Personally I feel that Banding will...</i>				
Help my career a great deal	6.5	13.0	8.04	ns
Moderately help my career	35.3	44.3		
Neither help nor hurt career	48.4	36.6		
Moderately hurt my career	7.8	4.6		
Hurt my career	2.0	1.5		

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APPENDIX B
QUESTIONNAIRES - Phase I and Phase II

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Page Denied

Next 9 Page(s) In Document Denied

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7 January 1985

MEMORANDUM FOR: TCO and TCM
OC Banding Survey Participants

FROM : Psychological Services Division

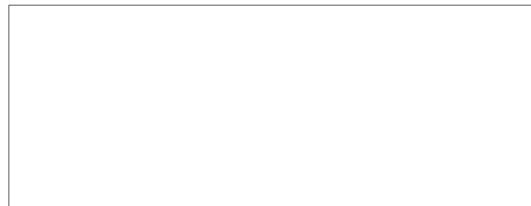
You are probably aware that a new pay schedule called Grade Banding has been arranged for all TCO and TCM employees. Because BANDING is such a new concept, it is necessary that the effects of BANDING be understood by all parties involved. This questionnaire was designed to obtain your opinions about the new pay schedule and your feelings about the possible effects it may have on your job and career.

Because this questionnaire contains what you may feel is very personal information, the procedure for insuring complete confidentiality has been given high priority. The questionnaire has been sent to you individually and should be returned directly to Psychological Services Division (PSD). At no time—either during the data analysis or in the future—will any individual responses be made available to OC or PMCD. Any briefings or reports prepared by PSD will consist of group data only. When the data analyses are finished, all completed questionnaires will be destroyed.

Please complete the attached questionnaire by circling the single response (unless otherwise directed) that seems most appropriate to you. If you have any additional thoughts or comments on BANDING, please include them.

The completed questionnaire should be returned in the enclosed envelope to PSD *within one week*. Mail to: PSD 706 C of C

Thank you for your help in completing this questionnaire and returning it promptly.



25X1

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C O N F I D E N T I A L

1. OC has used several methods to inform employees about the BANDING pay system. From which **source(s)** did you get your information? (PLEASE CIRCLE ALL THAT APPLY.)
 - a. video tape
 - b. memoranda
 - c. 37-page telepouch
 - d. on-site briefings
 - e. other (specify): _____
 - f. received no information (SKIP TO QUESTION 24)

2. Of all the **methods** used, which gave you the best understanding of BANDING? (CIRCLE ONLY ONE.)
 - g. video tape
 - h. memoranda
 - i. 37-page telepouch
 - j. on-site briefings
 - k. other (specify): _____
 - l. none of the above -- I still don't understand it

3. How well do you think you **understand** the new BANDING pay system?
 - a. I understand it completely
 - b. I understand the major points involved
 - c. I am unclear about some of the major points
 - d. I am unclear about most of the major points
 - e. I don't understand it at all

4. Do you understand how the **conversion** will be made from the current GS pay scale to the BANDING pay scale?
 - g. I understand it completely
 - h. I understand the major points involved
 - i. I am unclear about some of the major points
 - j. I am unclear about most of the major points
 - k. I don't understand it at all

C O N F I D E N T I A L

C O N F I D E N T I A L

5. Do you like the way you will be placed initially within a band?
- a. like very much
 - b. like
 - c. neither like nor dislike
 - d. dislike
 - e. dislike very much
 - f. don't know
6. Do you think you will be paid more fairly for your work under GS or BANDING?
- g. BANDING much fairer than GS
 - h. BANDING fairer than GS
 - i. BANDING and GS are about the same
 - j. GS fairer than BANDING
 - k. GS much fairer than BANDING
 - l. don't know

WHY?

7. Do you understand how your performance rating will affect your pay in the future under the BANDING system?
- a. I understand it completely
 - b. I understand the major points involved
 - c. I am unclear about some of the major points
 - d. I am unclear about most of the major points
 - e. I don't understand it at all
8. Do you think the BANDING system will have a positive or negative effect on your opportunities for pay increases?
- g. very positive
 - h. positive
 - i. neither positive nor negative
 - j. negative
 - k. very negative
 - l. don't know

C O N F I D E N T I A L

C O N F I D E N T I A L

9. BANDING is a performance-based pay scale. Do you think it is a good idea **to switch** from a pay scale based on years of service to a pay scale based on performance?
- a. very good idea
 - b. good idea
 - c. neither good nor bad idea
 - d. bad idea
 - e. very bad idea
 - f. don't know

WHY?

10. Under BANDING, there will be a **new career path** for specialized TCOs. Do you think the long-term effects of this new option on the TCO will be
- g. very positive
 - h. positive
 - i. neither positive nor negative
 - j. negative
 - k. very negative
 - l. don't know
11. Do you think having the option to enter either the **specialized** TCO career path or the TCM career path, will encourage experienced TCOs to **remain** with OC?
- a. encourage very much
 - b. encourage
 - c. neither encourage nor discourage
 - d. discourage
 - e. discourage very much
 - f. don't know

C O N F I D E N T I A L

- 12. Do you understand the **new** personnel evaluation criteria that will be used in the Performance Assessment Forms?
 - g. I understand them completely
 - h. I understand the major points involved
 - i. I am unclear about some of the major points
 - j. I am unclear about most of the major points
 - k. I don't understand them at all
 - l. I didn't know that there were new criteria

- 13. Do you think your supervisor will be able to **evaluate** you properly using the new personnel evaluation criteria?
 - a. definitely
 - b. probably
 - c. probably not
 - d. definitely not
 - e. don't know

- 14. How do you feel about your supervisor recommending to Headquarters the amount of **pay increase** you will receive in a given year?
 - g. like very much
 - h. like
 - i. neither like nor dislike
 - j. dislike
 - k. dislike very much
 - l. don't know

Why?

C O N F I D E N T I A L

15. Do you think the new performance assessment method will change the **amount of career counseling** you receive (choose one from each column):

from your immediate supervisor?

- a. very much increase
- b. increase
- c. no change
- d. decrease
- e. very much decrease
- f. don't know

from Headquarters sources?

- g. very much increase
- h. increase
- i. no change
- j. decrease
- k. very much decrease
- l. don't know

16. Do you think the new performance assessment method will change the **quality of the career counseling** you receive (choose one from each column):

from your immediate supervisor?

- a. very much increase
- b. increase
- c. no change
- d. decrease
- e. very much decrease
- f. don't know

from Headquarters sources?

- g. very much increase
- h. increase
- i. no change
- j. decrease
- k. very much decrease
- l. don't know

17. Do you think that the new performance assessment method will affect how you **plan your career**?

- a. help very much
- b. help somewhat
- c. neither help nor hinder
- d. hinder somewhat
- e. hinder very much
- f. don't know

C O N F I D E N T I A L

C O N F I D E N T I A L

18. Do you understand the proposed **bonus system**?
- g. I understand it completely
 - h. I understand the major points involved
 - i. I am unclear about some of the major points
 - j. I am unclear about most of the major points
 - k. I don't understand it at all
 - l. I didn't know there was a bonus system
19. Do you think the overall effect of the proposed bonus system on TCO **morale** and **efficiency** will be positive or negative (choose one from each column)?
- | <u>on morale</u> | <u>on efficiency</u> |
|------------------|----------------------|
| a. very positive | g. very positive |
| b. positive | h. positive |
| c. no effect | i. no effect |
| d. negative | j. negative |
| e. very negative | k. very negative |
| f. don't know | l. don't know |
20. Do you think the proposed bonus system will encourage or discourage TCOs to **remain with OC**?
- a. encourage very much
 - b. encourage
 - c. neither encourage nor discourage
 - d. discourage
 - e. discourage very much
 - f. don't know
21. Do you understand the new certification criteria for **promotions**?
- g. I understand them completely
 - h. I understand the major points involved
 - i. I am unclear about some of the major points
 - j. I am unclear about most of the major points
 - k. I don't understand them at all
 - l. I didn't know there were new certification criteria

C O N F I D E N T I A L

C O N F I D E N T I A L

22. Do you think that the new **certification criteria** are better or worse than the old certification criteria?
- a. new much better than old
 - b. new better than old
 - c. new and old criteria are about the same
 - d. new worse than old
 - e. new much worse than old
 - f. don't know
23. **Overall**, I think that **BANDING** will
- g. help my career in OC a great deal
 - h. moderately help my career in OC
 - i. neither help nor hurt my career in OC
 - j. moderately hurt my career in OC
 - k. hurt my career in OC a great deal
 - l. don't know

Why?

IF YOU HAVE BEEN EMPLOYED BY OC FOR 6 OR MORE YEARS, SKIP TO QUESTION 26.

24. When you first came on board with OC, the **role** of a communicator was described to you. Are the activities you are currently performing like those that were described?
- a. very much like those described
 - b. somewhat like those described
 - c. somewhat unlike those described
 - d. very much unlike those described
25. Are your current **job activities** better or worse than what you expected?
- g. much better than I expected
 - h. somewhat better than I expected
 - i. neither better nor worse than I expected
 - j. somewhat worse than I expected
 - k. much worse than I expected

C O N F I D E N T I A L

C O N F I D E N T I A L

IF YOU HAVE BEEN EMPLOYED BY OC FOR 5 YEARS OR LESS, SKIP TO QUESTION 28.

26. Are the **job activities** you are currently performing like those you expected to be performing at this point in your career?
- a. very much like those I expected
 - b. somewhat like those I expected
 - c. somewhat unlike those I expected
 - d. very much unlike those I expected
27. Are the **job activities** you are currently performing better or worse than those you expected to be performing at this point in your career?
- g. much better than I expected
 - h. somewhat better than I expected
 - i. neither better nor worse than I expected
 - j. somewhat worse than I expected
 - k. much worse than I expected
28. OC is currently undergoing major equipment changes. How do you feel about the proposed **new equipment** in the "TCU of the Future"?
- a. very positive
 - b. positive
 - c. neither positive nor negative
 - d. negative
 - e. very negative
29. How much effect will the new **equipment** have on your job/career?
- g. a great deal of effect
 - h. some effect
 - i. a little effect
 - j. no effect

C O N F I D E N T I A L

C O N F I D E N T I A L

30. What do you think the effect that the **equipment** has on your job/career will be?
- a. very positive
 - b. positive
 - c. neither positive nor negative
 - d. negative
 - e. very negative

WHY?

31. Along with the changes in equipment, there will be many changes in the way a **communicator performs his/her job**. How do you feel about the possible job differences in the "TCU of the Future"?
- g. very positive
 - h. positive
 - i. neither positive nor negative
 - j. negative
 - k. very negative
32. Considering your skills and the effort you put into your work, how satisfied are you with your **salary**?
- a. very satisfied
 - b. satisfied
 - c. neither satisfied nor dissatisfied
 - d. dissatisfied
 - e. very dissatisfied
33. How satisfied are you with the **assignment opportunities** you receive?
- g. very satisfied
 - h. satisfied
 - i. neither satisfied nor dissatisfied
 - j. dissatisfied
 - k. very dissatisfied

C O N F I D E N T I A L

34. How satisfied are you with the **physical office environment** in which you work?
- a. very satisfied
 - b. satisfied
 - c. neither satisfied nor dissatisfied
 - d. dissatisfied
 - e. very dissatisfied
35. How satisfied are you with the **country/area** where you are currently assigned?
- g. very satisfied
 - h. satisfied
 - i. neither satisfied nor dissatisfied
 - j. dissatisfied
 - k. very dissatisfied
36. **Overall**, how satisfied are you with your job?
- a. very satisfied
 - b. satisfied
 - c. neither satisfied nor dissatisfied
 - d. dissatisfied
 - e. very dissatisfied
37. Do you think that **BANDING** will increase or decrease your **job satisfaction**?
- g. very much increase satisfaction
 - h. increase satisfaction
 - i. neither increase nor decrease satisfaction
 - j. decrease satisfaction
 - k. very much decrease satisfaction
38. How clearly have your **job description** and **responsibilities** been defined for you?
- a. very clearly defined
 - b. clearly defined
 - c. unclearly defined
 - d. very unclearly defined

C O N F I D E N T I A L

C O N F I D E N T I A L

39. Do you feel that the PARs that you have received in the past few years reflect your **actual** job performance?
- g. all the time
 - h. most of the time
 - i. some of the time
 - j. rarely
 - k. never
 - l. have not yet received a PAR (SKIP TO BIOGRAPHICAL INFORMATION)
40. Do you think that in the past your supervisor has been able to **evaluate you properly** using the PAR?
- a. definitely
 - b. probably
 - c. probably not
 - d. definitely not
 - e. don't know
41. Do you understand the effects that these earlier **PARs** have had on your **career advancement**?
- g. I understand the effects completely
 - h. I understand the major effects
 - i. I am unclear about some of the major effects
 - j. I am unclear about most of the major effects
 - k. I don't understand the effects at all
42. Do you understand the effects that previous **CERs** (Comparative Evaluation Ratings) have had on your **career advancement**?
- a. I understand the effects completely
 - b. I understand the major effects
 - c. I am unclear about some of the major effects
 - d. I am unclear about most of the major effects
 - e. I don't understand the effects at all
 - f. I don't know what a CER is

C O N F I D E N T I A L

BIOGRAPHICAL INFORMATION

This biographical information is critical -- without it we can not analyze the data from the rest of the questionnaire. Please answer all questions completely. Your responses will be held in the strictest confidence by PSD. All information reported from this study will be group data with all identifying information deleted.

Sex: _____ Male _____ Female Year of Birth: _____

Current Grade: _____ Years with OC _____

Current Position _____

Current Station _____

Previous 2 Stations 1) _____

2) _____

Do you supervise others? yes _____ no _____

 If yes, how many? _____

We would like any comments you have on the contents of this questionnaire or on the questionnaire itself. Please use the rest of this page or attach additional sheets.